MALDIVIAN DEMOCRATIC PARTY
AUDITORS' REPORT AND FINANCIAL STATEMENTS
31ST DECEMBER 2025

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MILE & ASSOCIATES
chartered accountants

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF MALDIVIAN DEMOCRATIC PARTY

Opinion

We have audited the financial statements of Maldivian Democratic Party ("MDP") which comprise the statement of financial position as at December 31, 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effect on the matters described in the Basis for Qualified Opinion section of our report, the financial statements give a true and fair view of the financial position of the MDP as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with *International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs)*.

Basis for opinion

1. Administrative expenses amounting to MVR 3,174,406 have been recorded in the statement of profit or loss. We were unable to verify the accuracy and completeness of these expenses due to the unavailability of adequate supporting documentation. Consequently, we were unable to determine whether any adjustments might have been necessary in respect of these expenses.
2. The entity recognized additions to computers and accessories amounting to MVR 388,550 during the year. We were unable to obtain sufficient appropriate audit evidence to verify the occurrence, accuracy and valuation of these additions due to the absence of supporting documentation. Accordingly, we were unable to determine whether any adjustments might have been necessary in respect of these balances.

3. Other payables amounting to MVR 3,938,603 as at the reporting date could not be verified. We were unable to obtain sufficient appropriate audit evidence regarding the completeness and accuracy of this balance due to the unavailability of supporting documentation. Consequently, we were unable to determine whether any adjustments might have been necessary in respect of this balance.

We conducted our audit in accordance with International Auditing Standards (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of MDP in accordance with the relevant ethical requirements that are relevant to our audit of financial statements in Republic of Maldives, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Executive Council's responsibility for the financial statements

Executive Council is responsible for the preparation and fair presentation of the financial statements in accordance with *International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs)*, and for such internal control as Executive Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Executive Council is responsible for assessing the MDP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Executive Council either intends to liquidate the MDP or to cease operations, or has no realistic alternative but to do so.

The Executive Council is responsible for overseeing the MDP's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the MDP's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Executive Council.

- Conclude on the appropriateness of the Executive Council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the MDP's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the MDP to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Executive Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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Abdulla Leeman Zahir
Partner
Certified Auditor - ICAM-FL-17F

1st June 2026

MALDIVIAN DEMOCRATIC PARTY
STATEMENT OF FINANCIAL POSITION
As at 31st December 2025

	Notes	2025 MVR	2024 MVR
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipments	4	661,899	461,083
		661,899	461,083
CURRENT ASSETS			
Other Receivables	5	182,601	321,001
Cash and Cash Equivalents	6	956,559.00	1,883,989.00
		1,139,160	2,204,990
TOTAL ASSETS		**1,801,059**	**2,666,073**
ACCUMULATED FUNDS LIABILITIES			
Accumulated Surplus		(2,137,544)	(3,319,310)
TOTAL ACCUMULATED FUNDS LIABILITIES		(2,137,544)	(3,319,310)
CURRENT LIABILITIES			
Other payables	7	3,938,603.00	5,985,383.00
TOTAL CURRENT LIABILITIES		3,938,603	5,985,383
TOTAL LIABILITIES AND FUNDS		**1,801,059**	**2,666,073**

The Executive committee is responsible for the preparation and presentation of these financial statements

: Executive Council by,

.....
Mr. Ibrahim Waheed
Deputy Chairperson (Admin)

.....
Mr. Ahmed Abdullah
Deputy Chairperson (Admin)

The financial statements are to be read in conjunction with the raccounting policies and notes on pages 7 through 11, which form an integral part of the financial statements of the company.

30th May 2025

MDP

MILE & ASSOCIATES
P-0007/2011

MALDIVIAN DEMOCRATIC PARTY
STATEMENT OF INCOME & EXPENDITURE
For the year ended 31st December 2025

	Notes	2025 MVR	2024 MVR
Incomes			
Income	3.1	9,556,328.00	17,699,130
Other Income	3.2	-	-
		9,556,328.00	**17,699,130**
Less: Expenditures			
Advertising Expenses		240,000	23,233
Bank charges		4,394	5,546
Campaign Expenses		813,229	5,587,153
Candidate deposit payment		28,488	58,500
Depreciation expenses		187,734	143,029
Miscellaneous expense		6,658	41,112
Printing and stationery		-	19,359
Other Expenses		869,465	812,894
Pension		70,420	148,175
Audit fee		20,000	84,788
IT Consultancy Fees		141,000	-
Provision for impairment on receivables		-	120,000
Rent		1,522,533	1,988,000
Repair and maintanance		80,224	386,440
Staff Salary and Allowances		3,103,312	4,289,474
Telephone, fax and internet		277,977	1,149,102
Meetings and conferences		259,174	101,693
Travelling Expenses		407,982	6,651,329
Electricity		164,750	352,475
Water Charges		33,117	16,239
Write off expense		140,000	785,000
Exchange gain or Loss		4,105	-
Fines		-	36,443
Dhaairaa Expenses		-	-
Work Permit fee		-	-
Legal fee		-	-
		8,374,562	**22,799,984**
Income Tax		-	-
Surplus/(Deficit) for the year		**1,181,766**	**(5,100,854)**

The financial statements are to be read in conjunction with the raccounting policies and notes on pages 7 through 11, which form an integral part of the financial statements of the company.

30th May 2025

MALDIVIAN DEMOCRATIC PARTY
STATEMENT OF ACCUMULATED SURPLUS
For the year ended 31st December 2025

	Total MVR
Surplas/ (Deficit) as at 01 January 2022	**10,015,527**
Deficit for the year	(4,883,867)
Surplas/ (Deficit) as at 31 December 2022	**5,131,660**
Deficit for the year	(3,350,116)
Surplas/ (Deficit) as at 31 December 2023	**1,781,544**
Surplas/ (Deficit) for the year	(5,100,854)
Surplas/ (Deficit) as at 31 December 2024	**(3,319,310)**
Surplas/ (Deficit) for the year	1,181,766
Surplas/ (Deficit) as at 31 December 2025	**(2,137,544)**

The financial statements are to be read in conjunction with the raccounting policies and notes on pages 7 through 11, which form an integral part of the financial statements of the company.

30th May 2025

MALDIVIAN DEMOCRATIC PARTY
STATEMENT OF CASHFLOW
For the year ended 31st December 2025

	Note	2025 MVR	2024 MVR
Cashflow from Operating Activities			
Net Profit/(Loss) for the year		1,181,766	(5,100,854)
(Increase)/Decrease in Receivables		138,400	889,999
Increase/(Decrease) in Payables		(2,046,780)	5,687,105
Taxation		-	-
Depreciation		187,734	143,029
Net Cash Inflow/(Outflow) from Operating Activities		(538,880)	1,619,279
Cashflow from Investing Activities			
Acquisition of Fixed Assets		(388,550)	(179,932)
Net Cash Inflow/(Outflow) from Investing Activities		(388,550)	(179,932)
Cashflow from Financing Activities			
Long Term Loans		-	-
Net Cash Inflow/(Outflow) from Financing Activities		-	-
Net Increase/(Decrease) in Cash & Cash Equivalent		(927,430)	1,439,347
Cash & Cash Equivalent at the beginning of the year		1,883,989	444,642
Cash & Cash Equivalent at the end of the year		**956,559**	**1,883,989**

The financial statements are to be read in conjunction with the raccounting policies and notes on pages 7 through 11, which form an integral part of the financial statements of the company.

30th May 2025



MALDIVIAN DEMOCRATIC PARTY
NOTES TO FINANCIAL STATEMENTS
For the year ended 31st December 2025

1 PARTY INFORMATION

1.1 GENERAL

The Maldivian Democratic Party ("Party") is a registered political party in the republic of Maldives under the rules and regulation issued by the Election Commission. The political party receives funds mainly from the Elections Commision and through Donation.

1.2 DATE OF AUTHORIZATION FOR ISSUE

The financial statement of Maldivian Democratic Party for the eyar ended 31 December 2025 were authorized for issue dated 30 May 2026.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) for small and Medium-sized Entities ("IFRS for SMEs') issued by the International Accounting Standards Board (IASB).

2.2 BASIS OF PREPARATION

The financial statements are prepared under the historical cost basis in accordance with IFRS for SMEs. The financial statements are presented in Maldivian Rufiyaa (MVR), rounded to the nearest MVR. No adjustment is made for inflationary factors affecting theses financial statements.

The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of IFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed under notes to the financial statements where appropriate.

The accounting policies set out below have been consistently applied by the Company and are consistent with those used in the previous year. Previous year figures and phrases have been rearranged and reclassified whenever necessary to conform to the current presentation.

These financial statements are prepared on the assumption athat the part is going concerns.

2.3 FOREIGN CURRENCY TRANSACTIONS

All foreign currency transactions are converted to Maldivian Rufiyya, which is the reporting currency at the rates of exchange prevailing at the time of the transactions were affected. Monetary assets and liabilities denominated in foreign currencies are retranslated to Maldivian Rufiyaa at the rate of exchange rulling at the reporting date. Non-Monetary assets and liabilities are translated using exchnage rates which existed when values were determined. the resulting gain and losses are accounted for in the statement of income and expenditures.

2.4 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially recorded at cost. stated at cost less accumulated depreciation (see below). The cost of self-constructed assets includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriation of overheads. The cost of acquisition includes purchase cost together with any incidental expenses incurred in bringing the assets to its working condition for the intended use. All property, plant and equipment are stated at historical cost less depreciation and/or accumulated impairment losses, if any.

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately, is capitalized. Other subsequent expenditure is capitalized only if it is probable that the future economic benefits embodied with the item will flow to the Company and the cost of the item can be measured reliably. All other costs are recognized in the statement of comprehensive income as an expense as incurred.

Depreciation is provided on all property, plant and equipment on straight-line basis, at rates calculated to write off the cost of each assets evenly over its expected useful life.

Depreciation is charged to the statement of income and expenditure when assets are available for use over their estimated useful lives.

Computers and accessories	20%
Furniture and Fittings	20%
Machineries and Equipment	20%

2.5 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash in hand, demand deposites and short term highly liquid investments readily convertible to known amounts of cash and subject to significant risk changes in vlaue.

For the purpose of cash flow ststement, Cash and cash equivalents consist of cash in hand and deposits in banks net of outstanding bank overdrafts.

2.6 SURPLUS FUND

Surplus funds are those that are available fo use by the party at the discretion of the members, in furtherance of the general onjectives of the party and which are not designated for any specific purpose.

2.7 LIABILITIES

Liabilites are classified as current liabilities in the statement of financial position are those, which fall due for payment on demand or within one year from the reporting date.
All known liabilities have been accounted for in preparing the financial statements

2.8 INCOME RECOGNITION

Income of the party includes contribution from its members and contribution from Elections Commission. Income is recognised at the point of cash received from the members of the party and the Elections Commission.
All the funds received (including donations and fund received from Elections Commission) in respect of a particular financial year treated as income in that financial accounting year.

2.9 EXPENDITURE RECOGNITION

Expenses are recognised in the Statement of Income and Expenditure on the basis of direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in maintaining the property, plant and equipment in state of efficiency has been charged to Statement of Income and Expenditure in arriving of the surplus of the year.

The part has adopted the "Nature of Expenses" method to present fairly the elements of the party's activities in its statements of Income and Expenditure.

MILE & ASSOCIATES
P-0007/2011

MALDIVIAN DEMOCRATIC PARTY
NOTES TO FINANCIAL STATEMENTS (CONT….)
For the year ended 31st December 2025

		2025 MVR	2024 MVR
3	**INCOME**		
3.1	Donations received from Individuals	1,044,452	2,273,550
	Donations received from Companies	57,095	300,000
	Funds received from Elections Commission	8,454,781	15,101,580
	Donation: Non Monetary	-	24,000
		9,556,328	17,699,130
3.2	**Other Income**		
	Other Income		
		-	-

4 Property, Plant and Equipment

4.1 Gross Carrying Amount	**Balance as at 01.01.2025**	**Additions**	**Disposal during the year**	**Balance as at 31.12.2025**
At cost	**MVR**	**MVR**	**MVR**	**MVR**
Computers and accessories	1,666,890	388,550	-	2,055,440
Furniture and Fittings	432,206	-	-	432,206
Machineries and Equipment	167,575	-	-	167,575
	2,266,671	**388,550.00**	**-**	**2,655,221.00**

4.2 Depreciation	**Balance as at 01.01.2025**	**Charge for the year**	**Disposal during the year**	**Balance as at 31.12.2025**
At cost	**MVR**	**MVR**	**MVR**	**MVR**
Computers and accessories	1,492,560	93485		1,586,045
Furniture and Fittings	183,809	73018		256,827
Machineries and Equipment	129,219	21231		150,450
	1,805,588	**187,734.00**	**-**	**1,993,322.00**

4.3 Net Book Value

	2024 MVR	2025 MVR
Computers and accessories	174,330	469,395
Furniture and Fittings	248,397	175,379
Machineries and Equipment	38,356	17,125
	461,083.00	**661,899.00**

	2025 MVR	2024 MVR
5 OTHER RECEIVABLES		
Deposit and Advance	181,001.00	441,001.00
Provision for impairment on receivables	-	(120,000)
GST Receivables	1,600.00	-
	182,601.00	**321,001**
6 CASH AND CASH EQUIVALENTS		
Cash in Hand	868,050.00	82,679
Cash in Bank	88,509.00	1,801,310
	956,559.00	**1,883,989**
7 OTHER PAYABLES		
Accrued Expenses	410,981.00	357,761
Other Payable	3,527,622.00	5,627,622
Tax Payable	-	-
	3,938,603	**5,985,383**

8 EVENTS OCCURING AFTER THE BALANCE SHEET DATE

There have been no material events occuring after the reporting date that require adjustments to or disclosure in the financial statements.

9 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

The party has no significant capital commitments or contingent liablities as at 31 December 2025.