PEOPLE'S NATIONAL FRONT

FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2025

PEOPLE'S NATIONAL FRONT

Financial Statements

For the year ended 31 December 2025

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Independent Auditor's Report
To the Members of People's National Front

Opinion

We have audited the financial statements of People's National Front (the "Party"), which comprise the statement of financial position as at 31 December 2025, and the statement of income and expenditure, statement of changes in accumulated fund, 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, the accompanying financial statements present fairly, in all material respects, the financial position of the Party as at 31 December 2025, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (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 the Party in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of the management and those charged with governance for financial statements

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standard, and for such internal control as Management 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, Management is responsible for assessing the Proprietor'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 the Management either intends to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives is 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.

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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 my 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 Party's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- 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.
- Conclude on the appropriateness of the Management'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 Proprietor's ability to continue as a going concern. If we conclude that a 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 Management to cease to continue as a going concern.

We communicate with the Management 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

Mohamed Hamdhan Fahumy
Audit License No: ICAM-SP-CP4

March 22, 2026

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PEOPLE'S NATIONAL FRONT

Statement of Income and Expenditure

For the year ended 31 December 2025

	Notes	2025 MVR	2024 MVR
Income	5	357,747	-
Total Income		**357,747**	**-**
Administrative expenses	6	(2,154,671)	(2,222,531)
Campaign and event expenses	7	(48,740)	-
Total Expenditure		(2,203,410)	(2,222,531)
Deficit for the year		**(1,845,664)**	**(2,222,531)**

Figures in brackets indicate deductions

The financial statements are to be read in conjunction with the related notes which form integral part of the financial statements of the company set out on pages 8 to 12. The report of the independent auditors is given on pages 2 to 3.

PEOPLE'S NATIONAL FRONT

Statement of Financial Position

As at 31 December 2025

	Notes	2025 MVR	2024 MVR
ASSETS			
Non-current Assets			
Property, plant and equipment		-	-
Total non-current assets		-	-
Current Assets			
Cash and cash equivalents	8	139,336	-
Total current assets		139,336	-
Total assets		139,336	-
LIABILITIES			
Current Liabilities			
Loan from members (related party)	9	4,197,531	2,222,531
Accrued expenses		10,000	-
Total current liabilities		4,207,531	2,222,531
Total liabilities		4,207,531	2,222,531
Net Assets		**(4,068,195)**	**(2,222,531)**
ACCUMULATED FUND			
Accumulated Fund		(4,068,195)	(2,222,531)
Total Accumulated Fund		**(4,068,195)**	**(2,222,531)**

These financial statements were approved by the congress and signed on behalf by:

Name	Designation	Signature
Ali Shiaan Nashid	Assistant Registrar	
Ahmed Musthafa Mohamed	Treasure	

22 March 2026

The financial statements are to be read in conjunction with the related notes which form integral part of the financial statements of the company set out on pages 8 to 12. The report of the independent auditors is given on pages 2 to 3.

PEOPLE'S NATIONAL FRONT

Statement of Changes in Accumulated Fund

For the year ended 31 December 2025

	Accumulated Funds	Total Funds
Balance at 25 April 2024	-	-
Deficit for the year	(2,222,531)	(2,222,531)
Balance at 31 December 2024	**(2,222,531)**	**(2,222,531)**
Balance at 01 January 2025	(2,222,531)	(2,222,531)
Deficit for the year	(1,845,664)	(1,845,664)
Balance at 31 December 2025	**(4,068,195)**	**(4,068,195)**

The financial statements are to be read in conjunction with the related notes which form integral part of the financial statements of the company set out on pages 8 to 12. The report of the independent auditors is given on pages 2 to 3.

PEOPLE'S NATIONAL FRONT

Statement of Cashflows

For the year ended 31 December 2025

	2025 MVR	2024 MVR
Cash flows from operating activities		
Deficit for the year	(1,845,664)	(2,222,531)
Adjustments for working capital changes:		
Increase in loan from Members	1,975,000	2,222,531
Increase in accrued expenses	10,000	
Net cash inflow/(outflow) from operating activities	139,336	-
Cash flows from investing activities		
Purchase and investment in property, plant and equipment	-	-
Net cash (outflow) from investing activities	-	-
Cash flows from financing activities		
Loans obtained during the year	-	-
Net cash (outflow) from financing activities	-	-
Net increase in cash and cash equivalents	139,336	-
Cash and cash equivalents at the beginning of the financial year	-	-
Cash and cash equivalents at end of year	139,336	-

The financial statements are to be read in conjunction with the related notes which form integral part of the financial statements of the company set out on pages 8 to 12. The report of the independent auditors is given on pages 2 to 3.

1 Reporting Entity

People's National Front (the "Party") is a registered political party incorporated in the Republic of Maldives under the Political Parties Act (Law No. 4/2013).

The Party was incorporated on 25 April 2024.

The principal activities of the Party include organising and participating in political activities and elections, and undertaking activities to promote its political objectives.

2 Basis of Preparation

2.1 Statement of Compliance

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

2.2 Basis of Measurement

The financial statements have been prepared on the historical cost basis, except where otherwise stated in the accounting policies.

The financial statements are presented in Maldivian Rufiyaa (MVR), which is the functional currency of the Party.

2.3 Comparative Information

The financial statements include comparative information in respect of the preceding period for all amounts reported in the current year's financial statements.

Where necessary, comparative information has been reclassified to conform with the presentation adopted in the current year. Such reclassifications do not affect the previously reported deficit or accumulated fund.

2.4 Use of Estimates and Judgements

The preparation of financial statements in conformity with IFRS for SMEs requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

3 Significant Accounting Policies

The following accounting policies have been applied consistently in the preparation of these financial statements.

3.1 Going Concern

The Party incurred a deficit of MVR 1,845,664 (2024: MVR 2,222,531) for the year and, as at the reporting date, its liabilities exceed its assets.

Subsequent to the reporting date, the Party has entered into a legally binding financial support agreement with the member(s) of the Party. Under this agreement, the member(s) have irrevocably and unconditionally committed to provide sufficient financial support to enable the Party to meet its obligations as they fall due for a period of at least twelve months from the date of approval of these financial statements.

Based on this arrangement, management is satisfied that the Party will have adequate financial resources to continue its operations and meet its liabilities as they fall due.

Accordingly, the financial statements have been prepared on a going concern basis.

3.2 Financial Instruments

Financial instruments are recognised when the Party becomes a party to the contractual provisions of the instrument.

Loans and payables are initially recognised at the amount received and subsequently measured at amortised cost using the effective interest method.

3.3 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand and balances with banks.

3.4 Accounts Payable

Accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of operations.

Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

3.5 Revenue recognition

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Party and the amount of revenue can be measured reliably.
Revenue is measured at the fair value of the consideration received or receivable.
The Party's revenue comprises candidate participation fees and member contributions, which are recognised as follows:

a) Candidate Participation Fees
Candidate participation fees represent amounts charged to members participating in elections conducted by the Party.

3.5 Revenue recognition (continued)

These fees are recognised as income:
- When the candidate is officially registered and approved to participate in the election, and
- When the fee is received or becomes receivable, whichever occurs first.

These fees are non-refundable and relate to a specific event; therefore, revenue is recognised at the point in time when the related service is rendered.

b) Member Contributions
Member contributions represent voluntary financial support provided by members of the Party. These contributions are recognised as income:
- When received, as they do not give rise to any ongoing performance obligation.

Where contributions are pledged but not yet received, revenue is recognised only when:
- Collection is probable, and
- The amount can be measured reliably.

c) Cut-off
Revenue is recognised in the accounting period to which it relates.

Amounts received in advance relating to future periods, if any, are recognised as deferred income and included under liabilities until the related period.

3.6 Expenditure Recognition

Expenses are recognised on an accrual basis when incurred.

3.7 Leases

Leases are classified as either finance leases or operating leases in accordance with Section 20 of the IFRS for SMEs Standard.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless another systematic basis is more representative of the pattern of benefit.

Finance leases, if any, are recognised as property, plant and equipment with a corresponding liability.

		2025 MVR	2024 MVR
5	**Income**		
	Candidate Participation Fees	53,500	-
	Sale of promotional material	14,000	-
	Member Contributions / Donations	290,247	-
		357,747	**-**
6	**Administrative expenses**		
	Rent	1,800,000	1,800,000
	Salaries	240,000	240,000
	General administrative expenses	41,234	18,500
	Transport	-	12,400
	Utilities	36,950	92,563
	Telephone and internet	15,021	13,068
	Cleaning	3,342	36,000
	Professional fees	10,000	10,000
	Repair and maintenance	3,212	-
	Meals and entertainment	4,912	-
		2,154,671	**2,222,531**
7	**Campaign and event expenses**		
	Riseup campaign event	45,238	-
	Other event expenses	3,502	-
		48,740	**-**
8	**Cash and cash equivalent**		
	Cash at Hand	9,426	-
	Cash at Bank	129,910	-
		139,336	**-**

9 Loan from Member (related party)

The balance represents amounts advanced by a member of the Party, Mr. Abdulla Yameen Abdul Gayoom, to finance operational and administrative expenditures.

These advances are provided to support the Party's activities and do not represent formal long-term financing arrangements.

The loan has the following terms:
Interest rate: Interest-free
Security: Unsecured
Repayment terms: Payable on demand
Maturity: Short-term in nature

	2025 MVR	2024 MVR
Movement During the Year		
As at 01 January	2,222,531	-
Advances during the year	1,975,000	2,222,531
As at 31 December	**4,197,531**	**2,222,531**

Related Party Disclosure

Mr. Abdulla Yameen Abdul Gayoom, a member of the party is considered a related party.

The above advances were made during the ordinary course of supporting the Party's operations. No guarantees have been given or received in respect of these balances.

10 Commitments and contingent liabilities

The party had no significant capital commitments or contingent liability as at 31 December 2025

11 Events after the End of the Reporting Period

There have been no events that occurred subsequent to the end of the reporting period that would require adjustment to or disclosure in the financial statements.