PEOPLE'S NATIONAL FRONT

FINANCIAL STATEMENTS
PERIOD ENDED 31 DECEMBER 2024

PEOPLE'S NATIONAL FRONT

Financial Statements

For the period ended 31 December 2024

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

Qualified Opinion

We have audited the accompanying financial statements of People's National Front (the "Party"), which comprise the Statement of Income and Expenditure, the Statement of Financial Position as at 31 December 2024, the Statement of Changes in Accumulated Fund, the Statement of Cash Flows for the period from 25 April 2024 to 31 December 2024, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, 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 period then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs).

Basis of qualified opinion

The Party has not maintained a bank account during the period, and all transactions were carried out in cash. As a result, we were unable to obtain sufficient appropriate audit evidence regarding the accuracy and completeness of the expenses recorded in the financial statements. Consequently, we were unable to determine whether any adjustments might have been necessary to expenses, the accumulated deficit, and related disclosures in the financial statements.

We conducted our audit in accordance with the 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.

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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.

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

August 17, 2025

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PEOPLE'S NATIONAL FRONT

Statement of Income and Expenditure

For the period ended 31 December 2024

	Notes	25/04/2025 to 31/12/2025 MVR
Income	5	-
Total Income		**-**
Administrative expenses	6	(2,222,531)
Promotional expenses		-
Total Expenditure		(2,222,531)
Deficit for the year		(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 10. 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 2024

	Notes	31/12/2024
ASSETS		
Non-current Assets		
Property, plant and equipment		-
Total non-current assets		-
Current Assets		
Cash and cash equivalents		-
Toal current assets		-
Total assets		-
LIABILITIES		
Current Liabilities		
Loan from President (related party)	7	2,222,531
Total current liabilities		2,222,531
Total liabilities		2,222,531
Net Assets		**(2,222,531)**
ACCUMULATED FUND		
Accumulated Fund		(2,222,531)
Total Accumulated Fund		**(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	

17 August 2025

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 10. The report of the independent auditors is given on pages 2 to 3.

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Statement of Changes in Accumulated Fund

For the year period 31 December 2024

	Accumulated Funds	Total Funds
Balance at 25 April 2024	-	-
Deficit for the period	(2,222,531)	(2,222,531)
Balance at 31 December 2024	**(2,222,531)**	**(2,222,531)**

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 10. The report of the independent auditors is given on pages 2 to 3.

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Statement of Cashflows

For the period ended 31 December 2024

	25/04/2024 to 31/12/2024
Cash flows from operating activities	
Deficit for the period	(2,222,531)
Change in operating assets and liabilities:	
Increase / (decrease) in amount due to related parties	2,222,531
Cash generated from operations	-
Net cash inflow/(outflow) from operating activities	-
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	-
Cash and cash equivalents at the beginning of the financial year	-
Cash and cash equivalents at end of year	-

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 10. 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 Maldives under the Political Party's Act (Low No.4/2013). The party was incorporated on 25 April 2024.

The financial statements for the period ended 31 December 2025 are the Party's first financial statements since incorporation.

2 Basis of Preparation

- Prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) issued by the IASB.
- Presented in Maldivian Rufiyaa (MVR).
- Historical cost basis.

3 Reporting Period

These financial statements cover the period from 25 April 2025 (date of registration) to 31 December 2025. This represents the Party's first financial reporting period, and therefore no comparative figures are presented.

4 Significant Accounting Policies

- **Income Recognition**: No income was earned during the reporting period. Future membership fees, donations, and grants will be recognized when received or receivable, provided collection is
- **Expenditure Recognition:** Expenses are recognized on an accrual basis when incurred.
- Financial Instruments: Loans and payables are measured at the amount received (amortized cost).

- **Going Concern:** The Party incurred a deficit of MVR 2,222,531/- for the period and is dependent on the financial support of its President. The President has confirmed his intention to provide continuing financial support for at least 12 months from the reporting date. Accordingly, these financial statements have been prepared on a going concern basis.

4.1 Leases

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

Finance leases are those that transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Assets held under finance leases are recognized as property, plant and equipment at the lower of the fair value of the leased asset and the present value of the minimum lease payments, with a corresponding liability recognized. Depreciation is charged over the shorter of the lease term and the asset's useful life.

Operating leases are leases in which substantially all the risks and rewards of ownership remain with the lessor. Lease payments under operating leases are recognized as an expense on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit.

4.2 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

4.3 Accounts Payable

Accounts payables are obligations to pay for goods or services that have been acquired in the ordinary course of the party from suppliers. 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.

4.4 Revenue recognition

Revenue from subscriptions and donations is recognized in accordance with IFRS for SMEs Section 23 – Revenue. Subscriptions are recognized as income in the period to which they relate, and donations are recognized when received.

5 Income

No income was earned during the reporting period. Future membership fees, donations, and grants will be recognized when received or receivable, provided collection is probable.

6 Administrative expenses

Rent	1,800,000
Salaries	240,000
Administrative expenses	18,500
Transport	12,400
Utilities	92,563
Telephone and internet	13,068
Cleaning	36,000
Professional fees	10,000
	2,222,531

7 Loan from President (related party)

Cash advances from the president	2,222,531
	2,222,531

The Party is financed by a short term loan from the President Mr. Abdulla Yameen Abdul Gayoom. The loan is interest-free, unsecured, and payable on demand.

8 Commitments and contingent liabilities

The party had no significant capital commitments or contingent liability as at 31 December 2024

9 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.