SWIMMING ASSOCIATION OF MALDIVES

AUDITED FINANCIAL STATEMENTS

31 December 2025

Independent Auditor's Report

To the members of Swimming Association of Maldives

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Swimming Association of Maldives ("the Association"), which comprise the statement of financial position as at 31 December 2025, and the statement of income and expenditure, statement of changes in fund position and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements of the Association give a true and fair view of the financial position of the Association as at 31st December 2025, and of their 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 of 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 Association 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 IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the management and those charged with governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS for SMEs, 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 Association'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 management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's 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 auditor's 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 scepticism 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 Association's internal control.

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

- Conclude on the appropriateness of 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 association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Association 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 those charged with governance 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.

The engagement partner on the audit resulting in this independent auditors' report is Mumthaz Abdul Rasheed.

Mumthaz Abdul Rasheed
Licensed Auditor, ICAM-SP-SKR
MARS AA
18th May 2026
Male', Maldives

SWIMMING ASSOCIATION OF MALDIVES

STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

(All amounts are in MVR unless otherwise stated)

	Notes	2025 (in MVR)	2024 (in MVR)
ASSETS			
Non-current Assets			
Property, plant and equipment	*10*	33,890,633	631,512
Work-In-Progress	*11*	53,293,332	15,383,201
		87,183,965	**16,014,713**
Current Assets			
Receivables	*12*	-	9,600
Cash and cash equivalents	*13*	4,127,463	128,880
		4,127,463	**138,480**
TOTAL ASSETS		**91,311,428**	**16,153,192**
FUND AND LIABILITIES			
Fund Position			
Accumulated funds		815,560	115,921
		815,560	**115,921**
Liabilities			
Non-Current Liabilities			
Deferred Donation	*14*	72,075,654	15,383,201
		72,075,654	15,383,201
Current Liabilities			
Payables	*15*	18,390,214	624,070
Amount due to related party	*16*	30,000	30,000
		18,420,214	**654,070**
TOTAL FUND AND LIABILITIES		**91,311,428**	**16,153,192**

The accounting policies and notes are an integral part of these financial statements

Mohamed Abdul Sattar
President

Ali Shameem
Treasurer

Sunday, 17 May 2026

SWIMMING ASSOCIATION OF MALDIVES

STATEMENT OF INCOME AND EXPENDITURE

For the year ended 31 December 2025

(All amounts are in MVR unless otherwise stated)

	Notes	2025 (in MVR)	2024 (in MVR)
Fee Income	*3*	2,074,519	2,015,760
Other Income	*4*	4,398,596	4,114,007
Total Income		**6,473,115**	**6,129,767**
Payroll Expenses	*5*	(1,337,404)	(1,626,852)
Administrative Expenses	*6*	(349,151)	(348,068)
Competition Expenses	*7*	(3,354,262)	(3,512,111)
Development Program	*8*	(356,066)	(876,900)
Repair and Maintenance	*9*	(374,965)	(318,489)
Total Payments		**701,267**	**(552,653)**
Surplus / (Deficit) for the period		**701,267**	**(552,653)**

The accounting policies and notes are an integral part of these financial statements

STATEMENT OF CHANGES IN FUND POSITION

For the year ended 31 December 2025

(All amounts are in MVR unless otherwise stated)

	Accumulated Funds	Total
2024		
Opening accumulated fund	711,925	711,925
Surplus / (Deficit) for the period	(552,653)	(552,653)
Adjustment to Fund	(43,351)	(43,351)
Closing accumulated fund	**115,921**	**115,921**
2025		
Opening accumulated fund	115,921	115,921
Surplus / (Deficit) for the period	701,267	701,267
Adjustment to Fund	(1,628)	(1,628)
Closing accumulated fund	**815,560**	**815,560**

The accounting policies and notes are an integral part of these financial statements

STATEMENT OF CASH FLOW

For the year ended 31 December 2025

(All amounts are in MVR unless otherwise stated)

	2025 (in MVR)	2024 (in MVR)
Surplus / (Deficit) for the year	701,267	(552,653)
Adjustments for non-cash income and expenses		
Depreciation	117,065	115,998
Changes in working capital		
Decrease / (Increase) in Receivables	9,600	(9,600)
Increase / (Decrease) in Payable	17,766,142	253,789
Cash generated from operations	**18,594,074**	**(192,466)**
Net cash from operating activities	**18,594,074**	**(192,466)**
Investing activities		
Purchase of Property and Equipment	(33,376,186)	(48,003)
Construction of Aquatic Centre	(37,910,131)	(4,522,100)
Net cash used in investing activities	**(71,286,317)**	(4,570,103)
Financing activities		
Deferred income received	56,692,453	4,522,100
Net cash from financing activities	**56,690,825**	**4,478,749**
Net (decrease)/increase in cash and cash equivalents	**3,998,583**	**(283,819)**
Cash and cash equivalents at beginning of year	128,880	412,699
Cash and cash equivalents at end of year	**4,127,463**	**128,880**

The accounting policies and notes are an integral part of these financial statements

Significant Accounting Policies and Notes to the Financial Statements

For the year ended 31 December 2025

(All amounts are in MVR unless otherwise stated)

1 General information

These financial statements for the year as of 31 December 2025 relate to Swimming Association of Maldives registered on 16th August 2017 under Registration No: 141NSA/CERT/2017/7, as a sports association in the Republic of Maldives.

These financial statements of the entity for the year ended 31 December 2025 were authorized for issue on 18 May 2026.

1.2 Statement of compliance

These 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 IASB (Section 3.3).

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all of the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements of the Association 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.

The financial statements are prepared under the historical cost convention, unless otherwise stated, and are presented in Maldivian Rufiyaa (MVR), which is the functional currency of the Association.

2.2 Going Concern

The financial statements have been prepared on a going concern basis. In making this assessment, management has considered the Association's financial position, future cash flows, and the continued support from donors and stakeholders.

Management is satisfied that the Association has adequate resources to continue in operational existence for the foreseeable future.

2.3 Fund Accounting

The Association, being a not-for-profit entity without share capital, applies fund accounting principles.

- The Accumulated Fund represents the residual interest in the assets of the Association after deductir liabilities.
- Unrestricted funds are available for general operational purposes.
- Restricted funds represent income received subject to specific donor-imposed conditions and are n available for general use.

Income and expenditure are allocated to the respective funds based on the nature and conditions of the underlying transactions.

2.4 Income recognition

Income is recognized when it is probable that economic benefits will flow to the Association and the amount can be measured reliably.

2.4.1 Donations and grants

- Unrestricted donations and grants are recognized as income when received or receivable.
- Restricted donations and grants are recognized as income when the conditions attached to the funding have been fulfilled.
- Amounts received in advance subject to conditions are recognized as deferred income.

2.4.2 Donations for capital purposes

Donations and grants received for the acquisition or construction of property, plant and equipment are initially recognized as deferred income and are transferred to income on a systematic basis over the useful life of the related asset.

2.4.3 Membership income

Membership subscription income is recognized on a time-apportioned basis over the membership period.

2.4.4 Sponsorship and event income

Sponsorship and event-related income are recognized in the period in which the related activities or events take place.

2.5 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure directly attributable to the acquisition of the asset and bringing it to its intended use.

2.5.1 *Depreciation*

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives are as follows:

Buildings	4%
Plant and Equipment	10%
Office Equipment	20%
Furniture and fitting	10%
Other Assets	10%
Computer software	33.33%

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted prospectively, if appropriate. The charge for the depreciation commences from the date on which the assets are available for use. Full year depreciation is provided in the year of purchase, while no depreciation is provided in the year of disposal.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in other operating income or other operating expenses, in the income statement.

2.6 Work-in-progress

Assets under construction are classified as work-in-progress and are measured at cost.

Cost includes construction costs and other directly attributable expenditures. Such assets are not depreciated until they are completed and available for use, at which point they are transferred to property, plant and equipment.

2.7 Impairment of non-financial assets

At each reporting date, the Association assesses whether there is any indication that an asset may be impaired.

Where such indication exists, the recoverable amount is estimated and an impairment loss is recognized if the carrying amount exceeds the recoverable amount.

2.8 Financial instruments

The Association only holds basic financial instruments.

Financial assets and liabilities are recognized when the Association becomes a party to the contractual provisions of the instrument.

- Receivables and payables are measured at amortized cost
- Impairment losses are recognized where there is objective evidence that amounts may not be full recoverable

2.9 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances, and short-term highly liquid investments with original maturities of three months or less.

2.10 Deferred income

Deferred income represents funds received in advance for which the Association has not yet satisfied the related conditions.

Deferred income primarily comprises unutilized donor funds and grants and is recognized in income when:

- The related expenditure is incurred; or
- The conditions attached to the funding are fulfilled

2.11 Provisions

Provisions are recognized when the Association has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required, and the amount can be reliably estimated.

2.12 Employee benefits

Short-term employee benefits are recognized as an expense in the period in which the employees render the related services.

Significant Accounting Policies and Notes to the Financial Statements (Contd…)

For the year ended 31 December 2025

(All amounts are in MVR unless otherwise stated)

2.13 Leases

Lease payments under operating leases are recognized as an expense on a straight-line basis over the lease term.

2.14 Foreign currency transactions

Transactions in foreign currencies are translated into MVR at the exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange prevailing at the reporting date, and resulting exchange differences are recognized in surplus or deficit.

2.15 Significant accounting judgments and estimates

The preparation of financial statements requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and reported amounts.

Key areas include:

- Useful lives of property, plant and equipment
- Recognition and timing of deferred income
- Assessment of impairment indicators

2.16 Related parties

For the purpose of these financial statements, related parties comprise members of the governing body, key management personnel, and entities under their control or significant influence.

The Association did not enter into any material transactions with related parties during the year.

ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(All amounts are in MVR unless otherwise stated)

		2025 (in MVR)	2024 (in MVR)
3	**Fee Income**		
	Membership fees	25,200	23,700
	Pool fees	611,934	785,797
	Fees from competitions	1,437,385	1,206,263
	Total	**2,074,519**	**2,015,760**
4	**Other Income**		
	Sponsorships	1,100,000	1,408,813
	Funds from Government	2,191,022	2,161,487
	Funds from Intenational Organisations	557,574	484,049
	Donations	550,000	58,277
	Exchange gain	-	1,381
	Total	**4,398,596**	**4,114,007**
5	**Payroll expenses**		
	ExOffio members salary & allowances	139,500	156,000
	Admin staff salary & allowances	274,733	336,210
	Technical staff salary & allowances	638,610	764,110
	Pool staff salary & allowances	222,625	304,425
	Ramazan allowance	30,000	42,000
	Pension contribution	31,936	24,107
	Total	**1,337,404**	**1,626,852**
6	**Administrative expenses**		
	Internet and Telephone	40,350	61,415
	Promotional expenses	28,000	6,000
	Professional fee	17,000	15,000
	General Administration costs	108,077	19,735
	Membership fee	6,161	6,684
	Depreciation	117,065	115,998
	Freight and delivery	30,244	79,556
	AGM expenses	-	32,080
	Insurance	-	11,600
	Exchange loss	2,254	-
	Total	**349,151**	**348,068**

7 Competition expenses

Local competitions	7.1	1,176,309	1,392,989
International competitions	7.2	2,177,953	2,119,122
Total		**3,354,262**	**3,512,111**

7.1 Local competitions

Addu Zone Interschool Swimming Competition	158,633	18,420
Association Championships	42,161	62,092
Champion of Champions	61,004	72,388
Club Kids Swimming Festival	77,059	80,421
Inter School Kids Swimming Festival	-	151,430
Inter School Swimming Competition	178,223	201,931
National Kids Swimming Festival	65,869	114,494
National Open Water Swimming Competition	119,472	163,436
National Short Course	114,511	11,883
National Swimming Competition	205,816	210,698
Swimmers Challenging Trophy	-	111,767
Thiladhunmathi Interschool Swimming Competition	137,161	181,429
Trials	16,400	12,600
Total	**1,176,309**	**1,392,989**

7.2 International competitions

Asian Age Group Aquatics Championships	338,325	1,159,224
Asian Age Group Swimming Championship	-	286,028
Malaysia open swimming championships	78,493	221,908
Olympic Games	-	42,020
Other Competitions	-	16,075
World Aquatics	347,998	393,867
World Aquatics Junior Swimming Championships	1,408,135	-
FINA World Swimming Championships	5,002	-
Total	**2,177,953**	**2,119,122**

8 Development program

Swimmers training cost	300,000	815,982
Swimmers development program	-	17,562
Other training costs	56,066	43,356
Total	**356,066**	**876,900**

9 Repair and maintenance

Pool Repair and Maintenance	355,525	314,989
Swimming Track Repair	19,440	3,500
Total	**374,965**	**318,489**

10 Property, plant and equipment

Cost 2024	Opening balance 01.01.2024	Additions	Adjustments	Closing balance 31.12.2024
Plant and machinery	687,973	5,940	-	693,913
Furniture and fittings	270,337	-	-	270,337
Office Equipment	1,028,140	42,064	-	1,070,204
	1,986,450	**48,004**	**-**	**2,034,454**

Cost 2025	Opening balance 01.01.2025	Additions	Adjustments	Closing balance 31.12.2025
Plant and machinery	693,913	33,343,226	-	34,037,139
Furniture and fittings	270,337	-	-	270,337
Office Equipment	1,070,205	32,960	-	1,103,165
	2,034,455	**33,376,186**	**-**	**35,410,641**

Accumulated Depreciation 2024	Opening balance 01.01.2024	Charge	Adjustments	Closing balance 31.12.2024
Acc. Depn. Plant and machinery	129,254	68,796	-	198,050
Acc. Depn. Furniture and fittings	150,446	24,434	-	174,880
Acc. Depn. Office Equipment	1,007,245	22,767	-	1,030,012
	1,286,945	**115,997**	**-**	**1,402,942**

Accumulated Depreciation 2025	Opening balance 01.01.2025	Charge	Adjustments	Closing balance 31.12.2025
Acc. Depn. Plant and machinery	198,050	69,772	-	267,822
Acc. Depn. Furniture and fittings	177,480	24,434	-	201,914
Acc. Depn. Office Equipment	1,027,413	22,859	-	1,050,272
	1,402,943	**117,065**	**-**	**1,520,008**

Net Book Value	As at 31.12.2024	As at 31.12.2025
Plant and machinery	495,863	33,769,316
Furniture and fittings	95,457	68,423
Office Equipment	40,192	52,893
	631,512	**33,890,633**

11 Work-In-Progress

2024	Opening balance 01.01.2024	Investments	Capitalised during the year	Closing balance 31.12.2024
Development of Aquatic Centre	10,861,101	4,522,100	-	15,383,201
	10,861,101	**4,522,100**	**-**	**15,383,201**

2025	Opening balance 01.01.2025	Investments	Capitalised/ Adjusted during the year	Closing balance 31.12.2025
Development of Aquatic Centre	15,383,201	37,910,131	-	53,293,332
	15,383,201	**37,910,131**	**-**	**53,293,332**

12 Receivables

Other receivables	-	9,600
Total	**-**	**9,600**

13 Cash and cash equivalents

Cash in hand	3,250	3,250
Bank balances (MVR)	4,080,014	90,467
Bank balances (USD)	44,199	35,163
Total	**4,127,463**	**128,880**

14 Deferred Donation

Non-current		
Deferred donation - Development of aquatic centre	72,075,654	15,383,201
Total	**72,075,654**	**15,383,201**

15 Payables

Other Payables	18,173,214	609,070
Audit fee payable	17,000	15,000
Short-term loan	200,000	-
Total	**18,390,214**	**624,070**

16 Amount due to related party

Mohamed Abdul Sattar - President	30,000	30,000
Total	**30,000**	**30,000**