

**MALDIVIAN DEMOCRATIC PARTY**  
**AUDITORS' REPORT AND FINANCIAL STATEMENTS**  
**31 DECEMBER 2011**

MALDIVIAN DEMOCRATIC PARTY  
 STATEMENT OF INCOME & EXPENDITURE  
 Year ended 31 December 2011

	Note	2011 Rf	2010 Rf
Surplus as at 1 January			
Donations	3	11,668,272	5,282,572
Other income	3.1	126,786	132,350
		<u>11,795,058</u>	<u>5,414,922</u>
<b>Less: Expenditure</b>			
Bank service charges		320	759
Campaign expenses		8,194,139	-
Cleaning and maintenance		36,152	10,585
Depreciation expenses		141,993	129,107
Dhaairaa expenses		93,700	-
Electricity		357,680	107,873
Food expenses		101,034	15,101
Meetings and conferences		96,046	482,621
Postage and delivery		29,275	25,830
Printing and stationery		174,448	136,810
Publications and announcements		14,315	170,988
Ramazan allowance		-	81,910
Rent		1,020,000	665,000
Repairs		71,474	26,675
Professional fee		-	22,667
Staff salary		1,656,704	1,123,348
Telephone and fax		349,047	180,123
Travelling expenses		732,565	230,822
Water		15,475	18,470
Other expenses		86,455	327,281
Material and suppliers		236,869	7,146
Security expenses		46,200	73,000
Consultancy fee		-	5,000
Audit fee		25,906	15,000
Legal fee		25,000	73,000
Subscription and membership fees		14,204	14,539
Medical insurance		11,000	10,400
GST Expense		25,191	-
Custom Duty		15,745	-
Gift & Donation		110,020	-
		<u>13,680,955</u>	<u>3,954,055</u>
<b>Surplus/(deficit) for the year</b>		<u><u>(1,885,897)</u></u>	<u><u>1,460,868</u></u>

The accounting policies and notes on pages 07 through 10 form an integral part of the financial state

**ERNST & YOUNG**

Chartered Accountants

Malé, Maldives

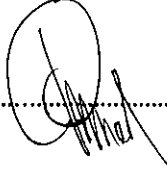
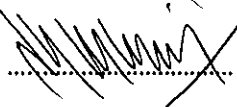
Company Reg: 132/95

MALDIVIAN DEMOCRATIC PARTY  
BALANCE SHEET  
As at 31 December 2011

	Note	2011 Rf	2010 Rf
<b>ASSETS</b>			
Surplus as at 1 January			
Property, plant and equipment	4	75,390	137,832
<b>Current assets</b>			
Receivables	5	1,836,372	2,840,373
Cash & bank balances	6	23,914	31,517
		<u>1,860,286</u>	<u>2,871,890</u>
		<u><u>1,935,676</u></u>	<u><u>3,009,722</u></u>
<b>ACCUMULATED DEFICIT AND LIABILITIES</b>			
Accumulated surplus		896,793	2,782,690
<b>Current Liabilities</b>			
Bank overdraft	6	154,425	-
Payables and accrued expenses	7	884,458	227,033
		<u>1,038,883</u>	<u>227,033</u>
		<u><u>1,935,676</u></u>	<u><u>3,009,722</u></u>

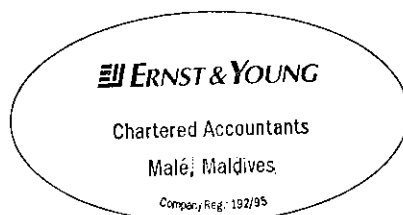
The executive committee is responsible for the preparation and presentation of these financial statements

Signed for and on behalf of the Executive Committee by,

Name	Designation	Signature
AHMED AKRAM	DEPUTY SECRETARY GENERAL	
ISMAIL RASHEED	FINANCE COMMITTEE DEPUTY CHAIR	

The accounting policies and notes on pages 07 through 10 form an integral part of the financial statements

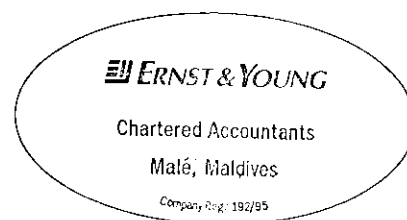
09th May 2012  
Male'



MALDIVIAN DEMOCRATIC PARTY  
STATEMENT OF ACCUMULATED SURPLUS/(DEFICIT)  
Year ended 31 December 2011

	2011	2010
	RF	RF
Surplus as at 1 January	2,782,690	1,321,822
Surplus/(Deficit) for the year	(1,885,897)	1,460,868
Surplus as at 31 December	<u>896,793</u>	<u>2,782,690</u>

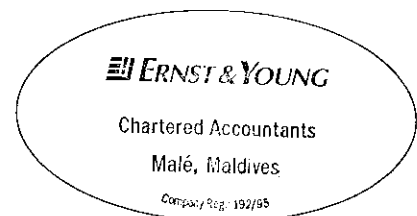
The accounting policies and notes on pages 07 through 10 form an integral part of the financial sta



MALDIVIAN DEMOCRATIC PARTY  
 CASH FLOW STATEMENT  
 Year ended 31 December 2011

	2011 Rf	2010 Rf
Donations received	11,668,272	5,282,572
Other Income received	126,786	132,350
Cash paid for employees, suppliers and service providers	<u>(13,538,961)</u>	<u>(3,824,947)</u>
	(1,743,903)	1,589,975
Purchase of property, plant and equipment	(79,551)	(36,450)
(Increase)/Decrease in advances and receivables	1,004,001	(1,689,000)
(Decrease)/Increase in payables	<u>657,424</u>	<u>135,522</u>
	1,581,875	(1,589,928)
<b>Net increase/(decrease) in cash and cash equivalents</b>	(162,028)	48
Cash and cash equivalents at the beginning of the year	31,517	31,469
<b>Cash and cash equivalents at the end of the year (Note 6)</b>	<u><u>(130,511)</u></u>	<u><u>31,517</u></u>

The accounting policies and notes on pages 07 through 10 form an integral part of the financial stat



**MALDIVIAN DEMOCRATIC PARTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
Year ended 31 December 2011

**01. PARTY INFORMATION**

The Maldivian Democratic Party is a registered political party in the Republic of Maldives under the rules and regulations issued by the Commissioner of Elections.

**02. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of preparation**

The financial statements are prepared under the historical cost convention in accordance with generally accepted accounting principles. No adjustments are made for inflationary factors affecting these accounts.

**Conversion of foreign currencies**

All foreign currency transactions are converted to Maldivian Rufiyaa, which is the reporting currency at the rates of exchange prevailing at the time the transactions were effected. Monetary assets and liabilities denominated in foreign currencies are retranslated to Maldivian Rufiyaa at the rate of exchange ruling at the balance sheet date. Non-monetary assets and liabilities are translated using exchange rates which existed when values were determined. The resulting gains and losses are accounted for in the income and expenditure statement.

**Property, plant and equipment**

**a) Cost**

Property plant and equipment is stated at cost, excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value. Such cost includes the cost of replacing part of such plant and equipment when that cost is incurred if the recognition criteria are met

**b) Restoration costs**

Expenditure incurred on repairs or maintenance of property, plant and equipment in order to restore or maintain the future economic benefits expected from originally assessed standard of performance, is recognised as an expense when incurred.

**c) Depreciation**

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

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

**Receivables**

Receivables are stated at the amounts that they are estimated to realise. A provision has been made in the accounts where necessary for impairment of receivables.

**MALDIVIAN DEMOCRATIC PARTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
Year ended 31 December 2011

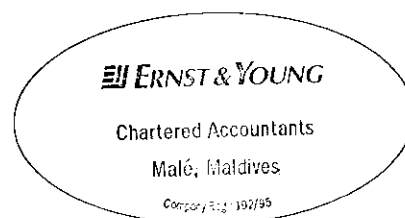
**Income recognition**

Income of the party includes donations from members and fund received from Elections Commission.

Income is recognised to the extent that is probable that the economic benefits will realise and the income can be reliably measured. Income is measured at the fair value of the consideration received or receivable.

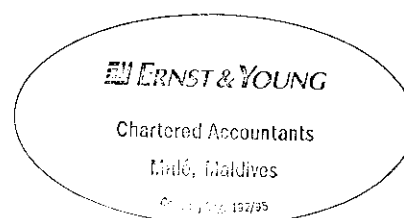
**Expenditure recognition**

Expenses are recognised in the income and expenditure statement 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 income and expenditure statement in arriving at the surplus of the year.



MALDIVIAN DEMOCRATIC PARTY  
NOTES TO THE FINANCIAL STATEMENTS  
Year ended 31 December 2011

	Note	2011 Rf	2010 Rf
<b>3 INCOME</b>			
Donations	i	8,092,978	2,633,737
Received from Elections Commission	ii	3,575,295	2,648,835
		<u>11,668,272</u>	<u>5,282,572</u>
3.1 Other income include rental income from party café.			
<b>4 PROPERTY, PLANT AND EQUIPMENT</b>			
<b>Cost</b>			
	Balance as at 01.01.2011	Additions/ Transfers	Balance as at 31.12.2011
	Rf	Rf	Rf
Computers and accessories	191,013	49,900	240,913
Furniture and fittings	110,933	4,200	115,133
Machineries and equipment	378,649	25,451	404,099
	<u>680,595</u>	<u>79,551</u>	<u>760,145</u>
<b>Depreciation</b>			
	Balance as at 01.01.2011	Charge for the year	Balance as at 31.12.2011
	Rf	Rf	Rf
Computers and accessories	141,097	48,313	189,410
Furniture and fittings	86,891	24,438	111,329
Machineries and equipment	314,774	69,242	384,016
	<u>542,762</u>	<u>141,993</u>	<u>684,755</u>
<b>Net book value</b>	<u>137,832</u>		<u>75,390</u>
<b>5 RECEIVABLES</b>		2011 Rf	2010 Rf
Receivables from other parties		578,477	578,478
Other receivables		339,422	223,422
Election deposit		159,000	1,299,000
Deposit and advance		759,473	739,473
		<u>1,836,372</u>	<u>2,840,373</u>
<b>6 CASH AND CASH EQUIVALENTS</b>			
<b>Favourable Cash balances</b>			
Cash in hand		2,231	20,504
Cash at bank		21,683	11,013
		<u>23,914</u>	<u>31,517</u>
<b>Unfavourable Cash Balances</b>			
Bank Overdraft		(154,425)	-
<b>Total Cash and Cash Equivalents for the Purpose of Cash Flow Statement</b>		<u>(130,511)</u>	<u>31,517</u>
<b>7 PAYABLES AND ACCRUED EXPENSES</b>			
Payables for goods and services providers		866,458	3,500
Accrued expenses		18,000	223,533
		<u>884,458</u>	<u>227,033</u>





MALDIVIAN DEMOCRATIC PARTY  
NOTES TO THE FINANCIAL STATEMENTS  
Year ended 31 December 2011

8 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

There have been no material events occurring after the balance sheet date that require adjustments to or disclosure in the financial statements.

9 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

The party had no significant capital commitments or contingent liabilities as at 31 December 2011.

