Report No: FIN-2025-67(E)

29 June 2025

Maldives Post Limited

Financial Year 2024

AUDITOR GENERAL'S OFFICE

TABLE OF CONTENTS

AUDITOR GENERAL'S OFFICE

AUDITOR GENERAL'S REPORT

TO THE SHAREHOLDERS AND BOARD OF DIRECTORS OF MALDIVES POST LIMITED

Opinion

We have audited the financial statements of Maldives Post Limited ("Company"), which comprise the statement of financial position as at December 31, 2024, 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, the accompanying financial statements gives a true and fair view of the financial position of the company as of 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards.

Basis for Opinion

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 Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the year ended 31 December 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon. We do not provide a separate opinion on these matters.

Key audit matters	How our Audit Addressed the Key Audit Matter
1- <u>Revenue Recognition</u> Maldives Post Limited's revenue is primarily derived from three key components of International Mail: Letter	**Our audit procedures included the following key procedures:** • Evaluated the design and effectiveness of internal controls over revenue recognition. In addition,

Key audit matters	How our Audit Addressed the Key Audit Matter
Post, Parcel Post, and EMS. Revenue recognition adheres to the UPU convention for international mail. Revenue from product sales is recognized when significant risks and rewards have been transferred to the customer, typically at the point of delivery. Service revenue is recognized upon completion of the service. Given the materiality and complexity of Maldives Post Limited's revenue streams, ensuring the completeness and accuracy of revenue recognition is a key audit matter.	tested controls related to transaction processing, approval, and recording. • Reviewed the company's revenue recognition process to ensure it aligns with IFRS. • Analysed revenue trends over multiple periods to identify significant fluctuations or patterns. • Compared current period revenue to historical data and investigated any substantial deviations. • Selected a sample of transactions from each international mail component (Letter Post, Parcel Post, and EMS) and verified that revenue has been recognized as per the manual. • Examined transactions recorded near the period-end to ensure revenue is recognized in the correct accounting period. • Tested accounts receivable by requesting confirmations from the company's customers and by reconciling payments received after the year-end against the accounts receivable balances at the year-end.
2- <u>Long-outstanding receivables</u> Maldives Post Limited has long-standing receivables arising from fraud cases. The recoverability of these receivables is uncertain due to the passage of time, potential legal challenges, and the financial condition of the debtors.	**Our audit procedures included the following key procedures:** • Assessed the recoverability of the receivables by considering the collectability of the underlying debt, the financial condition of the debtors, and any legal or contractual obligations. • Ensured that the financial statements adequately disclose the nature, extent, and uncertainty of the long-standing receivables, including any related impairment charges or provisions.

Responsibilities of Management and those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards, 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 Company'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 Company or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company'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 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 based on 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 to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.

- 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 Company'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 Company 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.

We also provide those charged with governance with a statement that we have complied with ethical requirements in accordance with IESBA code of ethics regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, action taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

29th June 2025

H. Niyazy

Hussain Niyazy
Auditor General

MALDIVES POST LIMITED

AUDITED FINANCIAL STATEMENTS

31 DECEMBER 2024

MALDIVES POST LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER 2024

	Note	Audited 2024 MVR	Audited 2023 MVR
Revenue	6	78,104,184	77,408,186
Cost of Sales	27	(33,805,760)	(25,446,434)
Gross Profit		**44,298,424**	**51,961,752**
Other Income	7	2,552,711	9,708,651
Administrative Expenses		34,600,032	33,723,532
Distribution Cost	28	882,443	1,597,244
Profit from Operating Activities		**11,368,660**	**26,349,627**
Finance Income	8	9,860,795	3,434,000
Finance Cost	8.1	(2,317,202)	(413,283)
Profit Before Tax		**18,912,253**	**29,370,344**
Tax Expense / (Tax income)	10	**2,666,641**	**4,417,172**
Profit and Total Comprehensive Income for the Year		**16,245,612**	**24,953,171**
Other Comprehensive Income			
Revaluation Gain/loss	12.1	-	204,994,790
Actuarial (Gain) or loss on PVDBO		296,866	474,342
Total Other comprehensive Income	22.2	**15,948,746**	**229,473,620**
(Loss)/earnings per share - Basis	11	65	105

The financial statements are to be read in conjunction with the related notes which form an integral part of the financial statements of the company set out on pages 9-28.

MALDIVES POST LIMITED

MALDIVES POST LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2024

	Note	Audited 2024 MVR	Audited 2023 MVR
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	12	242,740,551	244,317,002
Investment Property	13	9,326,087	9,533,333
Intangible Assets	14	2,955,111	3,088,837
Right of Use Asset	15	4,926,830	6,049,196
Total Non-Current Assets		**259,948,579**	**262,988,368**
Current Assets			
Inventories	16	622,819	630,677
Trade & Other Receivables	17	105,029,286	104,888,835
Financial Assets at amortised cost	19	20,745,245	-
Deferred Tax Asset	10	-	261,547
Cash and Cash Equivalents	18	22,509,548	7,998,195
Total Current Assets		**148,906,898**	**113,779,254**
Total Assets		**408,855,477**	**376,767,622**
EQUITY & LIABILITIES			
Equity			
Share Capital	20	25,000,000	23,700,000
Advance Capital		11,500,000	-
General Reserves		8,798,027	8,798,027
Revaluation Reserve		204,263,816	204,994,790
Retained Earnings		49,203,749	32,524,028
Total Equity		**298,765,592**	**270,016,846**
Current Liabilities			
Trade & Other Payables	21	40,939,380	38,576,756
Deferred Tax Liability	10	1,695,520	-
Lease Obligation	15.4	2,274,247	2,319,062
		44,909,148	**40,895,818**
Long-term Liabilities			
Lease Obligation	15.5	2,963,127	4,045,646
Amount Due to Other Post Offices	22.1	60,834,197	60,834,197
Defined Benefit Obligation		1,383,413	975,113
Total Equity and Liabilities		**408,855,477**	**376,767,622**

Ahmed Shafeeq
Managing Director

Mahmood Rameez Abdul Rahman
Director

29th June 2025

The financial statements are to be read in conjunction with the related notes which form an integral part of the financial statements of the company set out on pages 9-28.

MALDIVES POST LIMITED

MALDIVES POST LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2024

	Share Capital MVR	Advance Capital MVR	Revaluation Reserve MVR	General Reserves MVR	Retained Earnings MVR	Total MVR
Balance as at 01.01.2023	**15,000,000**	-	-	**8,798,027**	**8,045,199**	**31,843,226**
Profit for the year	-	-	-	-	24,953,171	24,953,171
Capital Issued	8,700,000	-	-	-	-	8,700,000
Land and Building Revaluation	-	-	204,994,790	-	-	204,994,790
OCI: Actuarial (Gain) or loss on PVDBO	-	-	-	-	(474,342)	(474,342)
Balance as at 31.12.2023	**23,700,000**	-	**204,994,790**	**8,798,027**	**32,524,028**	**270,016,846**
Profit for the Year	-	-	-	-	16,245,612	16,245,612
OCI: Actuarial (Gain) or loss on PVDBO	-	-	-	-	(296,866)	(296,866)
Revaluation Transfer	-		(730,974)	-	730,974	-
Capital issued	1,300,000	11,500,000	-	-	-	12,800,000
Balance as at 31.12.2024	**25,000,000**	**11,500,000**	**204,263,816**	**8,798,027**	**49,203,749**	**298,765,592**

The financial statements are to be read in conjunction with the related notes which form an integral part of the financial statements of the company set out on pages 9-28.

MALDIVES POST LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2024

	Audited 2024	Audited 2023
Cash Flows from Operating Activities		
(Loss)/profit before taxation	18,912,253	29,370,344
Adjustments to reconcile profit to net cash flows:		
Interest	371,092	413,283
Interest income	-	-
Depreciation	3,271,160	2,355,430
Amortisation	538,032	517,044
Provision for obsolete inventory	(34,919)	(117,599)
Provision for impairment loss on trade receivables	(804,918)	(2,356,580)
Reversal of provision for impairment loss on other receivables	(4,560,519)	(46,372)
Gain on lease modification	-	(51,093)
Foreign exchange gain	1,946,110	(534,746)
Revaluation gain	-	(4,482,325)
Operating Profit before Working Capital Changes	**19,638,291**	**25,067,386**
(Increase)/Decrease in Inventories	7,858	(73,251)
(Increase)/Decrease in Trade & Other Receivables	18,315,026	(37,246,640)
Increase/(Decrease) in Trade & Other Payables	2,125,778	13,063,478
Tax paid during the year	-	-
Lease interest paid during the year	(371,092)	(413,283)
Net cash flows used in operating activities	**20,077,570**	**(24,669,696)**
Acquisition of Property, Plant and Equipment	(1,487,462)	(922,109)
Acquisition of Intangible Assets	(104,306)	(648,409)
Redemptions During the Year	-	-
Investments	(20,745,245)	-
Interest Income received	-	-
Net cash (used in) / from investing activities	**(22,337,013)**	**(1,570,518)**
Cash flows used in financing activities		
Service obtained / (repayments) of amount due to other post office	-	(1,542,000)
Lease payments	(2,867,495)	(2,714,021)
Net Cash used in Financing Activities	**(2,867,495)**	**(4,256,021)**
Net (Decrease)/Increase in Cash & Cash Equivalents	14,511,354	(5,428,849)
Cash & Cash Equivalents at the beginning of the Year	7,998,195	13,427,044
Cash & Cash Equivalents at the end of the Year	**22,509,548**	**7,998,195**

The financial statements are to be read in conjunction with the related notes which form an integral part of the financial statements of the company set out on pages 9-28.

1. CORPORATE INFORMATION

1.1 General

Maldives Post Limited (the "Company") is a Company incorporated and domiciled in the Republic of Maldives as a limited liability company since 30th July 2008 and governed under the Companies Act No. 10 of 1996, with its registered office of the Company being located at No 26, Boduthakurufaanu Magu, 20026, Male', the Republic of Maldives. The Company is 100% owned by the Government of Maldives and domiciled in the Maldives.

1.2 Principal activities and nature of operation

The principal activity of the Company during the period was to provide postal service and related activities in the Republic of Maldives.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The statements of profit or loss and other comprehensive income, statement of financial position, statement of cash flows and statement of changes in equity together with accounting policies and notes form the financial statements ("financial statements") of the Company. The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB).

2.2 Basis of measurement

The financial statements are prepared under the historical cost basis in accordance with International Financial Reporting Standards. The financial statements are presented in Maldivian Rufiyaa and all values are rounded to the nearest integer except when otherwise indicated. No adjustment is made for inflationary factors affecting these financial statements.

2.3 Going concern

The Directors have made an assessment of the Company's ability to continue as a going concern and are satisfied that the Company has recourse to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainty.

2.4 Comparative information

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year. Further, comparative information is reclassified wherever necessary to comply with the current year presentation.

2.5 Use of Estimates and Judgements

The preparation of financial statements in conformity with IFRSs 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. Actual results may differ from these estimates.
Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are discussed in Note 4 to the financial statements.

MALDIVES POST LIMITED

3. MATERIAL ACCOUNTING POLICIES

The following are the significant accounting policies applied by the Company in preparing its financial statements:

3.1. Foreign currency translation

The financial statements are presented in Maldivian Rufiyaa, the currency in which the financial statements are presented. Transactions in foreign currencies are initially recorded at the exchange rate ruling at the date of the transaction.

Transactions in foreign currencies are initially recorded by the Company at their respective exchange rates at the date the transaction first qualifies for recognition. Cash and cash equivalents, and accounts receivable and payable denominated in foreign currencies are retranslated at the exchange rate on the reporting date.

Exchange rate gains or losses arising from the settlement or translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value in the item.

4.1. Revenue recognition

Postal revenue from terminal dues, EMS imbalances, and parcel post is recognized upon confirmation of mail weight by the designated postal operator each quarter, as per Universal Postal Union (UPU) regulations. The UPU assigns a designated postal operator in each country with the exclusive right to provide postal services. This ensures a high level of creditworthiness for outstanding receivables from these operators.

4.2. Tax expense

a) Current taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantially enacted at the reporting date.

4.3. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.
Deferred tax is not recognised for the temporary differences on the initial recognition of assets or liabilities in a transaction that does not affects neither accounting nor taxable profit or loss and (if) does not give rise to equal taxable and deductible temporary differences at the time of the transaction.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plan of the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

MALDIVES POST LIMITED

4.4. Property, plant and equipment

4.5.1 Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

4.5.2 Measurement

The cost of property, plant and equipment includes expenditure that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as a part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

4.5.3 Cost model

Maldives post applies cost model to property, plant and equipment except for freehold land and building and records at cost of purchase or construction together with any incidental expenses thereon less accumulated depreciation and accumulated impairment losses.

4.5.4 Revaluation model

Maldives post applies the revaluation model to the entire class of freehold land and building. Such properties are carried at a revalued amount, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Freehold land and building of the company are to be valued every 3-5 years. On revaluation of an asset any increase in the carrying amount is recognized in "other comprehensive income" and accumulated in equity under "revaluation reserve" or used to reverse a previous revaluation decrease relating to the same asset, which was charged to the statement of comprehensive income. In this circumstance, the increase is recognized as income to the extent of the previous write down.

Any decrease in the carrying amount is recognised as an expense in the statement of comprehensive income or debited in other comprehensive income to the extent of any credit balance existing in the capital reserve in respect of that asset. The decrease in recognized in other comprehensive income reduces the accumulated equity under capital reserves. Any balance remaining in the revaluation reserve in respect of an asset is transferred directly to retained earnings on retirement or disposal of the asset.

Following the revaluation of freehold land and buildings carried out in 2023, a reassessment of the expected useful life of buildings was performed based on the updated condition, usage patterns, and expected service potential of the assets. As a result, the estimated useful life of buildings was revised from 50 years to 60 years with effect from 1 January 2024. This change in estimate has been accounted for prospectively in accordance with IAS 8.

4.5.5 Subsequent cost

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised in accordance with the derecognition policy given below.

The costs of the day-to-day servicing of property, plant and equipment are recognised in statement of comprehensive income as incurred.

4.5.6 Derecognition

The carrying amount of an item of property, plant and equipment is derecognised on disposal; or when no future economic benefits are expected from its use. Gains and losses on derecognition are recognised in statement of comprehensive income and gains are not classified as revenue.

4.5.7 Depreciation

Depreciation is recognised in statement of comprehensive income 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.

Depreciation of an asset begins when it is available for use and ceases at the earlier of the dates on which the asset is classified as held for sale or is derecognized. Depreciation on property plant and equipment of the company is charged on straight-line basis to write off the cost over the estimated useful life of the asset as follows:

Buildings	60 years
Furniture and fittings	10 years
Motor vehicles	10 years
Computer and Peripherals	5 years
Office equipment	8 years
Other Equipment	8 years
Software	7 years

4.6 Investment properties

Investment property are properties held either to earn rental income or capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment properties are measured at cost less accumulated depreciation and impairment losses. The Depreciation on investment properties is recognized on a straight-line basis over the 60 years estimated useful lifetime, either subsequent recognitions or derecognitions of investment properties are by using the fair value method. On the disposal on an investment property, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss.

4.7 Intangible assets

Intangible assets with finite lives are amortised over the useful economic life (3 years) and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the income statement in the expense category consistent with the function of the intangible asset.

4.8 Leases

The company assesses at the inception of the contract whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

4.8.1 as a lessee

The company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

MALDIVES POST LIMITED

4.8.2 Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

4.8.3 Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

4.8.4 Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease

4.9 Inventories

Inventories are valued at the lower of cost and net realisable value, after making due allowances for obsolete and slow-moving items. Net realisable value is the price at which inventories can be sold in the ordinary course of business less the estimated cost of completion and the estimated cost necessary to make the sale.

The cost of each category of inventory is determined at actual cost on FIFO basis.

4.10 financial Instruments - Initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Company. The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows

  And

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost includes trade receivables.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired Or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement ; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company applies a simplified approach in calculating ECLs for local trade receivables and contract assets. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. For international trade receivables the company recognizes a loss allowance based on lifetime ECL at each reporting date, the company also takes into account the credit rating of the country to which the designated postal operator belongs to in case of international receivables.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Contract assets
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables
A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial instruments – initial recognition and subsequent measurement.

Financial liabilities

a) Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include interest bearing loans and borrowings, trade and other payables.

b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

c) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of comprehensive income when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of comprehensive income. This category generally applies to interest-bearing loans and borrowings.

d) Derecognition

Financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of comprehensive income.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

4.11 Cash and Cash Equivalents

Cash and cash equivalents are cash in hand, demand deposits and short-term highly liquid investments, readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand and deposits in banks net of outstanding bank overdrafts if any. Investments with short maturities i.e., three months or less from the date of acquisition are also treated as cash equivalents.

4.12 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

4.13 Retirement Benefit Obligations

a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the statement of financial position

MALDIVES POST LIMITED

b) Other long-term employee benefit obligations

Maldives Post operates both a defined benefit and defined contribution pension plans

Defined Benefit Obligation

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. However, in Maldives there is no deep market in such bonds and therefore market rates on government bonds are used.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the statement of profit or loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the statement of financial position.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

Maldives Retirement Pension

Defined contribution plans – Maldives Retirement Pension Scheme all local (Maldivian National) employees are eligible for Maldives Retirement Pension Scheme (MRPS) contribution according to the terms of the Maldives pension Act Law No. 8/2009 handled by Maldives Pension Administration Office (MPAO) from May 2011.

		Audited 2024 MVR	Audited 2023 MVR
6	**Revenue**		
	Terminal Dues, EMS & Parcel Post Income	67,259,902	68,360,034
		325,934	840,953
	Sales from postage and stamp sales	4,698,122	4,305,070
	E-commerce	3,844,999	1,482,365
	Other post related income (Note 1.1)	225,474	281,605
	Post Shop	1,789,704	2,107,561
	Commission income	22,142	30,598
		78,166,277	**77,408,186**
	Less: Discounts Allowed	62,093	-
	Total Revenue	**78,104,184**	**77,408,186**
6.1	**Other post related income**		
	Fax income	104	38
	Handling charges	225,460	220,730
	Service charge	(90)	60,837
		225,474	**281,605**
7	**Other Income**		
	Money exchange income	30,626	35,270
	Profit from sale of phone cards (Note 2.1)	(4,518)	(8,242)
	Rent income	1,330,200	1,197,023
	Custom duty processing charges	488,629	293,604
	Miscellaneous income	209,215	19,803
	Compensation received	92,967	64,523
	QSF Income	6,400	289,279
	Provision Reversal	257,268	2,402,953
	Late Fine	77,778	228,675
	Foreign Exchange Gain	-	534,746
	Provision Expense for Inventory	64,146	117,599
	Gain on Lease Modification	-	51,093
	Revaluation gain on Investment property	-	4,482,325
		2,552,711	**9,708,651**
7.1	**Profit from sale of Phone cards**		
	Revenue Phone card	97,711	61,540
	Less: Cost associated with Phone cards	(102,229)	(69,782)
		(4,518)	**(8,242)**

MALDIVES POST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31ST DECEMBER 2024

		Audited 2024 MVR	Audited 2023 MVR
8	**Finance Income**		
	Investment Income	9,860,795	3,434,000
		9,860,795	**3,434,000**
8.1	**Finance Cost**		
	Interest expense on lease liability	(311,908)	(371,517)
	DBO Interest Cost (Note 22.2)	(59,184)	(41,766)
	Foreign Exchange Loss	(1,946,110)	-
		(2,317,202)	**(413,283)**

9 Profit before tax

Profit before tax is stated after charging all the expenses including the following;

	Audited 2024 MVR	Audited 2023 MVR
Directors' remuneration	286,337	731,939
Depreciation on property, plant and equipment	3,271,160	2,355,430
Amortization of intangible assets	538,032	517,044
Personnel costs (Note 9.1)	20,197,908	13,705,842
9.1 Personnel costs		
Staff salaries and wages	6,609,992	6,554,116
Allowances	11,952,509	5,321,777
Overtime	235,384	261,637
Staff training	426,664	392,824
Staff uniforms	13,721	35,710
Provident fund contribution	959,638	1,139,778
	20,197,908	**13,705,842**

10 Income tax expense	2024 MVR	2023 MVR
Current tax expense	709,574	-
(Over) / under provision in respect of prior years	-	-
Deferred tax on temporary differences (Note 10.2)	1,957,067	(4,417,172)
	2,666,641	**(4,417,172)**

10.1 Reconciliation between accounting profit and taxable Income:

	2024	2023
	MVR	MVR
(Loss)/profit before tax	18,615,387	233,890,792
Aggregate disallowable items	7,274,587	6,276,341
Aggregate allowable items	(7,613,427)	(214,753,326)
Loss carried forward	**18,276,547**	**25,413,807**
Tax free allowance	(13,046,052)	(38,459,859)
Taxable Income for the Year	**5,230,495**	**(13,046,052)**
	(500,000)	(500,000)
Income tax expense on taxable profit @ 15%	**709,574**	-

Income tax has been calculated at 15% on the taxable profit for the year ended in accordance with the income Tax Act No.25/2019. A reconciliation between tax expense and the product of accounting profit multiplied by Maldives's domestic tax rate for the year ended on 31 December are as follows.

10.2 Movement in deferred tax

	2024	2023
	MVR	MVR
At 1 January	(261,547)	(4,678,719)
Recognized during the Year	1,957,067	4,417,172
As at 31 December	**1,695,520**	**(261,547)**

10.3 Deferred tax

	MVR	MVR
Temporary difference on property, plant and equipment	(68,359)	(227,019)
On accumulated losses	(1,956,908)	(3,812,071)
Opening deferred tax reversed	55,167	
On voluntary retirement provision	61,245	-
On debtors' provision	(38,590)	(360,443)
On stock provision	(9,622)	(17,640)
Deferred tax liability as at 31 December	**(1,957,067)**	**(4,417,172)**

10.4 Income tax payable

	2024	2023
	MVR	MVR
At 1 January	-	-
(Over) / under provision in respect of prior years	-	-
Income tax provision for the year	709,574	-
Payment made during the year	-	-
Balance as at 31 December	**709,574**	-

MALDIVES POST LIMITED

11 (Loss)/ earnings per share Basic

(loss)/ earnings per share

The calculation of the basic and diluted earnings per share is based on the (loss)/profit for the year attributable to ordinary shareholders and weighted average number of shares outstanding during the year and calculated as follows;

Basic (loss)/ earnings per share	Audited FS 2024 MVR	Audited FS 2023 MVR
(Loss)/profit for the year	16,245,612	24,953,171
Weighted Average number of Ordinary Shares	250,000	237,000
Basic earnings per share	**64.98**	**105.29**

12 Property, plant and equipment

12.1 Gross carrying amounts at cost

	Balance As at 01.01.2024 MVR	Additions during the year MVR	Revaluation during the year MVR	Balance As at 31.12.2024 MVR
Land	162,100,000	-	-	162,100,000
Building Costs	76,266,667	-	-	76,266,667
Computer Equipment at cost	6,566,853	271,123	-	6,837,976
Furniture & Fittings Costs	9,130,957	334,005	-	9,464,962
Motor Vehicle Costs	2,719,299	104,859	-	2,824,158
Office Equipments Costs	9,740,778	777,475	-	10,518,253
Bicycles Cost	219,003	-	-	219,003
Other Equipment Costs	1,492,465	-	-	1,492,465
Total Value of Depreciable Assets	**268,236,022**	**1,487,462**	-	**269,723,484**

12.2 Accumulated depreciation

	Balance As at 01.01.2024 MVR	Charge for the Year MVR	Revaluation during the year MVR	Balance As at 31.12.2024 MVR
Building Costs	-	1,657,971	-	1,657,971
Computer Equipment at cost	5,669,783	286,668	-	5,956,451
Furniture & Fittings Costs	7,962,932	189,546	-	8,152,478
Motor Vehicle Costs	1,583,205	201,452	-	1,784,657
Office Equipments Costs	7,367,560	632,736	-	8,000,296
Bicycles Costs	219,003	-	-	219,003
Other Equipment Costs	1,116,537	95,540	-	1,212,077
	23,919,020	**3,063,913**	-	**26,982,933**
Net Book Value	**244,317,002**			**242,740,551**

MALDIVES POST LIMITED

13 Investment Property

13.1 Cost

	2024 MVR	2023 MVR
As at 1st January	9,533,333	7,015,290
Re-valuation	-	2,518,043
As at 31st December	**9,533,333**	**9,533,333**

13.2 Accumulated Depreciation

	MVR	MVR
As at 1st January	-	1,823,975
Charge for the year	207,246	140,305
Re-valuation	-	(1,964,280)
As at 31st December	**207,246**	-
Net Book Value	**9,326,087**	**9,533,333**

14 Intangible Assets

14.1 Gross carrying amounts at cost

	Balance As at 01.01.2024 MVR	Additions/ Transfers MVR	Disposals MVR	Balance As at 31.12.2024 MVR
Lease Hold Investment Cost	2,183,517	16,900	-	2,200,417
Software Costs	2,705,420	87,406	-	2,792,826
	4,888,937	**104,306**	-	**4,993,243**

14.2 Accumulated Amortisation

	Balance As at 01.01.2024 MVR	Charge for the Year MVR	Transfer during the year MVR	Balance As at 31.12.2024 MVR
Acc Dep'n - Lease Hold Investment	384,160	273,191		657,351
Acc Dep'n - Software	1,604,619	264,841		1,869,460
	1,988,779	**538,032**	-	**2,526,811**
Net Book Value	**2,900,158**			**2,466,432**

14.3 Work in progress

	Balance As at 01.01.2024 MVR	Additions/ Transfers MVR	Disposals MVR	Balance As at 31.12.2024 MVR
Mail carriage and delivery system	188,679	300,000	-	488,679
Total	**3,088,837**			**2,955,111**

15. Lease

15.1. Lease rent

The Company had ongoing 18 lease agreements at the start of the financial year and entered in to two new lease agreements during the year, having the lease periods from 2 to 5 years. The Company has several contracts for the use of buildings. The Company's obligations under its leases are secured by the lessors' title to the leased assets.

The amortisation of Right of Use asset (ROU) and the lease creditors are as follows;

15.2 RIGHT OF USE ASSET

	2024 MVR	2023 MVR
As at 01 January	15,457,571	14,919,910
Additions during the year	1,424,930	537,661
As at 31 December	**16,882,501**	**15,457,571**
Accumulated amortisation		
As at 01 January	9,408,375	6,997,889
Amortisation for the year	2,547,296	2,410,486
As at 31 December	**11,955,671**	**9,408,375**
Carrying value	**4,926,830**	**6,049,196**

Set out below are the carrying amounts of rent labilities and the movements during the year.

15.3. Lease Liabilities

Lease liabilities	Audited 2024 MVR	Audited 2023 MVR
As at 01 January	6,364,709	8,220,343
Additions	1,428,252	486,870
Interest expense	311,908	371,517
Payments	(2,867,495)	(2,714,021)
As at 31 December	**5,237,374**	**6,364,709**

		Interest Rate	2024 MVR	2023 MVR
15.4	Current	5%	2,274,247	2,319,062
15.5	Non- Current	5%	2,963,127	4,045,647
			5,237,374	6,364,709

16 Inventories

	Audited 2024 MVR	Audited 2023 MVR
Phone Cards	61,073	119,980
Post Shop	341,620	366,801
Others	255,046	242,962
	657,738	**729,742**
Provision for inventory	(34,919)	(99,065)
	622,819	**630,677**

17 Trade and other receivables

Trade Receivables	103,606,578	104,804,430
Provision for impairment loss on trade receivables (Note 17.2)	(804,918)	(884,697)
	102,801,660	**103,919,733**
Other Receivables	6,788,145	5,707,109
Provision for impairment loss on other receivables (Note 17.2)	(4,560,519)	(4,738,007)
	2,227,626	**969,102**
	105,029,286	104,888,835

17.2 Provision for impairment of trade receivables

	Other Receivables		Trade Receivables	
	2024	2023	2024	2023
	MVR	MVR	MVR	MVR
Balance as at 1st January	4,738,007	4,784,379	884,697	3,241,277
Provision for the year	(177,488)	(46,372)	(79,779)	(2,356,580)
Write off during the year	-	-	-	-
Balance as at 31 December	**4,560,519**	**4,738,007**	**804,918**	**884,697**

18 Cash and cash equivalents

	2024	2023
	MVR	MVR
Cash on Hand	228,348	627,112
Cash at Bank	22,281,200	7,371,083
	22,509,548	**7,998,195**

19 Financial Assets at amortised cost

Investment	20,745,245	-
	20,745,245	-

The effective interest rate of short-term treasury bills is 7.80% for MMA per annum with the maturity period

During the year the company entered into eleven investment agreements recognized at amortised cost, one of which were not mature at the reporting date.

20 Share capital

	2024	2023
	MVR	MVR
Authorised share capital		
250,000 ordinary shares of Rf. 100/- each	**25,000,000**	**25,000,000**
Issued and fully paid		
250,000 ordinary shares of Rf. 100/- each	**25,000,000**	**23,700,000**

21 Trade and other payables

	2024 MVR	2023 MVR
Trade Payables	5,431,607	4,488,833
Accruals and other payables (Note 12.1)	34,798,199	34,087,923
Current Tax Payables	709,574	-
	40,939,380	**38,576,756**

21.1 Accruals and other payables

Other payables	829,099	1,705,282
Accrued expenses	328,914	317,900
Dividend payable	31,691,426	31,691,426
Other current liabilities	1,948,760	373,315
	34,798,199	**34,087,923**

22 Long Term Liabilities

Lease Obligation	5,237,374	6,364,709
Amount Due to Other Post Offices	60,834,197	60,834,197
Defined Benefit Obligation	1,383,413	975,113
	67,454,984	**68,174,019**

22.1 Amount Due to Other Post Offices

As at 01 January	60,834,197	62,376,197
Repayments during the year	-	1,542,000
As at 31st December	**60,834,197**	**60,834,197**

22.2 Defined Benefit Obligation

Present Value of Obligation as at 01 January	975,113	423,298
Interest Cost	59,184	41,766
Current Service Cost	52,250	35,706
Benefit paid / payable for those who left during the period	-	-
Actuarial (Gain) Loss on PVDBO	296,866	474,342
Present Value of Obligation as at 31 December	**1,383,413**	**975,113**

MALDIVES POST LIMITED

23 Financial risk management objectives and policies

The Company's principle financial liabilities are trade and other payables. The main purpose of these financial liabilities is to raise finance for Company's operations. The Company has financial assets such as trade receivables, cash and balances with banks, which arise directly from its operations. The main risks arising from the Company's financial instruments are foreign currency risk, liquidity risk and credit risk. The policies for managing each of these risks are summarised below,

23.1 Foreign currency risk

The Company incurs currency risk on services, purchases that are denominated in foreign currency. Foreign exchange risk arises from future commercial transactions and is recognised assets and liabilities.

23.2 Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing loans and bank overdrafts. As a part of its overall prudent liquidity management, the Company maintains sufficient level of cash and cash equivalents to meet its working capital requirement.

23.3 Credit risk

The Company has no significant concentrations of credit risk. It has policies in place to ensure that sales of services are made to customers with an appropriate credit history.

23.4 Fair value of financial assets and financial liabilities

The fair value of short-term financial assets and liabilities approximate their carrying value because of their immediate or short-term maturity. Directors believe that the fair value of long-term financial assets would not differ significantly from their carrying amount recorded in the statement of financial position.

24 Capital management

Capital includes the equity share capital and accumulated reserves. The Company's objective is to maintain a healthy capital ratio in order to support the business and maximise the shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in the Company's operations. The Company manages its capital structure and makes adjustments to it in light of changes in the Company's operations.

25 Events occurring after the reporting date

There have been no material events occurring after the reporting period, that require adjustments to or disclosure in the financial statements.

26 Capital commitment and contingent liabilities

The Company had no significant capital commitments or contingent liabilities as at 31 December 2024.

MALDIVES POST LIMITED

MALDIVES POST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31ST DECEMBER 2024

27 Cost of Sales

	Audited FS 2024 MVR	Audited FS 2023 MVR
International air/Internal Conveyance	647,181	645,198
Local mail carriage	1,1074,650	982,097
Adecouvert expenses	20,110	4,738
EMS imbalance expenses	197,229	172,147
Letter post expenses	25,060	111,473
Parcel post expenses	66,896	55,548
Supplementary remuneration expense	1,312	1,726
International Internal Conveyance	1,060	1,572
Return of undeliverable items	34	(15)
Indemnity CN48	-	1464
Operational Staff Cost	27,742,179	21,129,806
Cost of sales - post shop products	455,317	493,407
E-Tukuri Expenses	1,060,596	1,147,108
Closed Transit	58,197	40,245
Purchase Account	1,095,883	1,403,138
Direct Cost Applied	(1,210,425)	(1,411,436)
Operating Expenses	632,242	668,227
Agency Post Office Allowance	1,938,239	
	33,805,760	**25,446,434**

28 Distribution Cost

Marketing & Advertising Expenses	882,443	1,597,244
	882,443	**1,597,244**

Auditor Geneal’s Office
M.Chanbeylee Villa, 1st floor
Majeedhee Magu, Male', 20337

Tel: +960 332 3939
Email: info@audit.gov.mv
www.audit.gov.mv