Report No: FIN-2020-29(E)

19th July 2020

# KULHUDHUFUSHI PORT LIMITED
# FINANCIAL YEAR 2019

 އޮޑިޓަރ ޖެނެރަލްގެ އޮފީސް

AUDITOR GENERAL'S OFFICE

# Contents

Auditor General's Report

Statement of Comprehensive Income .................................................................. 3

Statement of Financial Position ........................................................................ 4

Statement of Changes in Equity ....................................................................... 5

Statement of Cash Flows ................................................................................ 6

Notes to the Financial Statements ..................................................................... 7

بسم الله الرحمن الرحيم

AUDITOR GENERAL'S OFFICE

# AUDITOR GENERAL'S REPORT
# TO THE SHAREHOLDERS AND BOARD OF DIRECTORS OF KULHUDHUFUSHI PORT LIMITED

## Opinion

We have audited the financial statements of Kulhudhufushi Port Limited (the "Company"), which comprise the statement of financial position as at 31 December 2019, 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 present fairly, in all material respect, the financial position of the Company as at 31 December 2019 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We draw attention to Note 2.1 to the financial statements, which indicates that the financial statement of the Company shows an accumulated loss amounting to MVR 69,176,391/- (2018: MVR 59,827,212/-) and Current liabilities exceeded the current assets by MVR 9,478,284/- (2018: MVR 4,941,290/-). These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

## Responsibilities of the Board of Directors and those charged with governance for the financial statements

The Board is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as the Board 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, the Board 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.

The Board of Directors 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 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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for 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 Company'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 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 the Board 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.

19th July 2020

Hassan Ziyath
Auditor General

**Kulhudhufushi Port Limited**
**STATEMENT OF COMPREHENSIVE INCOME**
**Year ended 31 December 2019**

| | Note | Year ended 31.12.2019 MVR | Year ended 31.12.2018 MVR |
|---|---|---|---|
| Revenue | 3 | 4,264,506 | 5,481,179 |
| Other income | 4 | 673,584 | 683,958 |
| Operating expenses | | (1,917,612) | (1,816,314) |
| Payroll related expenses | | (7,160,334) | (7,096,551) |
| Depreciation and amortisation expenses | | (5,200,492) | (6,641,171) |
| Interest on lease | | (8,831) | - |
| **Loss before tax from operations** | | **(9,349,179)** | **(9,388,899)** |
| Business profit tax expenses | 5 | - | - |
| **Loss for the year** | | **(9,349,179)** | **(9,388,899)** |

The accounting policies and notes on pages 7 to 24 form an integral part of the financial statements.

**Kulhudhufushi Port Limited**
**STATEMENT OF FINANCIAL POSITION**
**As at 31 December 2019**

| | Note | As at 31.12.2019 MVR | As at 31.12.2018 MVR |
|---|---|---|---|
| **Assets** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | **6** | 42,182,659 | 47,154,878 |
| Right-of-use assets | **6.3** | 160,033 | - |
| | | **42,342,692** | **47,154,878** |
| **Current assets** | | | |
| Trade receivables | **7** | 84,902 | 299,992 |
| The accounting policies and notes on pages 6 to 23 form an | **7.1** | - | 55,222 |
| Amount due from related parties | **7.3** | 23,289,131 | 23,289,100 |
| Cash and cash equivalents | **8** | 618,039 | 925,211 |
| | | **23,992,072** | **24,569,525** |
| **Total assets** | | **66,334,764** | **71,724,403** |
| **The accounting policies and notes on pages 6 to 23 form an integral part of the financial statements.** | | | |
| **Equity** | | | |
| Share capital | | 102,040,800 | 102,040,800 |
| Accumulated losses | | (69,176,391) | (59,827,212) |
| | | **32,864,409** | **42,213,588** |
| **Liabilities** | | | |
| Long term lease laibility | **6.3** | 162,786 | - |
| Trade and other payables | **10** | 325,464 | 417,861 |
| Amount due to related parties | **11** | 32,814,831 | 29,092,954 |
| Gratuity liability | **12** | 167,274 | - |
| | | **33,470,355** | **29,510,815** |
| **The accounting policies and notes on pages 6 to 23 form an integr** | | **66,334,764** | **71,724,403** |

The Board of Directors is responsible for the preparation and presentation of these financial statements. Signed for and on behalf of the Board by:

**Name of the director** **Signature**

Chairman Mr Mohamad Zaki ........................................

Managing Director Mr Shahid Ali ........................................

The accounting policies and notes on pages 7 to 24 form an integral part of the financial statements.

16 July 2020
Male'

AUDITOR GENERAL'S OFFICE

KULHUDHUFFUSHI PORT PRIVATE LIMITED C-547/2009 MALDIVES

## Kulhudhufushi Port Limited
## STATEMENT OF CHANGES IN EQUITY
## Year ended 31 December 2019

| | Share capital MVR | Accumulated losses MVR | Total MVR |
|---|---|---|---|
| **Balance as at 1 January 2018** | 102,040,800 | (50,438,313) | 51,602,487 |
| Loss for the year | - | (9,388,899) | (9,388,899) |
| **Balance as at 31 December 2018** | 102,040,800 | (59,827,212) | 42,213,588 |
| Loss for the year | - | (9,349,179) | (9,349,179) |
| **Balance as at 31 December 2019** | **102,040,800** | **(69,176,391)** | **32,864,409** |

AUDITOR GENERAL'S OFFICE



KULHUDHUFFUSHI PORT PRIVATE LIMITED
C-947/2009
MALDIVES

**Kulhudhufushi Port Limited**
**STATEMENT OF CASH FLOWS**
**Year ended 31 December 2019**

| | Note | Year ended 31.12.2019 MVR | Year ended 31.12.2018 MVR |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Loss before tax | | (9,349,179) | (9,388,899) |
| **Adjustments for:** | | | |
| Depreciation and amortisation | 6 | 5,200,492 | 6,641,171 |
| Interest on lease | | 8,831 | - |
| IFRS 16 adjustment | | 160,033 | - |
| **Operating (loss) / profit before working capital changes** | | (4,139,856) | (2,747,728) |
| | | | |
| **Working capital adjustments** | | | |
| Increase in trade receivables and contract assets | | 270,312 | (68,488) |
| | | (92,395) | (323,963) |
| Increase in amount due to related parties | | 3,717,291 | 7,802,401 |
| **Cash flows from operating activities** | | (244,647) | 4,662,262 |
| | | | |
| Interest paid | | (8,831) | - |
| **Net cash flows from operating activity** | | (253,479) | 4,662,262 |
| | | | |
| **Cash flows from investment activities** | | | |
| Purchase of property, plant and equipment | 6 | (53,693) | (4,594,764) |
| **Net cash flows used in investment activities** | | (53,693) | (4,594,764) |
| | | | |
| Net (decrease)/increase in cash and cash equivalents | | (307,172) | 67,498 |
| Cash and cash equivalents at the beginning of the year | | 925,211 | 857,713 |
| **Cash and cash equivalents at the end of the year** | 8 | **618,040** | **925,211** |

## 1. Corporate information

### 1.1 General

Kulhudhufushi Port Limited (the "Company") is a limited liability Company incorporated and domiciled in the Republic of Maldives since 12 July 2009 and governed under the Companies' Act No. 10 of 1996, with its registered office at Bandaara Magu, H. Dh. Kulhudhufushi, Republic of Maldives.

### 1.2 Principal activities and nature of operations

Principal business activities of the Company include providing harbour facilities, storage, supplies and repair and maintenance services to ships.

### 1.3 Immediate and ultimate parent entity

The Company's immediate parent undertaking is Maldives Ports Limited, incorporated and domiciled in the Republic of Maldives and ultimate parent undertaking and controlling party is Government of Maldives.

### 1.4 Date of authorisation for issue

The financial statements of Kulhudhufushi Port Limited for the year ended 31 December 2019 were authorised for issue on 16 June 2020 in accordance with resolution of the board of directors.

## 2. Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The financial statements are prepared on a historical cost basis. No adjustment is made for inflationary factors affecting these financial statements. The Financial Statements are presented in Maldivian Rufiyaa (MVR) and all the values are rounded to nearest integral, except when otherwise indicated.

### 2.1Going concern

We draw attention to Note 2.1 to the financial statements, which indicates that the financial statement of the Company shows a accumulated loss amounting to MVR 69, 176,391/- (2018: MVR 59,827,212/-) and Current liabilities exceeded the current assets by MVR 9,478,284/- (2018: MVR 4,941,290/-). This indicates that the Company's going concern will depend on the introduction of funds.

In this regard, parent of the Company has provided assurances that they will continue to provide financial supports to the Company, as it is necessary to maintain the company as a going concern for the foreseeable future and to meet its debt and liabilities as and when they fall due, Hence, the financial statements have been prepared under going concern basis.

### 2.2 Statement of compliance

The financial statements of Kulhudhufushi Port Limited have been prepared in accordance with International Financial Reporting Standards.

### 2.3 Comparative information

The financial statements provide comparative information in respect of the previous year. The accounting policies and estimates adopted by the Company are consistent with those of the previous financial year. Further, comparative information is reclassified wherever necessary to comply with the current year presentation.

## 2.4 Summary of significant accounting policies

### a. Conversion of foreign currencies

The Company's financial statements are presented in Maldivian Rufiyaa, which is the Company's functional and presentation currency.

The decision has been taken by management of the Company to maintain the reporting currency as Maldivian Rufiyaa in the financial statements since most of the business transactions are dealt in Maldivian Rufiyaa.

Transactions in currencies other than Maldivian Rufiyaa are translated to Maldivian Rufiyaa at the exchange rate ruling at the date of transaction.
Monetary assets and liabilities denominated in currencies other than Maldivian Rufiyaa are translated to Maldivian Rufiyaa at the exchange rate ruling at the reporting date. Foreign exchange differences arising on translation are recognized in the statement of comprehensive income.

Non-monetary assets and liabilities, which are measured at historical cost, denominated in currencies other than Maldivian Rufiyaa, are translated to Maldivian Rufiyaa at the exchange rates ruling at the dates of transactions. Non-monetary assets and liabilities, which are stated at fair value, denominated in currencies other than Maldivian Rufiyaa, are translated to Maldivian Rufiyaa at the exchange rates ruling at the dates the values were determined.

### b. Current versus non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification. An asset as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

### c. Revenue from contracts with customers

The Company is in the business of providing harbour facilities, storage, supplies and repair and maintenance services to ships. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements.

KULHUDHUFFUSHI PORT PRIVATE LIMITED C-547/2009 MALDIVES

AUDITOR GENERAL'S OFFICE

The Company's main sources of revenue consist; services rendered for stevedoring, port handling, wharf age, port dues and equipment hiring.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

***Rendering of services***

Revenue from rendering of services is recognised at the point in time when the services have been rendered or performed.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the services delivered, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

***Sale of goods***

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods.

***Other income***

Other income is recognised on an accrual basis.

**d. Contract balances**

***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 assets in section "Financial instruments – initial recognition and subsequent measurement".

***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.

**e. Expenditure recognition**

Expenses are recognised in the statement of comprehensive income on the basis of direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in the running of the business and in maintaining the property, plant and equipment in a state of efficiency has been recognised in statement of comprehensive income.

**f. Taxes**

***Current business profit tax***

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the end of the reporting period.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

***Deferred tax***

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the end of the reporting period.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at end of each reporting period and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of the reporting period. Deferred tax relating to items recognised outside profit or loss is recognised outside income statement. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income (OCI) or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

***Sales tax***

Revenues, expenses and assets are recognised net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- Receivables and payables that are stated with the amount of sales tax included

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

## g. Property, plant and equipment

***Recognition and measurement***

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is 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 assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalized borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalized as 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. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income in profit or loss.

***Subsequent costs***

The cost of replacing a part of an item of property, plant and equipment is recognized 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 derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

***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. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

| | |
|---|---|
| • Port infrastructure and buildings | Over 25 years |
| • Vehicles and vessels | Over 8 years |
| • Furniture and office fittings | Over 4-5 years |
| • Machinery, equipment and tools | Over 3-4 years |
| • Kitchen equipment | Over 3 years |

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

## h. 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. Refer to the accounting policies in section (c) Revenue from contracts with customers.

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.

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.

The Company's financial assets include cash at bank and cash in hand, trade and other receivables.

- **Subsequent measurement**

For purposes of subsequent measurement financial assets of the Company are classified into the following:

***Financial assets at amortised cost***

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.

- **De-recognition**

KULHUDHUFFUSHI PORT PRIVATE LIMITED C-547/2009 MALDIVES



AUDITOR GENERAL'S OFFICE

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised 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 the Company's 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.

When the loan to which the financial asset relates is settled completely, the unamortised amount of financial asset is charged to the statement of comprehensive income at time immediately.

- **Impairment of financial assets**

The Company applies a simplified approach in calculating ECLs for contract assets including trade receivables. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

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

***Financial liabilities***

- ***Initial recognition and measurement***

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of comprehensive income, 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 trade and other payables.

- ***Subsequent measurement***

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

***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.

- ***De-recognition***

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.

## h. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity.

## i. Impairment of non-financial assets

The Company assesses, at the end of each reporting period, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use.
Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account.

If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of comprehensive income in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of statement of comprehensive income unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

AUDITOR GENERAL'S OFFICE

KULHUDHUFFUSHI PORT PRIVATE LIMITED
MALDIVES

### j. Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise of cash in hand and balance with banks.

Statement of cash flows is prepared in "indirect method". For the purpose of statement of cash flows, cash and cash equivalents consist of cash in hand and balances with banks as defined above, net of outstanding bank overdrafts, if any.

### k. Provisions

Provisions are recognised 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 the provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the re-imbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any re-imbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate the risk specific to the liability. Where discounting is used any change in the provision resulting from the unwinding effect is dealt in the statement of comprehensive income.

### l. Pension and other post-employment benefits

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.

### 2.4 Summary of significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### *(a)* Going concern

The financial statements are prepared on the assumption that the Company is a going concern, i.e. as continuing in operation for foreseeable future. However, the Company has incurred a net loss of MVR 9,349,180/- (2018: MVR 9,388,899/-) for the financial year ended 31 December 2019. As at the reporting date the Company's accumulated losses amounted to MVR 69,176,392/- and its current liabilities exceeded current assets by MVR 9,478,284/-.

However, Maldives Ports Limited ("MPL"), Parent Company, continued to demonstrate its commitment to the Company through financial support. Based on the continued support extended by MPL, the management of the Company are confident that the Company shall continue in operation as a going concern into the foreseeable future. Therefore, the financial statements are prepared on the going concern basis.

#### *(b)* Depreciation of property, plant and equipment

Management assigns useful lives and residual values to property, plant and equipment based on the intended use of assets and the economic lives of these assets.

Subsequent changes in circumstances such as technological advances or utilization of the assets concerned could result in the actual useful lives or residual values differing from initial estimates. Management reviews annually the residual values and useful lives of major items of property, plant and equipment.

### 2.5 New and amended standards and interpretations

***New and amended standards and interpretation***

The Company applied IFRS 16 for the first time in 2019, but do not have an impact on the financial statements of the Company. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

***IFRS 16 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.

***Company 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.

***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.

| | Year ended 31.12.2019 MVR | Year ended 31.12.2018 MVR |
|---|---|---|
| **3 Revenue** | | |
| Handling income | 860,226 | 1,052,461 |
| Stevedoring | 1,636,439 | 1,630,884 |
| Wharfage | 578,621 | 720,048 |
| Entry permits | 16,859 | 23,334 |
| Other Income from salary | 893 | - |
| Equipment hire charges | 590,692 | 968,740 |
| Cargo gear hire charges | 21,220 | 45,724 |
| Shifting charge | 9,047 | - |
| Hauling & Re-floating | 12,000 | - |
| Dockage charges | 6,500 | 63,500 |
| Berting charges | 419,523 | 692,585 |
| Storage income | 29,977 | 67,620 |
| Pilotagge | 35,830 | 88,285 |
| Port state control permit | 8,600 | 11,800 |
| Sales of water | 24,512 | 79,119 |
| Miscellaneous Income | 691 | - |
| Electricity charges | 626 | 599 |
| Yacht mooring | 8,453 | 9,488 |
| Measuring charges | - | 19,218 |
| Document ammendment charge | - | 1,415 |
| Fine charge | 3,797 | 6,158 |
| Hatch pontoon Handling charge | - | 201 |
| | **4,264,506** | **5,481,177** |

**4 Other income**

| | | |
|---|---|---|
| Rent income | 673,584 | 673,584 |
| Other income | - | 10,374 |
| | **673,584** | **683,958** |

**5 Business profit tax expenses**

| | | |
|---|---|---|
| Current tax expense (Note 5.1) | - | - |
| Deferred tax | - | - |
| | - | - |

**5.1 Current tax expense**

In accordance with the provision of the Business Profit Tax Act No. 5 of 2011 and subsequent amendments and, relevant regulations, the Company is liable for Business Profit Tax at the rate of 15% on its taxable profit. However, no provision for business profit tax has been made in these financial statements since the Company has incurred a tax loss during the year.

## 5 Business profit tax expenses (continued...)

### 5.1 Current tax expense (continued...)

A reconciliation between tax expense and the product of accounting profit multiplied by Maldives domestic tax rate for the year ended 31 December is as follows;

| | Year ended 31.12.2019 MVR | Year ended 31.12.2018 MVR |
|---|---|---|
| Accounting loss before tax | (9,349,179) | (9,388,899) |
| Aggregate disallowable items | 5,220,223 | 6,847,734 |
| Aggregate allowable items | (5,998,403) | (5,668,945) |
| **Tax losses** | **(10,127,359)** | **(8,210,110)** |

### 5.2 Tax losses carried forward

| | | |
|---|---|---|
| At 1 January | 34,859,282 | 32,235,743 |
| Tax losses for the year | 10,127,359 | 8,210,110 |
| Written off during the year | (6,950,597) | (5,586,571) |
| **At 31 December** | **38,036,044** | **34,859,282** |

### 5.3 Deferred tax

The deferred tax is arrived at by applying the Business Profit Tax rate at 15% on temporary differences between the tax bases and liabilities and their carrying amounts for financial reporting purposes at 31 December.

| | Year ended 31.12.2019 MVR | Year ended 31.12.2018 MVR |
|---|---|---|
| On property, plant and equipment | 2,469,305 | 2,576,166 |
| On bedtor provision | 221,372 | 221,372 |
| On accumulated tax losses | 5,705,407 | 5,228,892 |
| | **8,396,083** | **8,026,430** |

Deferred tax assets have not been recognised because it is not probable that future taxable profit will be available against which the Company can utilise the benefits therefrom.

## 6 Property, plant and equipment

| Gross carrying amount At cost | Balance as at 01.01.2019 MVR | Additions MVR | Balance as at 31.12.2019 MVR |
|---|---|---|---|
| Port infrastructure and buildings | 84,204,598 | - | 84,204,598 |
| Vehicles and vessels | 47,617,728 | - | 47,617,728 |
| Furniture and office equipment | 1,334,348 | 53,693 | 1,388,041 |
| Machinery, equipment and tools | 581,976 | - | 581,976 |
| Kitchen equipment | 4,720 | - | 4,720 |
| **Total value of depreciable assets** | **133,743,370** | **53,693** | **133,797,063** |

**6 Property, plant and equipment (continued...)**

| **Depreciation At cost** | **Balance as at 01.01.2019 MVR** | **Charge for the year MVR** | **Balance as at 31.12.2019 MVR** |
|---|---|---|---|
| Port infrastructure and buildings | 38,791,723 | 3,368,184 | 42,159,906 |
| Vehicles and vessels | 46,008,276 | 1,609,451 | 47,617,727 |
| Furniture and office equipment | 1,210,837 | 44,450 | 1,255,287 |
| Machinery, equipment and tools | 572,936 | 3,826 | 576,763 |
| Kitchen Equipment | 4,720 | - | 4,720 |
| Total depreciation | 86,588,492 | 5,025,911 | 91,614,404 |
| Net book value | 47,154,878 | | 42,182,659 |
| Capital work in progress (6.2) | - | | - |
| **Total value of property, plant and equipment** | **47,154,878** | | **42,182,659** |

**6.1** During the financial year, the Company acquired property, plant and equipment to the aggregate value of MVR.53,693/-

**6.2 Capital work in progress**

| | **Year ended 31.12.2019 MVR** | **Year ended 31.12.2018 MVR** |
|---|---|---|
| At 1 January | - | 4,510,437 |
| Additions during the year | - | 4,573,481 |
| Capitalised during the year | - | (9,083,918) |
| **At 31 December** | - | - |

**6.3 Right of use assets**

| | **Year ended 31.12.2019 MVR** | **Year ended 31.12.2018 MVR** |
|---|---|---|
| Additions of properties held under lease | 334,614 | - |
| Amortization Expense | (174,581) | - |
| As at 31 December | 160,033 | - |

**Lease Obligation**

| | **Year ended 31.12.2019 MVR** | **Year ended 31.12.2018 MVR** |
|---|---|---|
| Additions of properties held under lease | 334,614 | - |
| Accretion of finance cost | 8,831 | - |
| Payments | (180,659) | - |
| **As at 31 December** | 162,786 | - |

**7 Trade receivables**

| | | |
|---|---|---|
| Trade receivables | 1,560,713 | 1,775,803 |
| Less: provision for impairment of trade receivables (7.2) | (1,475,811) | (1,475,811) |
| | **84,902** | **299,992** |

| | | Year ended 31.12.2019 MVR | Year ended 31.12.2018 MVR |
|---|---|---|---|
| **7.1** | **Contract assets** | | |
| | Income Accruals | - | 55,222 |

- Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.
- Contract assets are initially

| | | Year ended 31.12.2019 MVR | Year ended 31.12.2018 MVR |
|---|---|---|---|
| **7.2** | **Provision for impairment of trade receivables** | | |
| | At 1 January | (1,475,811) | 1,475,811 |
| | Provision during the year | - | - |
| | **At 31 December** | (1,475,811) | (1,475,811) |
| **7.3** | **Amounts due from related parties** | | |
| | Maldives Port Limited | 23,289,131 | 23,289,100 |

Amounts due from related parties are unsecured, interest free and does not have any repayments terms.

| | | Year ended 31.12.2019 MVR | Year ended 31.12.2018 MVR |
|---|---|---|---|
| **8** | **Cash and cash equivalents** | | |
| | Cash in hand | 21,235 | 10,329 |
| | Cash at bank | 596,804 | 914,882 |
| | | 618,039 | 925,211 |
| **9** | **Share capital** | | |
| | **Authorised share capital** | | |
| | 2,500,000 ordinary shares of Rf.100/= each | 250,000,000 | 250,000,000 |
| | **Issued and fully paid** | | |
| | 1,020,408 ordinary shares of Rf.100/= each | 102,040,800 | 102,040,800 |
| **10** | **Trade and other payables** | | |
| | GST payable | 43,724 | 45,095 |
| | Other payables | 281,739 | 372,766 |
| | | 325,464 | 417,861 |
| **11** | **Amount due to related parties** | | |
| | Maldives Ports Limited | 8,659,118 | 4,937,241 |
| | The Ministry of Finance and Treasury | 24,155,713 | 24,155,713 |
| | | 32,814,831 | 29,092,954 |



AUDITOR GENERAL'S OFFICE

KULHUDHUFFUSHI PORT PRIVATE LIMITED
C-547/2009
MALDIVES

## 12 Employee defined benefit liabilities

| | Year ended 31.12.2019 MVR |
|---|---|
| Balance as at 01 January | - |
| Past service cost including curtailment | 167,274 |
| Balance as at 31 December | 167,274 |

The acturial valuvation for the year ended 31 December 2019 was carried out by a professionaly qualified actuary, Charan Gupta Consultants Private Limited based on the following key assumption.

| | | |
|---|---|---|
| i) | Discounting rate | 3.50% |
| ii) | Future salary increase | 2.50% |
| iii) | Retirenment age (Years) | 65 |
| iv) | Mortality rate inclusive of provision for disability | 100% of IALM |
| v) | Attrition at ages | **Withdrawal rate %** |
| | - Up to 30 age | 18 |
| | - From 31 to 44 years | 18 |
| | - Above 44 years | 18 |

## 13 Capital commitments and contingent liabilities

The Company had no significant capital commitments and contingent liabilities as at 31 December 2019.

## 14 Related party disclosures

The Government of Maldives as 49% of voting rights of the Company and Maldives Ports Limited (fully owned by Government of Maldives) has 51% voting rights of the Company. Significant transactions including the following have been carried out with entities controlled by Government of Maldives in the ordinary course of business.

| **Transactions with Maldives Port Limited** | Year ended 31.12.2019 MVR | Year ended 31.12.2018 MVR |
|---|---|---|
| At 1 January | (4,937,272) | (7,033,098) |
| Payment on behalf of the company | (3,721,846) | (7,802,472) |
| Fund transfer | - | - |
| Settlement during the year | - | 9,898,298 |
| **At 31 December** | **(8,659,118)** | **(4,937,272)** |
| **Transaction with Ministry of finance and Treasury** | | |
| At 1 January | (24,155,713) | (14,257,415) |
| Fund transfer | - | (9,898,298) |
| **At 31 December** | **(24,155,713)** | **(24,155,713)** |
| **Balance Outsdandings** | | |
| Maldives Port Limited - Share Capital Receivable | 23,289,131 | 23,289,100 |
| Maldives Port Limited - Other Liabilities | (8,659,118) | (4,937,241) |
| Ministry of finanace and Trasury-other Liabilities | (24,155,713) | (24,155,713) |

**14.1 Transactions with key management personnel of the entity**

The Board of Directors of the Company are the members of the key management personnel of the company. The company has not made any payment to key management personnel during the year eneded 31 December 2019

**15 Events after the reporting period**

The Covid-19 pandemic that has been spreading in the recent months and has impacted the Maldivian and global economy. The possible impact of this event on the Company and these financial statements for the year ended 31 December 2019 cannot be assessed due to many uncertainties. Other than the above, there have been no material events occurring after the reporting period, that require adjustments to or disclosure in the financial statements.

**16 Financial risk management objectives and policies**

**Overview**

The company has exposure to the following risk, from it's use of financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk

This note presents information about the company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

**Risk management framework**

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

**16.1 Credit risk**

Credit risk is the risk of financial loss to the Company if a customer fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

| | Year ended 31.12.2019 MVR | Year ended 31.12.2018 MVR |
|---|---|---|
| Trade receivables | 1,560,713 | 1,775,803 |
| Amount due from related parties | 23,289,131 | 23,289,100 |
| Balances with banks | 596,804 | 914,882 |
| | 25,446,648 | 25,979,785 |

| | 2019 | | 2018 | |
|---|---|---|---|---|
| | Gross MVR | Impairment MVR | Gross MVR | Impairment MVR |
| Past due 0-30 days | 21,436 | - | 144,371 | - |
| Past due 31-60 days | - | - | 3,660 | - |
| Past due 61-90 days | - | - | - | - |
| More than 90 days | 1,539,277 | 1,475,811 | 1,627,772 | 1,475,811 |
| **Total** | **1,560,713** | **1,475,811** | **1,775,803** | **1,475,811** |



AUDITOR GENERAL'S OFFICE

KULHUDHUFFUSHI PORT PRIVATE LIMITED C-547/2009 MALDIVES

**16 Financial risk management objectives and policies (continued...)**

## 16.2 Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of interest bearing loans, bank overdrafts and related party borrowings. 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. Due to the Covid-19 outbreak the Company may experience liquidity constraints in the short term. The company is in the process of adjusting the ways to manage liquidity to respond to the current market turmoil by way of alternative funding through working capital, negotiating supplier payments, debt restructuring etc.

The following are the contractual maturities of financial liabilities as at the reporting date.

| 31 December 2019 | Carrying amount 2019 MVR | Carrying amount 2018 MVR |
|---|---|---|
| **Financial liabilities (Non- derivative)** | | |
| Trade and other payables | 325,464 | 417,861 |
| Amount due to related parties | 32,814,831 | 29,092,954 |
| | **33,140,295** | **29,510,815** |

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

## 16.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

**(a) Interest rate risk**

There are no interest bearing borrowing or lending by the Company. Hence, the Company does not face any interest rate risk as at the reporting date.

**(b) Currency risk**

16 July 2020

The Company does not have any assets and liabilities denominated in foreign currency as at the reporting date.

**Kulhudhufushi Port Limited**
**DETAILED STATEMENT OF EXPENDITURES**
**Year ended 31 December 2019**

| i. Other operating expenses | Year ended 31.12.2019 MVR | Year ended 31.12.2018 MVR |
|---|---|---|
| Rent | - | 255,933 |
| Professional fees | 194,809 | 116,158 |
| Telephone | 38,117 | 36,151 |
| Electricity charges | 479,680 | 485,566 |
| Water charges | 32,430 | 114,505 |
| Fuel charges | 85,542 | 81,387 |
| License and fees | 91,900 | 91,900 |
| Sub-contract stevedoring expenses | 3,196 | - |
| Travelling | 96,701 | 26,930 |
| Printing and stationary | 35,367 | 23,141 |
| Repair and maintenance expenses | 447,256 | 457,043 |
| Other expenses | 57,506 | 72,337 |
| Recreation Expenses | 11,619 | - |
| Bank Charges | 7,145 | 6,343 |
| Food and Accomadation | 56,214 | 27,920 |
| Insurance | 103,400 | 15,000 |
| Fines | 2 | 6,000 |
| Cleaning | 6,726 | - |
| Freight charge | 1,060 | - |
| Gratuity | 167,274 | - |
| Miscellaneous Expenses | 1,668 | - |
| | 1,917,612 | 1,816,313 |

| ii. Payroll related expenses | | |
|---|---|---|
| Salaries and wages | 2,817,814 | 2,867,001 |
| Overtime | 290,740 | 288,797 |
| Daily allowances | 162,050 | 146,540 |
| Special allowance | 375,489 | 423,093 |
| Food allowance | 810,150 | 732,700 |
| Loundry allowance | 39,163 | 39,668 |
| Provision Fund Contribution | 194,313 | 200,563 |
| Ramadan allowance | 156,000 | 159,000 |
| Hard Ship allowance | 1,400,100 | 1,465,400 |
| Long Term allowance | 200,641 | 204,781 |
| Uniform expenses | 45,665 | 36,000 |
| Risk allowance | 249,840 | 258,660 |
| Salaam allowance | 177,354 | 193,993 |
| 16 Jul Telephone allowance | 22,827 | 24,000 |
| Flag Allowance | 1,095 | 1,155 |
| FMD Allowance | 65,200 | 55,200 |
| Retiree Compensation | 123,952 | - |
| Training Fees | 27,941 | - |
| | 7,160,334 | 7,096,551 |



AUDITOR GENERAL'S OFFICE

KULHUDHUFFUSHI PORT PRIVATE LIMITED C-47/2009 MALDIVES

Ghaazee Building, Ameeru Ahmed Magu
Male', Republic of Maldives
Tel: +960 332 3939
Email: info@audit.gov.mv
www.audit.gov.mv