



EMMJAY ASSOCIATES,
CHARTERED ACCOUNTANTS, MALÉ.

**SHRI EDUCARE MALDIVES PRIVATE
LIMITED**

**Financial Statements for the year ended
31st March 2025.**

INDEPENDENT AUDITOR'S REPORT TO THE SHARE HOLDERS OF SHRI EDUCARE MALDIVES PRIVATE LIMITED.

Opinion

We have audited the financial statements of Shri Educare (Maldives) Private Limited, which comprises the statement of financial position as at 31st March 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, 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 financial position of the Company as at 31st March 2025 and its financial performance and its cash flows for the year than ended in accordance with International Financial Reporting Standards applicable for SME's.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards for SME's (IFRS for SME's) and Law of Jurisdiction of Republic of Maldives 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 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 group or to cease operation.

Auditor's responsibilities for 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 high level of assurance, but is not a guarantee that an audit conduct in accordance with ISAs will always detect a material misstatement when it exists. Misstatement can rise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of these financial statement.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Audit report continued in page 2.

EMMJAY ASSOCIATES

Reg. No: P-01/2007
Audit Reg No : ICAM-FL-AHL

CHARTERED ACCOUNTANTS
4th Floor, Marina Buliding
Koli Umar Maniku Goalhi,
Male' 20032
Republic of Maldives

Phone : 3329307
Fax : 3341526
Email : info@emmjayassociates.com
www : www.emmjayassociates.com


- Audit report continues from page 1.

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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 one resulting from error, as a fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls 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 effectiveness of group's internal controls.
- 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 group's ability to continue as a going concern. If we conclude that a material uncertainty exists, We 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 evidence obtained up to the date of auditor's report. However, future events or conditions may cause the group 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

The partner in charge for this Independent Audit Report is Dr. Ibrahim Mahfooz (Audit License Number: ICAM-IL-R17).

13th May 2025
Male'.




Dr. IBRAHIM MAHFOOZ
EMMJAY ASSOCIATES
CHARTERED ACCOUNTANTS

SHRI EDUCARE MALDIVES PRIVATE LIMITED
Financial Statements - For the Year ended 31st March 2025

Statement of financial position

(All amounts are stated in Maldivian Rufiyaa)

Statement of financial position (All amounts are stated in Maldivian Rufiyaa)		Year	
		2025	2024
Notes			
ASSETS			
Non current assets			
Property, Plant and equipment	3	2,643,094	2,959,844
Current Assets			
Inventories		933,817	554,434
Trade and other receivables	4	2,066,202	2,383,650
Cash and cash equivalents	5	10,893,938	6,579,591
		13,893,957	9,517,675
TOTAL ASSETS		16,537,051	12,477,519
EQUITY AND LIABILITIES			
Share capital	6	13,794,805	13,794,805
Retained earnings		(5,306,665)	(7,991,526)
Total Equity		8,488,140	5,803,279
Current Liabilities			
Trade and other payables	7	8,048,911	6,674,240
TOTAL EQUITY AND LIABILITIES		16,537,051	12,477,519

The Board of Directors are responsible for the preparation and presentation of this financial statements.

Signed for and on behalf of the Board by,

Name of the Director

Signature

1) Mr. Thoha Saleem

.....

2) Mr. Digambar Joshi

.....

The notes to the accounts from pages 7 to 15 form an integral part of the financial statements.
 Audit Report on pages 1 and 2.



SHRI EDUCARE MALDIVES PRIVATE LIMITED
Financial Statements - For the Year ended 31st March 2025

Statement of comprehensive income (All amounts are stated in Maldivian Rufiyaa)	Notes	Year	
		2025	2024
Revenue	8	54,623,349	51,024,313
Less: Cost of services	9.1	(39,699,681)	(37,930,128)
Trading gross profit		14,923,668	13,094,185
Other income	10	1,725,275	1,874,765
Administrative expenses		(11,966,263)	(11,343,358)
Selling and marketing costs		(4,872)	(14,173)
Operating Profit		4,677,808	3,611,419
Finance cost	11	(1,593,861)	(1,170,445)
Profit for the year before tax		3,083,947	2,440,974
Income tax expense		(399,086)	(367,606)
Net Profit after tax		2,684,861	2,073,368

The notes to the accounts from pages 7 to 15 form an integral part of the financial statements.
 Audit Report on pages 1 and 2.



SHRI EDUCARE MALDIVES PRIVATE LIMITED
Financial Statements - For the Year ended 31st March 2025

Statement of Cash flow (All amounts are stated in Maldivian Rufiyaa)	Year	
	2025	2024
Operating activities		
Profit for the year after tax	2,684,861	2,073,368
Adjustments		
Depreciation	1,146,206	1,526,696
Operating profit before working capital changes	3,831,067	3,600,064
Changes in working capital		
Change in inventories	(379,383)	(1,108)
Change in trade and other receivables	317,448	(61,854)
Change in trade and other payables	1,374,671	493,754
Cash from operation	1,312,736	430,792
Net cash from operating activities	5,143,803	4,030,856
Cash flows from investing activities		
Disposal of non current asset	-	-
Purchase of non current assets	(829,456)	(1,250,462)
Net cash used in investing activities	(829,456)	(1,250,462)
Net Increase / (decrease) in cash & cash equivalents	4,314,347	2,780,394
Cash and cash equivalents at the beginning of the year	6,579,591	3,799,197
Cash and cash equivalents at the end of the year	10,893,938	6,579,591

The notes to the accounts from pages 7 to 15 form an integral part of the financial statements.
 Audit Report on pages 1 and 2.



SHRI EDUCARE MALDIVES PRIVATE LIMITED
Financial Statements - For the Year ended 31st March 2025

Statement of Changes in Equity

(All amounts are stated in Maldivian Rufiyaa)

	Share Capital	Retained earnings	Total equity
Balance as at 01 st April 2023	13,794,805	(10,064,894)	3,729,911
Profit for the year	-	2,073,368	2,073,368
Balance as at 31st March 2024	13,794,805	(7,991,526)	5,803,279
Balance as at 01 st April 2024	13,794,805	(7,991,526)	5,803,279
Profit for the year	-	2,684,861	2,684,861
Balance as at 31st March 2025	13,794,805	(5,306,665)	8,488,140

The notes to the accounts from pages 7 to 15 form an integral part of the financial statements.
 Audit Report on pages 1 and 2.



SHRI EDUCARE MALDIVES PRIVATE LIMITED
Financial Statements - For the Year ended 31st March 2025

Notes to the Financial Statements

1. General information

These financial statements relates to the business of SHRI EDUCARE MALDIVES PRIVATE LIMITED (the Company), a limited liability company incorporated in the Republic of Maldives Reg. No. C-902/2009) in the year 2009. The main objectives of the Company are to establish, maintain, carry on an institution or institutions with branches, for the purpose of teaching in the general, scientific, commercial, engineering or any other type of education and provide consultancy and/or management services for running schools, colleges and other educational institutions. The company is wholly owned subsidiary company of Shri Educare Limited, India. The registered office of the Company is Ghiyasuddin International School, Ameenee Magu, Male', Maldives.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below:

2.1 Basis of preparation

The financial statements are prepared in accordance and comply with International Financial Reporting Standards. These financial statements are prepared under the historical cost convention, except assets and liabilities, which are stated at their fair value.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The estimates are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgment's about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

2.2 Foreign currency translation

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are prepared in Maldivian Rufiyaa which is the Company's functional and presentation currency.

Foreign currency transactions are translated at the exchange rates prevailing at the date of the transactions; at financial position date monetary assets and liabilities are translated at the exchange rates then prevailing; gains and losses resulting from the settlement of such transactions are recognized in the income statement. Such balances are translated at year end exchange rates unless hedged by forward foreign exchange contracts, in which case the rate specified in such forward contracts are used.

Financial assets

Financial assets include cash and bank balances and receivables. The accounting policies for each financial asset are stated separately.



SHRI EDUCARE MALDIVES PRIVATE LIMITED
Financial Statements - For the Year ended 31st March 2025

2.3 Financial instruments

Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into. Financial liabilities include trade and other payables. The accounting policies for each financial liability are stated separately.

2.4 Property, plant and equipment

All property, plant and equipment, which are initially recorded at historical cost is stated at cost less subsequent depreciation and impairment. The cost of acquisition includes purchase cost together with any incidental expenses incurred in bringing the assets to its working condition for the intended use. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and that the cost of the item can be measured reliably. All other expenditure on repairs or maintenance of property, plant and equipment are charged to the income statement during the period in which they are incurred.

Depreciation is calculated on the straight-line method to write-off the cost of each asset to its residual value over its estimated useful life as follows:

Buildings	- 25 years
Furniture and fittings	- 10 years
Office equipment	- 5 years
Computer & accessories	- 5 years
Software	- 3 years

The charge for the depreciation commences from the date on which the assets are put to use up to the date of their disposal. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each financial position date. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit.

2.5 Trade and other receivables

Trade and other receivables are initially recognized and carried at their costs less impairment losses. Provision is made when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of provision is recognized in the income statement. Bad debts are written off during the period in which they are identified.

2.6 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash in hand and at banks. For the purposes of cash flow statements, cash and cash equivalents comprise of cash and cash equivalents as defined above.



SHRI EDUCARE MALDIVES PRIVATE LIMITED
Financial Statements - For the Year ended 31st March 2025

Notes to the Financial Statements

2.7 Share capital

Ordinary shares are classified as equity.

2.8 Taxation

(a) Current taxes

The current income tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the financial position date in the country where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The tax for the period comprises current and deferred tax, and is recognized in the income statement. The current income tax charge is calculated on the basis of the tax laws enacted at the financial position date.

The provisions for income tax is based on the elements of income and expenditure as reported in the Financial Statements and computed in accordance with the provisions of the Income Tax Act.

The Company is liable to income tax at rate of 15% in Maldives, if the taxable profit of the year exceeds MVR. 500,000.00 with effect from 18 July 2011.

(b) Deferred income taxes

Deferred income tax is not provided, as the effects are minimal, deferred tax provided between the tax bases of assets and liabilities and their carrying amounts in the financial statements. If the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit/ loss, it is not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted as at the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary difference can be utilized.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.9 Current versus non current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is: Expected to be realized or intended to be sold or consumed in the normal operating cycle

- Held primarily for the purpose of trading
 - Expected to be realized 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.



SHRI EDUCARE MALDIVES PRIVATE LIMITED
Financial Statements - For the Year ended 31st March 2025

Notes to the Financial Statements

A liability is current when:

It is expected to be settled in the 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.

2.10 Employee benefits

The Company is liable to enroll the employees in the Retirement Pension Scheme with effect from 1st May 2011 according to Maldives Pension Act, 8/2009 and the Regulation published by the Maldives Pension Administration Office and shall make contributions at a rate of 7% from the employee's pensionable wages on behalf of the employees of age between 16 and 65 years to the pension office. The Company's contribution to retirement pension scheme is at the rate of 7% on pensionable wages. Obligations for contributions to retirement pension scheme is recognized as an employee benefit expense in the income statement.

2.11 Liabilities and Provision

Provision

A provision is recognized in the financial position when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

Other payables

Other payables are stated at their costs.

2.12 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue comprises the fair value of the consideration received or receivable net of trade discounts, rebates and taxes. Revenue is recognized as follows:

Revenue

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue comprises the fair value of the consideration received or receivable net of concessions.

Other income

Other income is recognized on an accrual basis in the period in which they are earned.



SHRI EDUCARE MALDIVES PRIVATE LIMITED
Financial Statements - For the Year ended 31st March 2025

Notes to the Financial Statements

Financial Instruments and Risk Management

The main risks arising from the Company's financial instruments are interests are interest rate risk, foreign exchange risk, credit risk and liquidity risk. The policies for managing each of these risks are summarized below:

a) Credit Risk

Credit evaluations are performed on all customers requiring credit over a certain amount. At the financial position date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial assets.

b) Currency Risk

The Company is exposed to foreign currency risk arising from currency exposures. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities. The Company incurs currency risk on sales, purchases and borrowings that are denominated in currencies other than Maldivian Rufiyaa.

c) Liquidity Risk

The Company actively manages its debt maturity profile, operating cash flows and availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Company maintains sufficient level of cash or cash convertible investments to meet its working capital requirement.

Fair value estimation

The nominal value less impairment provision of trade receivables and payables are assumed to approximate their fair values.



SHRI EDUCARE MALDIVES PRIVATE LIMITED
Financial Statements - For the Year ended 31st March 2025

Notes to the Financial Statements

(All amounts are stated in Maldivian Rufiyaa)

3. Property, plant & equipment's

	Building	Furniture and fittings	Office equipment	Computer equipment	Sports Court	Software	Total
Year ended 31st March 2024							
Opening net book amount	1,231,474	753,358	781,735	469,512	-	-	3,236,078
Additions as per ledger	710,950	280,235	164,365	94,911	-	-	1,250,462
Depreciation charged	(844,346)	(323,194)	(200,341)	(158,815)	-	-	(1,526,696)
Closing net book amount	1,098,078	710,399	745,759	405,609	-	-	2,959,844
At 31st March 2024							
Cost	4,016,556	6,052,422	5,540,427	3,646,026	128,359	435,593	19,819,382
Accumulated Depreciation	(2,918,478)	(5,342,023)	(4,794,668)	(3,240,417)	(128,359)	(435,593)	(16,859,538)
Net book amount	1,098,078	710,399	745,759	405,609	-	-	2,959,844
Year ended 31st March 2025							
Opening net book amount	1,098,078	710,399	745,759	405,609	-	-	2,959,844
Additions as per ledger	151,109	11,704	88,990	577,653	-	-	829,456
Depreciation charged	(472,496)	(195,017)	(240,119)	(238,574)	-	-	(1,146,206)
Closing net book amount	776,691	527,086	594,630	744,688	-	-	2,643,094
At 31st March 2025							
Cost	4,167,665	6,064,126	5,629,417	4,223,679	128,359	435,593	20,648,838
Accumulated Depreciation	(3,390,974)	(5,537,040)	(5,034,787)	(3,478,991)	(128,359)	(435,593)	(18,005,744)
Net book amount	776,691	527,086	594,630	744,688	-	-	2,643,094



SHRI EDUCARE MALDIVES PRIVATE LIMITED
Financial Statements - For the Year ended 31st March 2025

Notes to the Financial Statements

(All amounts are stated in Maldivian Rufiyaa)

Notes	Year	
	2025	2024

4. Trade and other receivables

Trade and other receivables are short term in nature and their carrying amount approximate their fair value and there is no material credit risk in respect of trade receivables as they are actively engaged in business.

Trade receivables		973,376	669,811
Prepayments and advances	4.1	1,043,954	1,367,756
Other receivables		48,872	346,083
		2,066,202	2,383,650

4.1. Prepayments and advances

Emigration Air ticket deposit		183,660	169,410
Prepaid expenses		212,074	99,891
Advance to a parties		380,394	703,176
Loan and advance		267,826	395,278
Interest Receivable on Term Deposit		-	1
		1,043,954	1,367,756

5. Cash and cash equivalents

Cash at banks		10,874,519	6,560,172
Cash in hand		19,419	19,419
		10,893,938	6,579,591

6. Authorized and fully issued share capital

The total authorized number of ordinary shares are 30,000,000 shares (In 2022/2023: 30,000,000) with a par value of MRF 1 per share (In 2022/2023: MRF 1). The entire issued share capital is held by the Holding Company, Shri Educare Limited (India) and its nominees.

	No of ordinary shares	No of ordinary shares
At 31 st March 2025	13,794,805	13,794,805

7. Trade and other payables

Trade payable		3,111,332	1,409,739
Advance fee received		4,473,506	4,490,478
Amounts due to related party - Shri Educare Limited		-	-
Accrued expenses	7.1	464,073	774,023
		8,048,911	6,674,240



SHRI EDUCARE MALDIVES PRIVATE LIMITED
Financial Statements - For the Year ended 31st March 2025

Notes to the Financial Statements

(All amounts are stated in Maldivian Rufiyaa)

Notes	Year	
	2025	2024

7.1. Accrued expenses

Expenses payable	249,034	361,216
Salary payable	137,777	184,018
Withholding tax payable	46,130	46,437
EWT payable	821	-
Income tax payable	30,311	182,352
	<u>464,073</u>	<u>774,023</u>

8. Revenue

Admission fees	114,000	139,000
Books fee	3,593,034	1,838,714
Tuition fees	52,890,932	51,036,042
Activity fees	11,200	-
Less: Scholarships given	(1,985,817)	(1,989,443)
	<u>54,623,349</u>	<u>51,024,313</u>

9. Expenditures by nature

Depreciation	1,146,206	1,526,696
Cost of service	9.1 39,699,681	37,930,128
Communication charges	309,617	308,558
Repairs and maintenance	1,501,031	1,195,323
Utility charges	1,326,416	1,215,830
Insurance	2,550	15,960
Auditing charges	51,626	32,706
Legal fees	107,176	45,110
Management Consultancy Fees	5,708,906	5,450,389
Printing and stationary	377,610	370,967
Security charges	518,400	453,600
Office expenses	231,054	227,673
Postage and courier	2,434	10,316
Travelling & Transport charges	683,237	490,230
Marketing and advertisement expenses	4,872	14,173
Total cost of goods sold, administrative expenses, marketing and distribution costs.	<u>51,670,816</u>	<u>49,287,659</u>



SHRI EDUCARE MALDIVES PRIVATE LIMITED
Financial Statements - For the Year ended 31st March 2025

Notes to the Financial Statements

(All amounts are stated in Maldivian Rufiyaa)

Notes	Year	
	2025	2024

Classified as:

Cost of service	39,699,681	37,930,128
Administration and Establishment	11,966,263	11,343,358
Selling and marketing costs	4,872	14,173
	51,670,816	49,287,659

9.1 Cost of service

Educational and academic expenses	4,323,759	3,461,030
Staff salaries and allowances	35,375,922	34,469,098
	39,699,681	37,930,128

10. Other income

Late fine	-	332,069
Miscellaneous income	-	1,013
Rent income	377,620	545,083
Interest on loan	17,211	5,573
Parent card fee	3,805	7,864
Uniform fee	1,281,161	772,310
Recovery of Bad Debts - Previous Year	6,000	192,668
Interest on Term Deposit	39,478	18,185
	1,725,275	1,874,765

11. Finance cost

Bank charges	37,780	35,462
Exchange loss	1,556,081	1,134,983
	1,593,861	1,170,445

12. Post financial position events

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

