

CANCER SOCIETY OF MALDIVES

Financial Statements - 31 December 2022

Statement of Income, Expenditure and Changes in Funds

(all amounts in Maldivian Rufiyaa)

		For the Year ended 31 December	
	Notes	<u>2022</u>	<u>2021</u>
Income	3	1,992,284	895,789
Program expenses	4	(1,473,320)	(125,000)
Operational and administrative expenses	5	<u>(490,453)</u>	<u>(591,150)</u>
Net income		<u>28,511</u>	<u>179,639</u>
<i>Movement in General fund:</i>			
Balance at the beginning of the year		1,534,883	1,355,244
Net income for the year		<u>28,511</u>	<u>179,639</u>
Balance at the end of the year		<u>1,563,394</u>	<u>1,534,883</u>

The financial statements are to be read in conjunction with the related notes, which form part of the financial statements of the Society set out on pages 8 to 13. The Auditor's Report is given in pages 1 to 3.

CANCER SOCIETY OF MALDIVES

Financial Statements - 31 December 2022


Statement of Financial Position

(all amounts in Maldivian Rufiyaa)

	Notes	As at 31 December	
		2022	2021
ASSETS			
Non current assets			
Property, plant and equipment	6	159,518	3,645
		<u>159,518</u>	<u>3,645</u>
Current assets			
Receivables	7	225,129	28,726
Cash and cash equivalents	7	1,206,657	1,561,252
		<u>1,431,786</u>	<u>1,589,978</u>
Total assets		<u>1,591,304</u>	<u>1,593,623</u>
FUND BALANCES AND LIABILITIES			
Fund balances			
General fund		1,563,394	1,534,883
		<u>1,563,394</u>	<u>1,534,883</u>
Current liabilities			
Payables	9	27,910	58,740
Total liabilities		<u>27,910</u>	<u>58,740</u>
Total equity and liabilities		<u>1,591,304</u>	<u>1,593,623</u>

These financial statements were approved by the Executive Committee on 12th March 2023


.....
.....
.....


.....
.....
.....

The financial statements are to be read in conjunction with the related notes, which form part of the financial statements of the Society set out on pages 8 to 13. The Auditor's Report is given in pages 1 to 3.

CANCER SOCIETY OF MALDIVES

Financial Statements - 31 December 2022

Statement of Cash Flows

(all amounts in Maldivian Rufiyaa)

	Notes	For the Year ended 31 December	
		2022	2021
Operating activities			
Net income		28,511	179,639
Adjustment for:			
Depreciation charge		2,190	224,144
Changes in working capital			
- trade and other receivables		(196,403)	(281,105)
- trade and other payables		(30,830)	6,060
Net cash (used in)/ generated from operations		(196,532)	128,738
Investing activities			
Purchase of property, plant and equipment	6	(158,063)	-
Net cash used in investing activities		(158,063)	-
(Decrease)/ increase in cash and cash equivalents		(354,595)	128,738
Movement in cash and cash equivalents			
At start of the year		1,561,252	1,432,514
(Decrease)/ increase		(354,595)	128,738
At end of the year	7	1,206,657	1,561,252

The financial statements are to be read in conjunction with the related notes, which form part of the financial statements of the Society set out on pages 8 to 13. The Auditor's Report is given in pages 1 to 3.

CANCER SOCIETY OF MALDIVES

Financial Statements - 31 December 2022

Notes to Financial Statements

1 General information

These financial statements relates to Cancer Society of Maldives (the Society), a Non-Profit Organisation registered under the Associates Act(2009) of Maldives. The Society is a Non-Government Organisation (NGO) formed with an aim of creating awareness, carrying and helping out those affected by cancer in anyway in the Maldives. Established on 2nd October 2012, CSM is committed to serve the Maldivian society as a whole with the assistance from donations locally and internationally.

The registered office of the Society is at Ma. Milano, 1st Floor, Rahdhebai Magu, 20159, 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

These financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs Standard) issued by the International Accounting Standards Board. Before the year ended 31 December 2022, financial statements were prepared in accordance with International Financial Reporting Standards (IFRSs). There are no material financial effects due the transition to the IFRS for SMEs Standard.

These financial statements comprise of (i) statement of income, expenditure and changes in funds; (ii) statement of financial position; (iii) statement of cash flows, including significant accounting policies and other explanatory notes.

The preparation of financial statements in conformity with IFRS for SMEs Standard requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Society'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 judgments 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 Society 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 Society's functional and presentation currency.

Foreign currency transactions are translated at the exchange rates prevailing at the date of the transactions; at reporting date monetary assets and liabilities are translated at the exchange rates then prevailing; gains and losses resulting from the settlement of such transactions are recognised in the statement of income and expenditure. 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.

CANCER SOCIETY OF MALDIVES

Financial Statements - 31 December 2022

Notes to Financial Statements

2.3 Financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Society becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

a) Financial assets

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, using the effective interest rate (EIR) method and are subject to impairment. Interest received is recognised as part of finance income in the statement of income and expenditure. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Society's financial assets at amortised cost include receivables and cash and cash equivalents.

b) Financial liabilities

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

2.4 Receivables

Receivables are initially recognised and carried at their costs less impairment losses. Allowance for credit loss is made when there is objective evidence that the Society will not be able to collect all amounts due according to the original terms of receivables. The amount of provision is recognised in the statement of income and expenditure. Bad debts are written off during the period in which they are identified.

2.5 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position 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.

2.6 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, except for land donated by the Government. 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 recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow 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 statement of income, expenditure and changes in funds 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	over the lease period
Furniture and fittings	4 years
Computers	3 years
Office equipment	4 years
Other equipment	4 years

CANCER SOCIETY OF MALDIVES

Financial Statements - 31 December 2022

Notes to Financial Statements

2.6 Property, plant and equipment (Continued)

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 reporting 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 net income.

2.7 General fund

General fund consist of carried forward funds that do not have any restrictions and, is available for use in operation of the Society and its programmes.

2.8 Taxation

Income tax

Under section 15 (a) (3) of Business Profit Tax Act, an establishment for promotion of Islam, relief of poor, medical relief, or education or any other object of similar general public utility is exempted from taxation.

Goods and Service Tax (GST)

Revenues, expenses, assets and liabilities are recognised net of the amount of GST except:

Ø Where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, GST is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

Ø When receivables and payables are stated with the amount of GST 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.

2.9 Employee benefits

The Society is liable to enrol the employees in the Retirement Pension Scheme with effect from 1 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 Society'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 statement of income and expenditure.

2.10 Liabilities and Provision

Payables

Payables are stated at their costs.

CANCER SOCIETY OF MALDIVES

Financial Statements - 31 December 2022

Notes to Financial Statements

2.11 Revenue recognition

Income is recognised to the extent that it is probable that the economic benefits will flow to the entity 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. Income is recognised as follows:

Unrestricted income

Unrestricted income received is recognised on the following basis:

Donations and grants:	Upon receipt.
Sponsorships and fund-raising:	On performance of related activities.
Other income:	On accrual basis in the period they fall due.

Restricted income

Where income from donors is restricted for specific activities, such receipts are deferred and released into revenue as funds are expended on those specific activities.

Accordingly, any surplus of receipts over expenditure on donor restricted activities are carried forward as designated funds in the statement of financial position. Where receipts are lower than expenditure, additional grants are deemed to be received to cover the excess expenditure.

2.12 Financial Instruments and Risk Management

The main risks arising from the Society's financial instruments are currency risk, credit risk and liquidity risk. The policies for managing each of these risks are summarised below:

a) Credit Risk

Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting 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 Society is exposed to foreign currency risk arising from currency exposures. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities. The Society incurs currency risk on sales, purchases and borrowings that are denominated in currencies other than Maldivian Rufiyaa.

c) Liquidity Risk

The Society 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 Society maintains sufficient level of cash or cash convertible investments to meet its working capital requirement.

2.13 Fair value estimation

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

2.14 Comparatives

Previous year figures have been rearranged and reclassified where necessary to conform to the current presentation. The accounting policies have been consistently applied by the Society and are consistent with those used in the previous period.

CANCER SOCIETY OF MALDIVES

Financial Statements - 31 December 2022

Notes to the Financial Statements

(all amounts in Maldivian Rufiyaa)

	For the Year ended 31 December	
	2022	2021
3 Income		
Donations received	1,264,721	761,706
In-kind contributions	91,578	-
Receipts from fund-raising activities	635,985	16,891
Refunds	-	117,192
	<u>1,992,284</u>	<u>895,789</u>
4 Program expenses		
Screening expenses	841,065	21,043
Awareness and monitoring expenses	106,012	47,398
Cancer support expenses	5,611	-
Fund-raising expenses	184,920	22,260
Trainings, conferences and workshop expenses	335,712	34,299
	<u>1,473,320</u>	<u>125,000</u>
5 Operational and administrative expenses		
Membership fees	28,577	24,094
Salaries and allowances	238,323	155,000
Printing and stationery	3,950	1,823
Telephone	1,749	636
Subscriptions	6,661	5,995
Professional fees	3,855	3,000
Rent	180,000	168,000
Bank charges	4,628	1,795
Maintenance expenses	4,441	261
Utility	4,726	5,156
Depreciation charge	2,190	224,144
Miscellaneous expenses	11,353	1,246
	<u>490,453</u>	<u>591,150</u>

CANCER SOCIETY OF MALDIVES

Financial Statements - 31 December 2022

Notes to the Financial Statements

(all amounts in Maldivian Rufiyaa)

6 Property, plant & equipment

	Leasehold improvements	Furniture & fittings	Computer equipment	office equipment	Other assets	Total
Year ended 31 December 2021						
Opening net book value	-	-	5,869	2,820	-	8,689
Depreciation	-	-	(4,339)	(705)	-	(5,044)
Closing net book value	-	-	1,530	2,115	-	3,645
At 31 December 2021						
Cost	-	32,045	51,316	41,524	875,328	1,000,213
Accumulated depreciation	-	(32,045)	(49,786)	(39,409)	(875,328)	(996,568)
Net book Value	-	-	1,530	2,115	-	3,645
Year ended 31 December 2022						
Opening net book value	-	-	1,530	2,115	-	3,645
Additions	65,000	13,979	14,300	9,999	54,785	158,063
Depreciation	-	-	(1,485)	(705)	-	(2,190)
Closing net book value	65,000	13,979	14,345	11,409	54,785	159,518
At 31 December 2022						
Cost	65,000	46,024	65,616	51,523	930,113	1,158,276
Accumulated depreciation	-	(32,045)	(51,271)	(40,114)	(875,328)	(998,758)
Net book Value	65,000	13,979	14,345	11,409	54,785	159,518

Notes :

- The value of fully depreciated property, plant and equipment at the end of the reporting period amounted to MVR 1,000,213 (2021: MVR 997,393).
- Depreciation of MVR 2,190 (2021: MVR 5,044) has been charged to Administrative expenses.
- The Society operates out of rented premise.

Notes to the Financial Statements

(all amounts in Maldivian Rufiyaa)

7 Receivables

	2022	As at 31 December 2021
Funds receivable	221,771	26,111
Advances paid	3,358	2,615
	<u>225,129</u>	<u>28,726</u>

8 Cash and cash equivalents

Cash at bank	1,205,237	1,559,832
Cash on hand	1,420	1,420
	<u>1,206,657</u>	<u>1,561,252</u>

For the purpose of the cash flow statement, the cash and cash equivalents comprise the following:

Cash and cash equivalents	<u>1,206,657</u>	<u>1,561,252</u>
---------------------------	------------------	------------------

9 Payables

Expenses payable	<u>27,910</u>	<u>58,740</u>
	<u>27,910</u>	<u>58,740</u>

10 Contingencies

Contingent liabilities

There were no other material contingent liabilities recognised at the end of the reporting period.

Contingent assets

There were no material contingent assets recognised at the end of the reporting period.

11 Commitments

Capital commitments

There were no material capital commitments at the end of the reporting period.

Financial commitments

There were no material financial commitments at the end of the reporting period.

12 Events after the reporting period

No significant events have occurred since the end of the reporting date, which would require adjustments to, or disclosure in, the financial statements.