

**ASSOCIATION OF EARLY INTERVENTION  
FOR CHILDREN WITH DISABILITY  
Muscat – Sultanate of Oman**

**Report and financial statements  
for the year ended 31 December 2024**

**ASSOCIATION OF EARLY INTERVENTION FOR CHILDREN WITH DISABILITY**

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**Independent auditor's report  
to the Board of Directors  
Association of Early Intervention For Children With Disability**

**Report on the audit of the financial statements**

**Opinion**

We have audited the financial statements of **Association of Early Intervention For Children With Disability - Muscat – Sultanate of Oman**, (the Association) which comprise the statement of the financial position as at 31 December 2024, and the statements of income and expenditure, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies set out on pages 7 to 11.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

**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 Association in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the other ethical requirements that are relevant to our audit of the financial statements in Sultanate of Oman, and we have fulfilled our other ethical responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Responsibilities of management for the financial statements**

Management is responsible for the preparation and fair presentation of the financial statement in accordance with IFRS, and for such internal control as the management determines is necessary to enable the preparation of financial statement that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Association ability to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

### **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 Association'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 Association'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 Association 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 management 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.

**Regional Bureau**  
**Chartered Accountants**



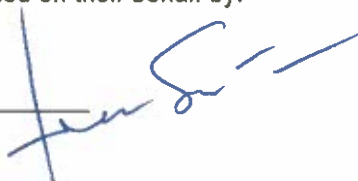
**Muscat**  
**13 April 2025**

**ASSOCIATION OF EARLY INTERVENTION FOR CHILDREN WITH DISABILITY**

**Statement of financial position  
as a 31 December 2024  
(In Rials Omani)**

	<u>Note</u>	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	5	<u>2,322,129</u>	<u>2,301,631</u>
<b>Current assets</b>			
Inventories		27,113	30,097
Bank balances and cash	6	392,244	441,403
Trade and other receivables	7	<u>184,993</u>	<u>22,849</u>
<b>Total current assets</b>		<u>604,350</u>	<u>494,349</u>
<b>Total assets</b>		<u>2,926,479</u>	<u>2,795,980</u>
<b>EQUITY AND LIABILITIES</b>			
Net surplus carried forward		<u>2,432,383</u>	<u>2,389,821</u>
<b>Non - current liabilities</b>			
Provision for staff indemnity	8	40,258	19,943
Deferred government grant	9	<u>300,000</u>	<u>300,000</u>
<b>Total non - current liabilities</b>		<u>340,258</u>	<u>319,943</u>
<b>Current liabilities</b>			
Trade and other payables	10	<u>153,838</u>	<u>86,216</u>
<b>Total current liabilities</b>		<u>153,838</u>	<u>406,159</u>
<b>Total equity and liabilities</b>		<u>2,926,479</u>	<u>2,795,980</u>

These financial statements were approved and authorized for issue by the Board of Directors on 13 April 2025 and were signed on their behalf by:

Director 



The accompanying notes form an integral part of these financial statements.

## ASSOCIATION OF EARLY INTERVENTION FOR CHILDREN WITH DISABILITY

### Statement of income and expenditure for the year ended 31 December 2024 (In Rials Omani)

	<u>Note</u>	<u>2024</u>	<u>2023</u>
<b>Income</b>			
Donation and contributions	11	626,173	798,192
Income from activities	12	24,347	87,793
Profit on sale of property and equipment		956	-
<b>Total income</b>		<u>651,476</u>	<u>885,985</u>
<b>Expenses</b>			
Direct expenses		(19,740)	(5,462)
General and administrative expenses	14	(589,174)	(344,870)
<b>Total expenses</b>		<u>(608,914)</u>	<u>(350,332)</u>
<b>Net surplus for the year</b>		<u>42,562</u>	<u>535,653</u>

The accompanying notes form an integral part of these financial statements.

**ASSOCIATION OF EARLY INTERVENTION FOR CHILDREN WITH DISABILITY**

**Statement of changes in equity  
for the year ended 31 December 2024  
(In Rials Omani)**

	<b>Net surplus carried forward</b>
Balance at 1 January 2023	<b>1,854,168</b>
Net surplus for the year 2023	<b>535,653</b>
Balance at 31 December 2023	<b>2,389,821</b>
Net surplus for the year 2024	<b>42,562</b>
Balance at 31 December 2024	<b>2,432,383</b>

**The accompanying notes form an integral part of these financial statements.**



## ASSOCIATION OF EARLY INTERVENTION FOR CHILDREN WITH DISABILITY

### Statement of cash flows for the year ended 31 December 2024 (In Rials Omani)

	<u>2024</u>	<u>2023</u>
<b>Operating activities</b>		
Surplus before extra-ordinary items	42,562	535,653
Adjustments for:		
Depreciation of property and equipment	72,579	6,053
Net transfer to provision for staff indemnity	20,315	3,899
Operating surplus before changes in operating assets and liabilities	135,456	545,605
Changes in working capital :		
Trade and other receivables	(162,144)	4,482
Inventories	2,984	4,392
Trade and other payables	67,622	(59,448)
<b>Net cash from operating activities</b>	<u>43,918</u>	<u>495,031</u>
<b>Investing activities</b>		
Purchase of property and equipment	(93,077)	(480,222)
<b>Net cash used in investing activities</b>	<u>(93,077)</u>	<u>(480,222)</u>
<b>Financing activities</b>	<u>-</u>	<u>-</u>
<b>Net changes in cash and cash equivalents</b>	(49,159)	14,809
Cash and cash equivalents at beginning of the year	441,403	426,594
<b>Cash and cash equivalents at the end of the year</b>	<u>392,244</u>	<u>441,403</u>

The accompanying notes form an integral part of these financial statements.



## **ASSOCIATION OF EARLY INTERVENTION FOR CHILDREN WITH DISABILITY**

**Notes to the financial statements  
for the year ended 31 December 2024  
(In Rials Omani)**

### **1. Legal status and principal activities**

**Association of Early Intervention for Children with Disability** (the "Association") serves children from birth to 6 years, who are risk or disabled, with a comprehensive early intervention program that covers social, education and therapeutic service; with the objective of having the children enroll in regular schools or minimize their disabilities to ensure a better quality of life for them and their families.

The Association was officially chartered by ministerial order (144/2000) issued on 29 May 2000.

These financial statements are presented in Rials Omani (R.O) since that is the currency of the country in which the Association is domiciled.

### **2. Application of new and revised International Financial Reporting Standards (IFRS Accounting Standards) (IFRSs)**

#### **New and revised IFRS that are effective for the current year**

In the current year, the Association has applied a number of other amendments to IFRS Standards and Interpretations issued by the International Accounting Standards Board (IASB) that are effective for an annual period that begins on or after 1 January 2024. The adoption of the following IFRSs have not had any material impact on the disclosures or on the amounts reported in these financial statements and are listed below:

- IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information effective from January 1, 2024.
- IFRS S2 Climate-related Disclosures effective from January 1, 2024
- Amendments to IAS 1 Presentation of Financial Statements - Classification of Liabilities as Current or Noncurrent and Non-current Liabilities with Covenants - effective from January 1, 2024
- Amendments to IFRS 16 Leases - Lease Liability in a Sale and Leaseback - effective from January 1, 2024
- Amendments to IAS 1 - Non-current Liabilities with Covenants - effective from January 1, 2024
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures- Supplier Finance Arrangements- effective from January 1, 2024

The above amendments had no impact on the financial statements of the Association.

The Association has not yet applied the following new and revised IFRSs that have been issued but are not yet effective:

- Amendments to IAS 21 - Lack of exchangeability - effective from January 1, 2025
- The new standard, IFRS 18 replaces IAS 1 - Presentation and disclosure in Financial Statements - effective from January 1, 2027
- The new standard, IFRS 19 - Subsidiaries without Public Accountability: Disclosures - effective from January 1, 2027
- Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Available for optional adoption

Management anticipates that these new standards, interpretations and amendments will be adopted in the Association's financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments as highlighted in previous paragraphs, may have no material impact on the financial statements of the Association in the year of initial application.

### 3. Summary of significant accounting policies

The financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS).

#### **Basis of preparation**

The financial statements are prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

#### **Foreign currencies**

Transactions in foreign currencies are transactions to the Association's functional currency at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the financial position date are retranslated to the functional currency at the exchange rate at that date. Foreign currency differences arising on retranslation are recognized in the statement of income and expenditure.

#### **Property and equipment**

Property and equipment are stated at cost / valuation less accumulated depreciation and less identified impairment losses, if any.

Depreciation is charged so as to write off the cost of property and equipment, over their estimated useful lives, using the straight line method. The estimated useful lives of property and equipment are as follows:

	<u>Years</u>
Computer equipment	3
Furniture & equipment	3
Vehicles	3

Building work in – progress is stated at cost. When commissioned capital work in – progress is transferred to appropriate property and equipment category and depreciated in accordance with the association's policies.

The gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of income and expenditure.

#### **Inventories**

Inventories are measured at the lower of cost or net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business less selling expenses.

#### **Impairment**

##### **(i) Financial assets**

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount, and the present value of estimated future cash flows discounted at the original effective interest rate. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. All impairment losses are recognized in the statement of income and expenditure. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. For financial assets measured at amortized cost, the reversal is recognized in the statement of income and expenditure.

##### **(ii) Non-financial assets**

The carrying amounts of the Association's non-financial assets are reviewed at each financial position date to determine whether there is any indication of impairment. If any such indications exist then the asset's recoverable amount is estimated.

An impairment loss is recognized if the carrying amount of an asset or cash generating unit is higher than its estimated recoverable amount which is greater of its value in use and its fair value less costs to sell.

In assessing the 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 specified to the asset.

Impairment losses recognized in prior periods are assessed at each financial position date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

#### **Cash and cash equivalents**

For the purpose of statement of cash flows, cash and cash equivalents include cash on hand and bank balances.

#### **Employees benefits**

##### **Defined contribution plan**

The Association provides end of service benefits to its expatriate employees as per the Omani Labour Law promulgated under the Royal Decree 53/2024.

#### **Provisions**

A provision is recognized if, as a result of a past event, the Association has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. An environmental provision is recognized when the Association, through environmental assessments, identifies a requirement for environmental remediation as a result of a past event and the associated costs can be reasonably estimated.

#### **Revenue / Contribution**

Revenue comprises of mainly donations and contribution from Ministry, Government department, private and individuals which are recognized as and when received.

Income from services are recognized at a point in time when the performance obligation is satisfied and is based on the amount of the transaction price that is allocated to the performance obligation.

#### **Income Tax**

The Association is exempted from income tax.

#### **Determination of fair values**

A number of the Association's accounting policies and disclosures require the determination of fair value, for both financial assets and liabilities. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to the asset or liability. The fair value of trade and other receivables and trade and other payables approximates to their carrying amount due to their short term maturity. Share capital is recorded at the proceeds received.

#### **4. Critical accounting judgment and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the resultant provisions and changes in fair value for the year. Such estimates are necessarily based on assumptions about several factors involving varying, and possibly significant, degrees of judgment and uncertainty and actual results may differ from management's estimates resulting in future changes in estimated assets and liabilities.

## 5. Property and equipment

	<u>Land</u>	<u>Furniture &amp; equipment</u>	<u>Computer &amp; equipment</u>	<u>Capital Work in progress</u>	<u>Total</u>
<b>Cost</b>					
At 1 January 2024	1	178,121	69,826	2,101,306	2,349,254
Addition	-	9,175	4,544	79,358	93,077
Disposal	-	(35,117)	-	-	(35,117)
At 31 December 2024	<u>1</u>	<u>152,179</u>	<u>74,370</u>	<u>2,180,664</u>	<u>2,407,214</u>
<b>Accumulated depreciation</b>					
At 1 January 2024	-	42,251	5,372	-	47,623
Charge for the year	-	50,299	22,280	-	72,579
Disposal	-	(35,117)	-	-	(35,117)
At 31 December 2024	-	<u>57,433</u>	<u>27,652</u>	-	<u>85,085</u>
<b>Net book value</b>					
At 31 December 2024	<u>1</u>	<u>94,746</u>	<u>46,718</u>	<u>2,180,664</u>	<u>2,322,129</u>
At 31 December 2023	<u>1</u>	<u>135,870</u>	<u>64,454</u>	<u>2,101,306</u>	<u>2,301,631</u>

## 6. Bank balances and cash

	<u>2024</u>	<u>2023</u>
Cash on hand	-	172
Bank balances :		
Current accounts	<u>392,244</u>	<u>441,231</u>
	<u>392,244</u>	<u>441,403</u>

## 7. Trade and other receivables

	<u>2024</u>	<u>2023</u>
Accounts receivables	156,357	-
Staff advance	16,665	16,665
Prepaid Insurance	9,246	3,459
VAT refundable	<u>2,725</u>	<u>2,725</u>
	<u>184,993</u>	<u>22,849</u>

## 8. Provision for staff indemnity

The provision for employee's terminal benefits for non-Omani employees is made in accordance with the requirements of Omani Labour Law. This is an unfunded defined benefits retirement plan and movements during the year is as follows.

	<u>2024</u>	<u>2023</u>
Balance at 1 January	19,943	16,044
Provision for the year	<u>20,315</u>	<u>3,899</u>
Balance at 31 December	<u>40,258</u>	<u>19,943</u>

## 9. Deferred Government grant

	<u>2024</u>	<u>2023</u>
Government grant	<u>300,000</u>	<u>300,000</u>

The Association was granted a government grant on 16/12/2019 RO. 130,000, on 4/2/2020 RO. 37,164 and on 2/6/2020 RO. 132,836 totaling RO. 300,000 for construction of building. The construction of building is under progress. The Grant will be recognized as deferred income that is recognized in profit or loss on a systematic basis over a useful life of the asset and as a reduced depreciation expenses once building is put to use.

## 10. Trade and other payable

	<u>2024</u>	<u>2023</u>
Trade payable	109,265	-
Retention payable	42,677	85,354
Other payables	<u>1,896</u>	<u>862</u>
	<u>153,838</u>	<u>86,216</u>



**11. Donations and contributions**

	<u>2024</u>	<u>2023</u>
Donations and Receipts	148,889	600,124
Donation from government	50,000	185,000
Student fees and daycare	427,284	13,068
	<u>626,173</u>	<u>798,192</u>

**12. Income from activities**

	<u>2024</u>	<u>2023</u>
Sales	5,209	1,706
Income from multi-services	19,138	86,087
	<u>24,347</u>	<u>87,793</u>

**13. General and administrative expenses**

	<u>2024</u>	<u>2023</u>
Salaries and related costs	472,069	300,426
Depreciation of property and equipment – Note 5	72,579	6,053
Social security and medical	5,351	3,440
Utilities expenses	15,309	19,639
Communication	1,137	1,305
Repairs and maintenance	6,918	1,802
Government fees	3,200	3,170
Office expenses	3,194	871
Material expenses	-	1,742
Travel expenses	5,740	2,786
Bank charges	821	1,007
Miscellaneous expenses	2,856	2,629
	<u>589,174</u>	<u>344,870</u>

**14. Financial risk Management**

Financial risks comprises of cash, bank balances and payables on the statement of financial position.

**Credit risk**

The Association is not exposed to credit risk.

**Liquidity risk**

Liquidity risk is the risk that the Association will not be able to meet its financial obligations as they fall due.

The Association's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Association's reputation. The Association ensures that it has sufficient cash on demand to meet expected operational expenses and sufficient credit facilities to manage its liquidity risk.

The Association maintains banking relationship with local banks of good reputation operating in the Sultanate of Oman.

**Market risk**

The Association is not exposed to market risk.

**15. Comparative amounts**

Certain amounts for the prior year have been reclassified to conform to current year presentation.