



Report No: FIN-2021-34(E)

29th April 2021

CAPITAL MARKET DEVELOPMENT TRUST FUND FINANCIAL YEAR 2020



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AUDITOR GENERAL'S OFFICE

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AUDITOR GENERAL'S REPORT

To the Capital Market Development Trust Fund

Opinion

We have audited the accompanying Statement of Trust Fund for the year ended 31st December 2020 and the notes to the statement of trust fund, which include a summary of significant accounting policies and other explanatory information set out in pages 3 to 6.

In our opinion, the accompanying statement of trust fund presents fairly, in all material respects, the amounts received and amounts paid for by Capital Market Development Trust Fund for the financial year ended 31 December 2020 and cash balances as at the year then ended in accordance with the International Public Sector Accounting Standard: *Financial Reporting under the Cash Basis of Accounting*.

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 statement of trust fund section of our report.

We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). 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.

Responsibilities of management and those charged with governance for the Statement of Trust Fund

The Management is responsible for the preparation and fair presentation of this statement of trust fund in accordance with the International Public Sector Accounting Standard (IPSAS): *Financial Reporting under the Cash Basis of Accounting*. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statement that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Those charged with governance are responsible for overseeing the Trust Funds's financial reporting process.



Auditor's responsibilities for the audit of the Statement of Trust Fund

Our objectives are to obtain reasonable assurance about whether the statement of trust fund 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 the statement of trust fund.

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 statement of trust fund, 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 Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the trust fund statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

29th April 2021



Hassan Ziyath

Auditor General



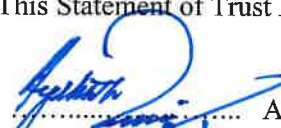
CAPITAL MARKET DEVELOPMENT TRUST FUND
Managed by Capital Market Development Authority
31 December 2020

STATEMENT OF TRUST FUND

(All amounts in Maldivian Rufiyaa unless otherwise stated)

	Note	Year ended 31 December	
		2020	2019
Opening balance		1,071,080	370,460
RECEIPTS			
Trust fund receipt	5	343,771	834,878
Total Receipts		343,771	834,878
PAYMENTS			
Trust fund expenses	6	84,595	134,258
Total Payments		84,595	134,258
Increase/(Decrease) in Cash		259,176	700,620
Cash at beginning of year		1,071,080	370,460
Increase/(Decrease) in Cash		259,176	700,620
Closing balance	7	1,330,257	1,071,080

This Statement of Trust Fund was approved on 28/04/2021


 Aishath Zahira, Chairperson


 Mohamed Hussain Maniku, Chief Executive Officer


 Ahmed Siraj, Chairman of Audit & Risk Committee

The accounting policies and notes on pages 4 to 6 are an integral part of the Statement of Trust Fund.



CAPITAL MARKET DEVELOPMENT TRUST FUND
Managed by Capital Market Development Authority
31 December 2020

NOTES TO THE STATEMENT OF TRUST FUND

(All amounts in Maldivian Rufiyaa unless otherwise stated)

1. Reporting entity

The Ministry of Finance, by virtue of the discretionary powers vested on the Ministry under section 26 of the Public Finance Act (Act no. 3/2006) established a trust fund named "Capital Market Development Trust Fund" on Monday, 16 April 2018.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of the Statement of Trust Fund are set out below. These policies have been consistently applied, unless otherwise stated.

3. Basis for preparation

The Statement of Trust Fund are prepared in accordance with the International Public Sector Accounting Standard: *Financial Reporting Under the Cash Basis of Accounting*, as required under the section 15.03 of the Public Finance Regulation.

(a) Receipts

In accordance with Section 3 of the statement of trust fund, upon establishment of the fund, all monies collected by the Authority as revenue, sponsorship and donations are deposited to this fund account. In addition, all money received by the Authority except the annual budget support provided by Ministry of Finance are deposited to the Capital Market Development Trust Fund Account.

(b) Payments

Fund account is utilized for expenditure specified under Annex 1 of Capital Market Development Trust Fund Statement. All expenses related to training and education programs and staff training expenses for the year are included as allowable expenditure.

4. Comparatives

In addition to the figures for the financial year ending 31 December 2020, the Statement of Trust Fund shows the figures for the financial year ending 31 December 2019.



5. Receipts

	2020	2019
Annual licensing fees	171,742	211,085
Prospectus processing fees	-	200,000
Fine charges	8,945	20,567
Institute of Corporate Directors and Secretaries membership and training fees	83,000	172,000
Application fee	600	1,750
Trade processing fee	691	3,150
Treasury bills and fixed deposit interest	431	128,191
Cash received in advance	78,363	98,135
Total receipts	343,771	834,878

The receipts represent the amounts received by the Capital Market Development Authority and transferred to the Capital Market Development Authority Trust Fund during the period.

6. Payments

Payments are made up as follows:

	2020	2019
Directors training program	1,238	-
Company secretaries training programme	32,195	-
World Investor Week	5,139	-
Printing and publication of Capital Market Review	-	42,668
Staff trainings	45,098	39,856
Capital Market Forum 2019	-	51,734
Zoom subscription for training programs conducted online (August 2020 onwards)	925	-
Total payments	84,595	134,258

7. Closing balances

The closing balance is available in Authority's account with Bank of Maldives "CMDAINCOME A/C" (account no. 7701 156637 003).

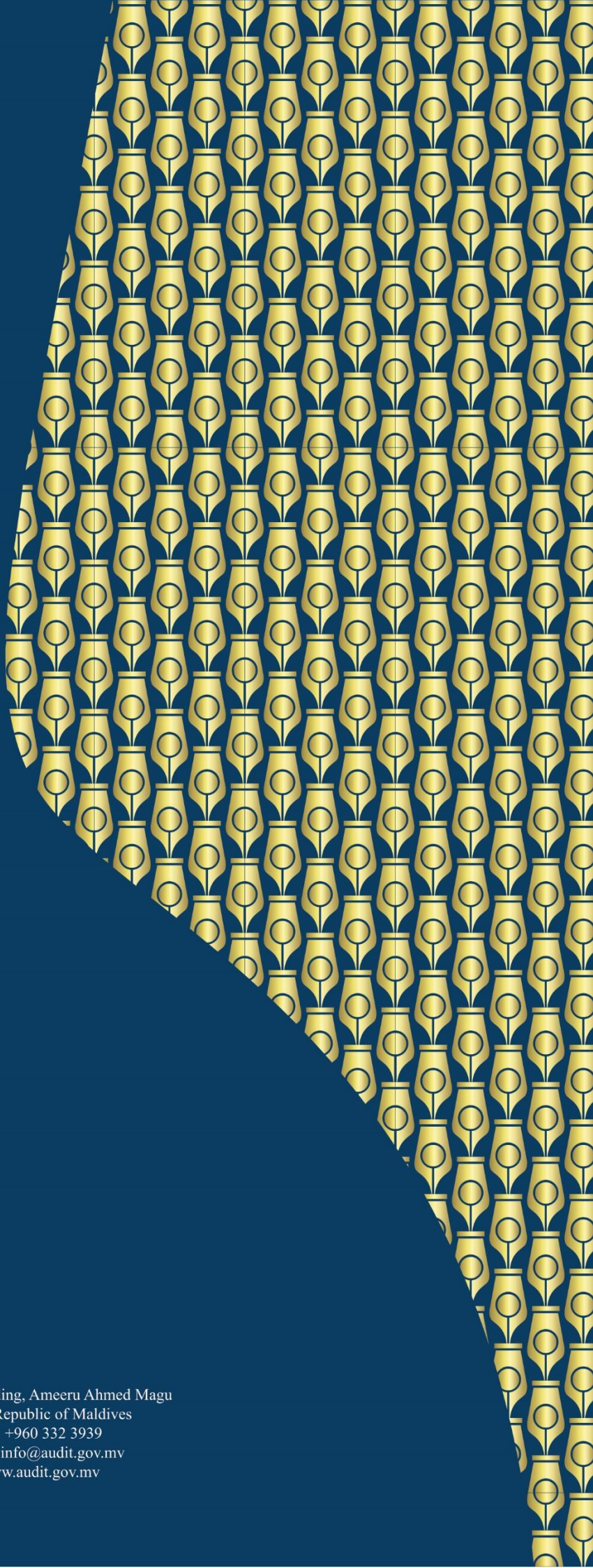
	As at 31 December 2020 MVR	As at 31 December 2019 MVR
Closing balance	1,330,257	1,071,080



8. Reconciliation with Trust fund balance as per the financial statement of the CMDA

	As at 31 December 2020 MVR	As at 31 December 2019 MVR
Fund balance as per the CMDA financial Statements	1,332,622	1,071,547
Revenue accrued but not received	(2,771)	(466)
Receipt from outstanding T-bill interest receivable	406	-
Fund balance as per the Trust fund financial statements	1,330,257	1,071,080





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