

# **CAPITAL MARKET DEVELOPMENT TRUST FUND**

Financial statement – for the period 16 April 2018 to 31 December 2018



## **Independent auditor's report**

To the Capital Market Development Trust Fund

### **Opinion**

We have audited the accompanying statement of receipts and disbursements of Capital Market Development Trust Fund for the period 16 April 2018 to 31 December 2018 and notes to the statement of receipts and disbursements, including a summary of significant accounting policies and other explanatory information (together "the financial statement").

In our opinion, the statement of receipts and disbursements of the trust fund, Capital Market Development Trust Fund presents fairly, in all material respect, the amounts received and expenses paid for by Capital Market Trust Fund for the period 16 April 2018 to 31 December 2018, in accordance with 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 financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

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.

### **Emphasis of Matter - Basis of Accounting**

We draw attention to the cash basis of accounting adopted by the management of the trust fund in preparing the statement. The financial statement is prepared for your purpose of monitoring the trust fund disbursements. As a result the statement may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statement**

Management is responsible for preparation and fair presentation of the financial statement in accordance with the cash basis of accounting; this includes determining that cash basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances, and for such internal control as management determines is necessary to enable the preparation of a statement that is free from material misstatement, whether due to fraud or error.

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Resident Partner Jatindra Bhatray FCA

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## Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is 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 this financial statement.

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

- Perform procedures to obtain audit evidences about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgement, including the assessment of identify and assess the risks of material misstatement of the financial statement, 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the financial statement, including the disclosures, and whether the financial statement 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.

MALE

20 March 2019

For PRICEWATERHOUSECOOPERS  
Registration No: F0005

Jatindra Bhatray  
Partner

**Capital Market Development Trust Fund**  
**Managed by Capital Market Development Authority**  
**31 December 2018**

**Statement of receipts and disbursements**

(All amounts in MVR unless otherwise stated)

	Note	Period 16 April 2018 to 31 December 2018
<b>A Opening balance</b>		-
<b>B Receipts</b>		
Trust fund receipt	5	650,948
<b>Total receipts</b>		<u>650,948</u>
<b>C Disbursements</b>		
Trust fund expenses	6	280,488
<b>Total disbursements</b>		<u>280,488</u>
<b>Closing balance</b>	7	<u>370,460</u>

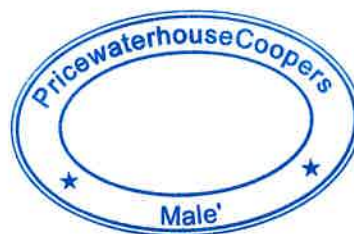
This statement of receipts and disbursements was approved on 20/03/2019

(Ahmed Mazin)

Ahmed Mazin  
Chairman

(Nadiya Hassan)

Nadiya Hassan  
Chief Executive Officer



**Capital Market Development Trust Fund**  
**Managed by Capital Market Development Authority**  
**31 December 2018**

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**Notes to the statement of receipts and disbursements**

**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 receipts and disbursements are set out below. These policies have been consistently applied, unless otherwise stated.

**3 Basis for preparation**

The statement of receipts and disbursements is prepared on cash basis.

*(a) Receipts*

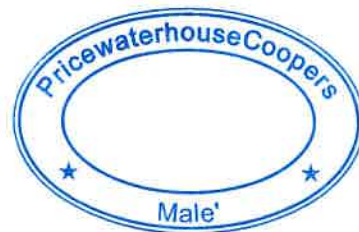
In accordance with Section 3 of the trust fund statement, upon establishment of the fund, all monies collected by the Authority as revenue, sponsorship and donations are deposited to this fund account. In addition, all money received by the Authority except the annual budget support provided by Ministry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

*(b) Disbursements*

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**

This is the first set of financial statements after the trust fund was established on 16 April 2018 and therefore there are no comparatives.



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**Capital Market Development Trust Fund**  
**Managed by Capital Market Development Authority**  
**31 December 2018**

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**Notes to the statement of receipts and disbursements**

**5 Receipts**

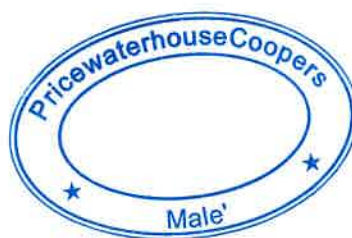
	<b>Period 16 April 2018 to 31</b>
Annual licensing fees	354,110
Prospectus processing fees	50,000
Fine charges	55,475
Institute of Corporate Directors and Secretaries membership and training fees	48,266
Application fee	3,550
Trade processing fee	867
Treasury bills and fixed deposit interest	60,461
Cash received in advance	78,219
	<u>650,948</u>

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 Disbursements**

Disbursements are made up as follows:

	<b>Period 16 April 2018 to 31</b>
Directors training program	44,636
Company secretaries training programme	17,767
Regional leadership program for securities regulators	71,417
Workshop on countering money laundering and terrorism financing	2,313
Participation in the APEC FRTI - regional seminar on enhancing listing	31,724
IOSCO Technical Assistance Project for developing onsite inspection manual	66,072
World investor week	21,900
Promotional activities	16,960
IFRS training session	7,699
Total trust fund expenses	<u>280,488</u>



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**Capital Market Development Trust Fund**  
**Managed by Capital Market Development Authority**  
**31 December 2018**

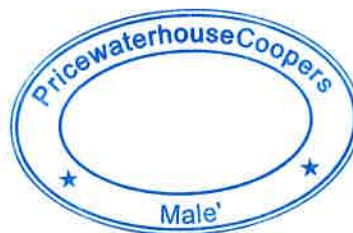
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**Notes to the statement of receipts and disbursements**

**7 Closing balances**

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

	<b>As at 31 December 2018</b>
Closing balance	<u>370,460</u>



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