

Comments from the Institute of Chartered Accountants of the Maldives on the Corporate Governance Code

#	Section	Comment
1	1.1	Add (j) - A public company must not appoint a person to any senior managerial post or as a member of the board, if the person has served as the external audit partner, unless a period of minimum 12 (twelve) months have passed since the person has left the position.
2	1.2 (g)	Directors shall be appointed for Maximum 6 consecutive years and term should be decided by the company.
3	4.1 (a)	Rephrase this to “ All listed companies must have an internal audit function ”
4	4.2 (c)	(c) External auditors must be independent, well-qualified to carry out their duties, and free of conflicts of interests, and approved auditor of CMDA. (d) Audit firms must not be engaged in accounting or non-audit consulting services, including but not limited to tax computation/advisory, internal audit, advisory services related to financial reporting and valuation, in which they have been appointed as the statutory auditors. (e) The company should not hire as external auditor any party that has provided internal audit services to the company in the previous three years.
5	4.2 (d)	Auditors must not hold more than 5% shares in companies they audit. If auditors hold shares in a company for which they are appointed as the statutory auditor, the shareholding amount should be disclosed.
6	7.2 (a)	Companies must ensure that their financial statements and accounts conform to the reporting standards set by the Institute of Chartered Accountants of the Maldives.
7	7.2 (b)	The Financial Statements must be reviewed, approved and signed off by the Chairperson of the Board, CEO, and the CFO to certify that the accounts reflect a true and fair picture of the company, and that there are no post balance sheet events or off-balance sheet items, the non-disclosure of which can affect the ability of the users of the financial statements to evaluate the company or make decisions.
8	Part 1 (5)	The Code will be mandatory for all listed companies and their subsidiaries , unless a specific provision is expressly exempted from such mandatory compliance.
9	Annexure 1 (b)	Add “Annual report should include level of compliance by subsidiaries and exemptions where applicable ”