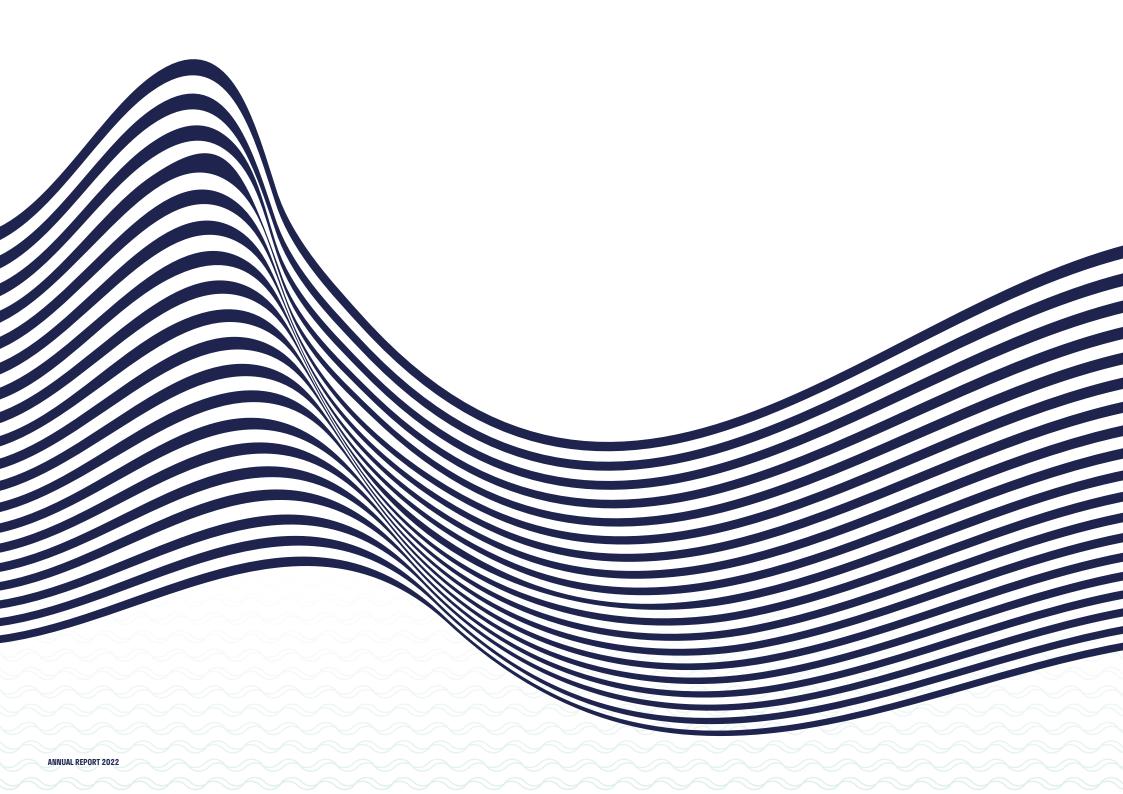


ANNUAL **REPORT** 2022



ANNUAL **REPORT**

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FOREWORD BY THE PRESIDENT OF CA MALDIVES

I take great pleasure in presenting the Annual Report of Institute of Chartered Accountants of the Maldives for the financial year ending 31 December 2022.

We began the year 2022 with renewed vigour and enthusiasm to build on the successes we had achieved in previous years and continued our efforts to strengthen the accounting profession in the country. As in previous years, we adopted a collaborative approach in carrying out our mandate and placed stakeholder engagement at the heart of our work. We held constructive discussions with IFAC officials regarding our path to associate membership of the IFAC at the World Congress of Accountants held in Mumbai in November.

Regulating the accounting profession to protect the public interest remains a key strategic focus of the Institute. Our notable achievements in terms of regulating the profession include publication of the Regulation for Registration of Accountants in Business, and amendments to Regulation for Audit and Assurance Services. It is hoped that the enforcement of these regulations will strengthen the trust and confidence in the profession.

To strengthen the technical capacity of the Institute and improve its operations and increase the level of engagement with relevant experts among members and other stakeholders, the Council established new committees in 2022. The formation of these committees – Tax and Public Policy Committee, Valuation Committee and Member Advisory Committee – resulted in the achievement of a critical milestone for better governance of the Institute. The committees achieved commendable progress in their work during their first year of establishment.

In 2022 we launched the Maldives Environmental, Social, and Corporate Governance (ESG) Reporting Awards at the Maldives Accountants Forum (MAF) in collaboration with the Capital Market Development Authority (CMDA) and Privatization and Corporatization Board (PCB). The launching of this award is a testament to our commitment to contributing towards the achievement of United Nations Agenda for Sustainable Development.

As we increase our efforts to be a trusted, relevant, reliable, accountable, transparent, and effective professional accountancy organisation, we are overwhelmed by the support and contributions made by our key stakeholders towards helping us discharge our responsibilities. I would like to also express my sincere appreciation to all members of the Council and its statutory and non-statutory committees, who were with us during 2022, for their dedication and commitment towards the future of the Institute. I also thank the reliable and hardworking team of CA Maldives and Auditor General's Office who demonstrated unwavering commitment and dedication to ensure that the Institute continues to succeed in its noble endeavours.

May the Almighty Allah bless our collective effort and grant us success!

> Mr. Hussain Niyazy President, Auditor General



VISION

A globally respected accountancy body recognized for its relevance and impact in shaping the future of the profession.

MISSION

To regulate and advance the accountancy profession to ensure international competitiveness, and promote sustainable practices, accountability, and good governance to create long-term value for its members and society.

STRATEGIC GOALS

GOAL 1

Promoting good governance, establishing frameworks and operational structures to ensure agility, adaptability, and relevance in a fast-changing world.

GOAL 2

Promoting excellence, enterprise, and future readiness among members within a strong foundation of the highest standards of ethics and professional conduct.

GOAL 3

Contribute to national development, engage in advocacy for good governance, and promote sustainable business practices.

CORE VALUES

Sustainability Relevance Innovation Integrity Collaboration



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CORPORATE GOVERNANCE STRUCTURE



THE COUNCIL

The Council is charged with the administration and management of the Institute as well as decisions on the overall strategy, policy, and direction and handling matters stipulated in the Chartered Accountants Act.

The Council is supported by various committees of the Institute. Under the Act, the Transitional Council of the Institute includes:

- Auditor General
- State Financial Controller
- Commissioner General of Taxation

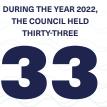
- Two (2) members from the Auditor General's Office appointed by the Auditor General
- Four (4) members working in the accounting profession representing the private sector appointed by the Auditor General

After the Transitional Council which lasts for four (4) years (until 13th September 2024), the council members of the Institute are elected by a secret ballot of the members of the Institute and serve for a total of three years from the date of the election.

COUNCIL MEMBERS

Members of the Council during the year 2022





MEETINGS

COUNCIL MEMBERS



MR. HUSSAIN NIYAZY President and Auditor General







MR. IBRAHIM FAZEEL Council Member Assistant Auditor General, Financial and Compliance Audit Services Division, Auditor General's Office



MR. RIFAATH JALEEL Council Member Managing Partner, MHPA LLP



MR. FATHUHULLA JAMEEL Council Member Commissioner General of Taxation



MR. AHMED SALIH Council Member Director, Research and Development, Auditor General's Office



MR. MOHAMED HALEEM ABDULLA Council Member Head of Finance, Villa Air Pvt Ltd



MR. MOHAMED AZAD Council Member Accountant General September 2022 - Present



MS. FAREEHA SHAREEF Council Member Managing Partner, FJS Consulting Pvt Ltd



MS. FATHIMATH RAZEENA Council Member State Financial Controller 2020 – July 2022

COMMITTEES

The Council is supported in its activities by various committees. During the year 2022, the Institute had a total of nine (9) committees out of which six (6) were mandatory Committees formed under Chapter 6, Clause 25 of the Act.

ACADEMIC COMMITTEE

Academic committee shall be constituted to approve courses; conduct courses; issue academic certificates: and deliberate and resolve academic matters related to the accountancy profession of the Maldives.



RESPONSIBILITIES

- To approve accounting and related educational courses recognized by the Institute; and
- To facilitate the issuance of academic certificates awarded by the Institute.

MAJOR ACTIVITIES CARRIED OUT AND RESOLVED

Collaborated with the Ministry of Higher Education (MoHE) in creating awareness among the public on 150 scholarships offered by MoHE to professional accountants.

- Conducted an awareness session (webinar) on CIMA in association with CIMA Sri Lanka.
- Assisted MoHE in evaluating scholarship applications.
- Prepared CPD plan for the first quarter of the year.
- Drafted and discussed the draft Competency Framework.
- Held discussion on the Concept Paper on Cost and Management Accounting by the Institute of Chartered Accountants of India (ICAI).
- Approved the Marketing Plan and Budget prepared to execute the COVID-19 Income Support Project awareness project in collaboration with the Ministry of Economic Development (MED) and the World Bank.
- Approved CPD Calendar for the year 2022 (September - December).
- Discussing and preparing CPD Calendar for the year 2023.
- Discussions and related work of SMO requirements for IFAC Membership.



MR. MOHAMED HALEEM ABDULLA Chairperson Council Member



COMMITTEE MEMBERS

MS. FATHIMATH RAZEENA Vice Chairperson State Financial Controller (till July 2022)



MR. ABDULLA ZAKARIYYA Vice Chairperson Capital Market Development Authority (CMDA) (Public Sector) (Since July 2022)



MR. ISMAIL ZABEEH Member Ministry of Higher Education (Government)



MR. AHMED ASHFAQ, Member Auditor General's Office



MR. ABDUL HALEEM ABDUL LATHEEF Member Solarelle Insurance (Private Sector)



MS. HAMIDA SHAKEELA Member Maldives Monetary Authority (MMA) (till August 2022)



MR. ABDULLA NISAM Member Maldives National University (Public Sector)



MR. AHMED ASLAM Member Housing Development Corporation (HDC) Since July 2022



ADMISSION AND LICENCING COMMITTEE



RESPONSIBILITIES

- To determine the eligibility criteria for Membership of the Institute.
- To carry out the process of issuing licences for conducting statutory audits in the Maldives.
- To carry out any other work conducive to issuing such licences.

MAJOR ACTIVITIES CARRIED OUT AND RESOLVED

- Developed and published AIB Regulation.
- Conducted Public Practice Training Program.
- Developed the concept paper for Quality Rating and submitted it to the Council.
- Discussed the strategic plan implementation matrix.
- Reviewed thirty-three (33) Membership applications and approved thirty (30) of those which met the membership criteria of Regulation R-121/2020.
- Reviewed thirteen (13) Audit Licence applications and approved ten (10) of those which met the criteria required by Regulation R-3/2021.
- Approved the Compliance Report format.
- Discussed and proposed solutions to Council for matters on:

- Making Public Practice Training Program available on demand
- Recommendation paper regarding the Public Practice Training Program
- Recommendation paper regarding Advance Audit and Assurance requirement
- Recommendation paper regarding the provision of Audit and other Accounting Services by Non-Members
- Reviewed Audit Licencing Regulation R-3/2021.

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- Developed CPD guidance to be published for members and sent to Council.
- Discussions and related work of SMO requirements for IFAC Membership.
- Part of Working Group to develop Guideline for Auditors during Elections as requested by the Elections Commission.
- Discussions and related work to establish Quality Assurance Review (QAR) Framework.





COMMITTEE MEMBERS

MR. AHMED SALIH Chairperson Council Member

MR. MOHAMED SHAN

Member

Auditor General's Office





MS. HAWWA SAAIGA Vice Chairperson Auditor General's Office





MS. HAWWA JANNATH

MS. HAWWA JANNATH Member Auditor General's Office



MR. AHMED SAMIH Member Auditor General's Office (Since July 2022)



MS. NAFA WAHEED Member Maldives Inland Revenue Authority



MR. BUNYAAMEEN MOHAMED Memeber Maldives Inland Revenue Authority (Since July 2022)

TECHNICAL AND STANDARDS COMMITTEE



RESPONSIBILITIES

- Addresses the technical issues relating to . setting and enforcing private sector accounting and auditing standards in the Maldives; setting code of ethics and independence standards for the members of the Institute.
- Comments on exposure drafts of the International Accounting Standards Board (IASB) and International Auditing and Assurance Standards Board (IAASB).
- Conducting awareness and training programs on new standards of IASB and IAASB.
- Takes part in technical committees of regional professional accountancy organizations.

MAJOR ACTIVITIES CARRIED OUT AND RESOLVED

- Participated in two (2) SAFA meetings.
- Commentary letters provided to the following **Exposure Drafts:**
 - International Standards on Auditing for Less Complex Entities (ISA for LCEs)
 - Non- Current liabilities with Covenants (Proposed amendment to IAS 1)
 - Supplier Finance Arrangement (Proposed amendment to IAS 7 and IFRS 7)

- Proposed Revisions to Code relating to the Definition of Engagement Team and Group Audits
- Finalized comments to IFRS S1General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures
- Endorsement of the IESBA Code of Ethics for Professional Accountants in the Maldives (including International Independence standard).
- News Updates: July-August 2022 .
- Held stakeholder meetings with:
- Accrual Accounting Committee- MoF
- Meeting with PCB and CMDA
- Meeting with MMA

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- Meeting with Insurance Companies
- Development of ESG Framework.
- Discussion on the ESG Award and part of the working group to develop the guideline.
- Guidance on IFRS 17- Insurance Contracts Implementation in the Maldives to Insurance Companies.
- Developing Training and Learning materials on ISQM1, ISQM2 and ISA 315.
- Part of Working Group to develop Guideline for Auditors during Elections as requested by the Elections Commission.
- Discussions and related work of SMO requirements for IFAC Membership.

COMMITTEE MEMBERS



Chairperson

MS. SHIRUMEENA HUSSAIN

Member

Auditor General's Office



MR. JATINDRA KUMAR BHATTRAY

Vice Chairperson

PwC

MR. IBRAHIM FAZEEL Council Member

MR. AHMED SALIH Vice Chairperson Auditor General's Office (till July 2022)



MR. DUMINDA RATHNADIWAKARA Member KPMG





MR. ALI MUAAZ Member Maldives Inland Revenue Authority



MS. AISHATH SHIZNA Member Allied Insurance (Since July 2022)

APPEAL COMMITTEE

RESPONSIBILITIES

 Looks into the appeals lodged by members not satisfied with the decisions of the Council or Committee of the Institute.

MAJOR ACTIVITIES CARRIED OUT AND RESOLVED

No major activities were carried out during the year.

COMMITTEE MEMBERS







UZ. MOHAMED FAISAL Chairperson Bar Council MS. RAUHATH HUSSAIN Vice Chairperson Auditor General's Office MR. IBRAHIM SIAAU Member Capital Market Development Authority (CMDA)



MR. MOHAMED NASEEM Member Auditor General's Office



MS. MARYAM YASHA Member Maldives Inland Revenue Authority



ETHICS COMMITTEE

MEETINGS



RESPONSIBILITIES

Gives recommendations to the Council on appropriate courses of action to be taken against the Institute's members in respect of cases investigated by the Institute on its own initiative or those following a complaint made by a member of the public against alleged non-compliances (violation of the Act, Regulations made under the Act, and the Code of Professional Conduct and Ethics).

MAJOR ACTIVITIES CARRIED OUT AND RESOLVED

- Approved the Rules of Procedure (ROP) of the committee.
- Approved Shakuvaa Hushalha Form.
- Reviewed and conducted an investigation for two (2) ethics cases.
- Presented investigation case reports to Council along with recommendations on Ethics Cases investigated by the committee.
- > Approved and presented recommendation paper of Flowchart and Section 7 of Regulation for Complaint Handling and Investigation Procedure to Council.
- Discussions and related work of SMO requirements for IFAC Membership.

COMMITTEE MEMBERS



MR. IBRAHIM AIMAN

Chairperson

MR. IBRAHIM SALEEM

Member

Capital Market Development

Authority (CMDA)





Auditor General's Office

MS. FATHIMATH SHIUMA Vice Chairperson Maldives Inland Revenue Authority (MIRA)

MS. SIYA AHMED NAJEEB Member Maldives Monetary Authority (MMA)





MS. KHADHEEJA JAMEELA Member **Civil Service Commission**



DR. IBRAHIM MAHFOOZ Member Emmjay Associates (Private Sector)

TAX AND PUBLIC POLICY COMMITTEE

MEETINGS

The committee was established in May 2022 and commenced operations from August 2022 onwards.



RESPONSIBILITIES

To discuss, review, and advise the Council on public policy-related matters, including legislation and policies of the State on tax, public finances, business, etc. and Environmental, Social and Governance (ESG).

MAJOR ACTIVITIES CARRIED OUT AND RESOLVED

- Approval of committee mandate and Terms of Reference.
- Commented on Companies Act Revision.
- Commented on Tourism Act Amendment.
- Commented on Public Finance Act.
- Commented on the Bar Associations Act.
- Commented on Foreign Investment Bill.
- Discussion and reviewing Budget 2023 of Maldives.

COMMITTEE MEMBERS







MS. FAREEHA SHAREEF Chairperson Council Member

MR. AHMED ALI Vice Chairperson S&A Lawyers LLP (Fellow Member of the Institute)





MR. MOHAMED SIRAJ MUNEER Member PwC Maldives (Tax Expert)

MR. ALI IRUFAN Member Ministry of Finance (Public Finance Expert)

VALUATION COMMITTEE

MEETINGS

The committee was established in May 2022 and commenced operations from September 2022 onwards.



RESPONSIBILITIES

> To research, develop and advise the Council on valuation guidelines appropriate for valuation practices for financial reporting in the Maldives.

MAJOR ACTIVITIES CARRIED OUT AND RESOLVED

► Approval of committee Terms of Reference and Rules of Procedure.

COMMITTEE MEMBERS







MR. RIFAATH JALEEL Chairperson Council Member

MR. ALI FARIS MOHAMED Vice-Chairperson Faris and Co L.L.P

MR. HUSSAIN RASHEEDH Member Allied Insurance Company



MS. SAMAHATH ABDULLA

Member

Maldives Inland Revenue

Authority (MIRA)





MS. FATHIMATH LEENA

Member STELCO (Since December 2022)



Member Bank of Maldives (Banking Expert) (Since December 2022)

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MANAGEMENT AND FINANCE COMMITTEE

MEETINGS

The committee commenced operations from September 2022 onwards.



RESPONSIBILITIES

To ensure that Institutes Council strategies and daily operations are carried out efficiently and effectively by providing advice and recommendation on operational and financial matters of the Institute and provide recommendations to the Council in the operating and financial performance of the Institute.

MAJOR ACTIVITIES CARRIED OUT AND RESOLVED

- Approval of reimbursement process.
- Approval of Activity Calendar 2023.
- Review of Draft Staff Policy.
- Completion of SMO self-assessment questionnaires for IFAC Membership.

COMMITTEE MEMBERS







MR. HASSAN MOHAMED Chairperson Council Member

MS. ASMA AHMED Vice Chairperson Bank of Maldives Plc (Since July 2022)

MS. KHAULA RAMEEZ Member CA Maldives Management



MR. AHMED SALAH Member QVL Advisory (Since July 2022)



MS. DHUNYA NIZAR Member EY Maldives (Since July 2022)

MEMBER ADVISORY COMMITTEE

MEETINGS

The committee was established during October 2022.

RESPONSIBILITIES

To discuss, deliberate and advise the Council on all matters of interest to the members from amongst the work of the Institute, including comments and feedback on new regulations, policies, and procedures, etc. of the Institute.

MAJOR ACTIVITIES CARRIED OUT AND RESOLVED

No major activities were carried out during the year.

COMMITTEE MEMBERS







MR. ABDULLA LEEMAN ZAHIR Chairperson Mile and Associates MR. FAZEEL MOHAMED NAEEM Member Auditor General's Office MR. KRISHNA RENGARAJ Member EY Maldives



MR. ISMAIL HAMEED Member Maldives Hajj Corporation Limited MR. ABDULLA SHAAHID

MR. ABDULLA SHAAHID Member Male' Water and Sewerage Company

ANNUAL REPORT 2022

MANAGEMENT TEAM

In 2022, the Institute had a total of six full-time staff to support the operations of the Institute. The management team worked to ensure the successful execution of the Institute's activities and initiatives by providing expertise and support in various areas such as administrative, financial, and operational roles. The staff demonstrated dedication and commitment to the Institute's goals throughout the year to deliver quality services to members and stakeholders.

MANAGEMENT TEAM



MS. KHAULA RAMEEZ People and Strategy Lead



MS. FATHIMA NASIR

Manager

Training and Research (February 2022 onwards)



MR. ADAM YAISH

Executive Associate



MS. SHAMRA MAHMOOD Executive Associate

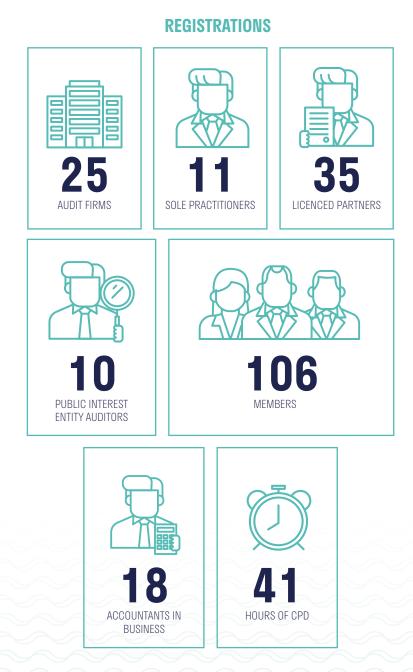


MR. LUJAIN ALI WAHEED Public Relations Executive

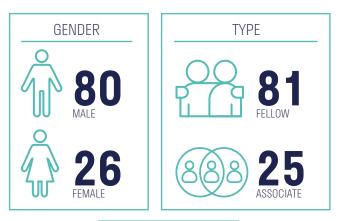


MS. SUHA MOHAMED Executive Associate (October 2022 onwards)

THE INSTITUTE IN NUMBERS

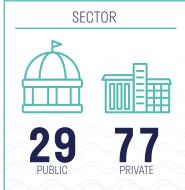


MEMBER DEMOGRAPHICS







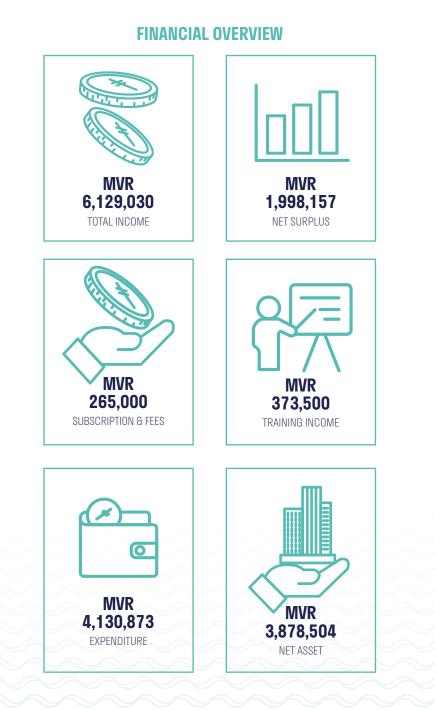


INDUSTRY



COMMITTEE MEETINGS

09	30	30
ACADEMIC	ADMISSION & LICENCING	TECHNICAL & STANDARDS
COMMITTEE	COMMITTEE	COMMITTEE
DO	17	07
APPEAL	ETHICS	TAX & PUBLIC POLICY
COMMITTEE	COMMITTEE	COMMITTEE
O4.	09	DO
VALUATION	MANAGEMENT &	MEMBER ADVISORY
COMMITTEE	FINANCE COMMITTEE	COMMITTEE



GLOBALLY ALIGNED









The Chartered Institute of Management Accountants∘





KEY HIGHLIGHTS V OF 2022

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YEAR IN REVIEW

The year 2022 marks the second anniversary of the establishment of the Institute and is an eventful and indeed a successful year. The Institute has continued its efforts to strengthen the accounting profession in the country through various collaborations and pushing for solutions and opportunities to tackle the current issues and challenges in the accounting profession of Maldives. This includes publishing important regulations, as such, the Regulation for Registration of Accountants in Business and amended Audit Licencing and Assurance Regulation which were published during the year. These regulations will contribute to increasing trust and confidence in the profession.

The Institute has been highly involved in various projects and opportunities by the government and other stakeholders which are in line with the strategic objectives of the Institute.

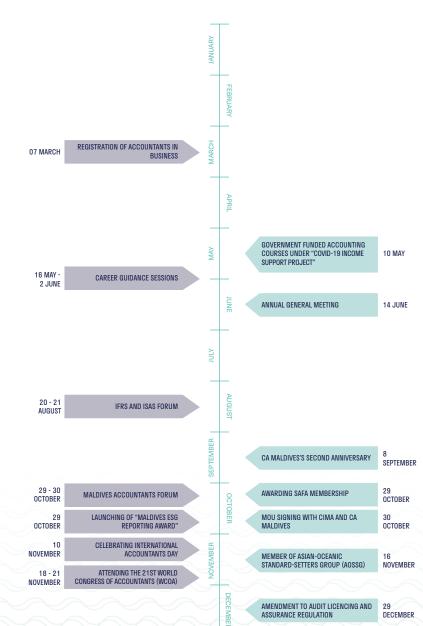
To further strengthen the operations of the Institute and get the best advice from experts in required fields to the Council and Management of the Institute and to achieve the strategic goals, new committees were established in the year 2022. The establishment of the Tax and Public Policy Committee, Valuation Committee, and Member Advisory Committee is indeed an important milestone for better governance of the Institute.

Throughout the year, CA Maldives sustained its commitment to equip its members with useful and enlightening technical sessions by means of CPD sessions, specialized technical forums, and events. These sessions were designed to bring value to not only our members but also to other experts in the accounting and finance industry in the Maldives, enabling them to stay up to date on the latest developments and best practices.

The year 2022, was also a highlighting year, with the launching of Maldives Environmental, Social, and Corporate Governance (ESG) Reporting Awards at Maldives Accountants Forum (MAF) 2022 by CA Maldives in collaboration with the Capital Market Development Authority (CMDA) and Privatization and Corporatization Board (PCB). This initiative is a milestone to demonstrate the commitment of the Institute to achieve the United Nations Sustainable Development Goals. The Maldives ESG Reporting Awards will provide organizations with the opportunity to assess their environmental, social, and governance performance and demonstrate their commitment to sustainable development. The awards will recognize and reward exemplary ESG performance and encourage the adoption of ESG reporting among organizations in the Maldives. This new initiative reflects the commitment of the Institute to demonstrate good corporate governance and sustainability practices in the Maldives.

In 2022, the Institute continued to build relationships with other professional accounting bodies and organizations globally through the signing of Memorandum of Understandings (MoU) and becoming members of global accounting organizations. The Institute took part in panel discussions, presentations, and meetings with these organizations in 2022, demonstrating its commitment to global collaboration and exchange in the accounting profession.





MEMBER SERVICES, DEVELOPMENT & EVENTS

CONTINUOUS PROFESSIONAL DEVELOPMENT

Continuous Professional Development (CPD) is an essential part for the members, as it enables them to stay up to date with the latest developments in the profession, as well as to maintain and enhance their technical skills.

The Institute regularly organizes CPD events to ensure that members are kept informed and up to date with the latest developments in their field. These events cover a wide range of topics, from International Financial Reporting Standards (IFRS), International Standards on Auditing (ISA) and taxation to relevant laws and regulations. By attending these events, members gain valuable insight into the latest developments in the profession. This helps them to remain competitive in their field and to provide their clients with the highest quality services.

During the year, the Institute organized a total of forty-one (41) hours of CPD activities receiving more than 500 participants.



TRAININGS CONDUCTED

NAME OF TRAINING	DATE	CONDUCTED BY	NO OF CPD Hours	NO OF Participants
Public Practice Program	13-14 February	Members of ALC	11 hours	50
Practical Application of IFRS 15	29 March	Mr. Nuwan Jayasinghe, Partner Assurance, Ernst and Young (EY)	2 hours	37
IFRS and ISAs Forum 2022	20-21 August	Mr. Tan Knoon Yeow, Learning and Professional Development Partner, BDO Malaysia Ms. Siew Kar Wai, Partner, PwC Malaysia	12 hours	183
Transfer Pricing: Practices and Tax Implications	12 September	Ms. Aminath Shiyana, Deputy Director, International Tax Audit, Maldives Inland Revenue Authority	2 hours	56
IFRS 9: Financial Instruments and Related Application Challenges in Current Economic Outlook	21 September	Mr. Rajith Perera, Partner Financial Accounting Advisory Services (FAAS), EY	2 hours	45
Maldives Accountants Forum 2022	29-30 October	The event had over 45 speakers with 7 foreign speakers.	12 hours	172

CAREER GUIDANCE

Career guidance sessions were conducted in different regions of Maldives by the Institute along with online sessions during May and June 2022. The sessions were conducted in Greater Male' region, Addu City, Kulhudhufushi City and Fuvahmulah City with over 100 participants.

The sessions were conducted in collaboration with the Ministry of Economic Development under the "COVID-19 Income Support Project" by the World Bank. The sessions were attended by students, graduates, and others interested in pursuing a career in accounting.

The career guidance sessions were aimed at providing information to students who want to pursue a career in the field of accounting on various accounting roles available, the qualifications and skills required, and the potential career paths in the profession. During these sessions, the importance of professional accounting qualifications was highlighted, along with various course details enabling the participants to choose the right professional qualification for the right role in the accounting field.

On the occasion of International Accountants Day 2022, members of the Institute and professionals from the field of accounting shared their knowledge and experience in building a successful accounting career with students of Dharumavantha School, Iskandhar School and Ghiyasuddin International School.



CORPORATE EVENTS

ANNUAL GENERAL MEETING (AGM) 2021

The Institute conducted its Annual General Meeting (AGM) for the year 2021 virtually on the 14th of June 2022. The meeting was attended by 65 members of the Institute and 7 invited guests. After the meeting, the Institute promptly published the outcomes of the proceedings on its official website.



IFRS AND ISAS FORUM 2022

During the year the Institute launched an annual event under the name "IFRS and ISAs Forum".

The Institute held the IFRS and ISAs Forum 2022 on August 20-21, 2022, at Maldives National University. The event was attended by over 180 individuals, including members of the Institute, non-members, and students representing more than 30 organizations including SOEs, firms, and banks.

The training was carried out by two IFRS and ISAs specialists provided by the Malaysian Institute of Certified Public Accountants (MICPA) and by other local experts in the field of accounting and auditing along with a panel discussion by members of Technical and Standards Committee of the Institute.

This forum covered important standards including new standards and changes to current standards, providing the opportunities for our members and other participants of this event to stay up to date on the latest international accounting and auditing standards and to network with other professionals in the field of accounting and finance.

Additionally, these forums are beneficial for the members as developing the technical knowledge and staying up to date on the latest international accounting and auditing standards are important for members to remain competitive in the field and ensure they adhere to the latest standards and regulations leading to foster the growth of the accounting profession in the Maldives.



MALDIVES ACCOUNTANTS FORUM (MAF) 2022

Maldives Accountants Forum has been a prominent event for the accounting profession in Maldives being it one of the biggest National forums held for accounting and finance Professionals. MAF gives a platform for our members and accounting and finance professionals in the Maldives to network, share information, and discuss issues related to the profession.

On 25th September 2022, the Institute held the sponsorship signing ceremony for Maldives Accountants Forum 2022. The ceremony was attended by senior officials of sponsoring organizations and Council members the Institute. The main sponsor of MAF 2022 was State Trading Organization Plc (STO), while Maldives Transport and Contracting Company Plc (MTCC), Maldives Pension Office (MPO) and Dhiraagu Plc were the co-sponsors. Banking Partner for the forum was Bank of Maldives Plc (BML) and Dhauru was welcomed as the online news partner for the event.

The forum took place on October 29th and 30th of the year 2022 with the theme "Economic Transformation: Rethinking Growth in the New Economy". Over 280 attendees took part in the event, which focused on nine major sectors and included 17 sessions, including 7 panel discussions. The forum featured more than 45 speakers, including seven foreign speakers.

ECONOMIC TRANSFORMATION: RETHINKING GROWTH IN TI











HIGHLIGHTS OF MAF 2022

Dr. Abdulla Mausoom, Minister of Tourism, graced the event as the Chief Guest of the ceremony. The opening ceremony was launched in a traditional manner with boduberu and other cultural activities.

During MAF 2022, the South Asian Federation of Accountants (SAFA) membership was awarded to the Institute by the SAFA President, Mr. H.M. Hennayake Bandara FCMA. This membership is hoped to increase opportunities for growth initiatives and contributions towards development of the profession in respective member nations.

MAF 2022 also represents a notable achievement with the launch of "The Maldives Maldives Environmental, Social, and Corporate Governance (ESG) Reporting Awards" by the Institute, in collaboration with the Privatization and Corporatization Board (PCB) and the Capital Market Development Authority (CMDA). The main objective of this award is to acknowledge and promote the adoption of corporate sustainability and transparency in businesses across Maldives. Specifically, the award initiative aims to recognize organizations that have successfully integrated exemplary ESG reporting practices into their core business strategies and are committed to sustainability and transparency. In addition, it seeks to inspire and incentivize more Maldivian businesses to pursue ESG reporting and sustainable practices by showcasing the achievements of those entities that have already embraced these practices.

Building closer relationships with international accounting bodies has been crucial for the development and future of the Institute. With this motive, we have tried to come to terms and arrangements between regional and international bodies over the last two years. And during the year 2022, a Memorandum of Understanding (MoU) was signed between CIMA and CA Maldives at MAF 2022 on 30th October 2022. The MoU was signed by Ms. Zahara Ansary, Country Manager for Sri Lanka and the Maldives on behalf of CIMA and the Auditor General and President of the Institute Mr. Hussain Niyazy.



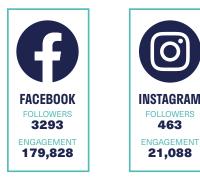
COMMUNICATION & ENGAGEMENTS

SOCIAL MEDIA

Use of social media platforms is an effective way to promote the Institute to a wider audience both locally and internationally. It allows us to engage with members and other parties in real time with quick responses to their queries and complaints. This also helps to build better relationships with our members, potential members, and other stakeholders.

The Institute uses Facebook, Instagram, Twitter, and LinkedIn as social media platforms to promote our events, and CPD sessions and share essential information with the public. The website of the Institute presents this information as well.

Engagements/followers reached on:



LINKEDIN

FOLLOWERS

1609

ENGAGEMENT

5199

During the year 2022, the Institute posted about CPD sessions, training programs, events conducted along with collaborations, stakeholder meetings, and key highlights as well as job announcements, bid openings for various projects at the Institute and other important announcements.

MEDIA ENGAGEMENTS

To effectively communicate the Institute's message to the public, regular media involvement is essential. The Institute communicates through interviews on TV and radio programs and publishing press releases on the website.

MAJOR ENGAGEMENTS

Some of the major media engagements during the year included the following:

TV AND RADIO INTERVIEWS:

To disseminate information regarding various events, forums, and programs conducted by the Institute, a total of 20 TV and radio interviews were conducted. These interviews aimed to create awareness of different opportunities available for the accounting and finance profession, including scholarships and other fully funded programs offered by different ministries.

As part of its awareness campaigns, the Institute collaborated with the Ministry of Higher Education in January 2022 to promote 150 scholarships for professional accountants. To create public awareness of this opportunity, the Institute's officials appeared on various TV and radio programs, emphasizing not only the scholarships but also the significance of developing and nurturing professional accountants in the country. In May 2022, the Institute's officials also appeared on several major TV and radio programs to promote the COVID-19 Income Support Project by the Ministry of Economic Development, which aimed to develop the skills of the accounting profession in the country by offering various levels of accounting courses. The interviews also highlighted the marketing activities and career guidance sessions planned by the Institute to inspire and guide aspiring accountants in the country.

In August 2022, the Institute conducted its first forum focused on IFRS and ISAs as the "IFRS and ISAs Forum 2022". The registrations and promotion of the forum were carried out during July 2022 by the Institute through TV and radio interviews.

Furthermore, during October, the Institute's awareness campaigns and promotional activities, including interviews, focused on the Maldives Accountants Forum 2022. The Institute's officials appeared on major TV and radio programs to share important information about the biggest annual event of the Institute with members, non-members, stakeholders, and other professionals in the field of accounting and finance.

NEWS AND PRESS RELEASES

- Announcement regarding 150 Professional Accounting Scholarships offered by MoHE
- Announcement on inviting comments on the Exposure Drafts by IASB
- Invitation to comment on draft Regulation for
 Registration of Accountants in Business
- Publishing Regulation for Registration of Accountants in Business
- Signing of agreement with Ministry of Economic Development regarding collaboration for accounting courses offered under

COVID-19 Income Support Project

- Announcement regarding "COVID-19 Income Support Project" offered by MED
- Announcement of AGM 2021
- Invitation to apply for vacant positions at committees of the Institute
- Announcement of events and forums during the year
- Signing with Sponsors of MAF 2022
- Signing of MoU between CA Maldives and CIMA
- Launching of ESG Reporting Award in collaboration with the CMDA and PCB
- Becoming a member of AOSSG

MEETING WITH STAKEHOLDERS

During the year, members of the Council, Committee Members and Senior Management of the Institute have met with the leaders and senior officials of key stakeholders of the Institute to discuss possible areas for collaboration. These engagements provide a better understanding of the current challenges and opportunities in the profession and develop strategies and solutions to address these challenges, contributing to the development of the accounting profession of Maldives.

We extend our gratitude to all individuals, groups and organizations who have participated in collaborative efforts over the past year, contributing to the development and advancement of the accountancy profession in the Maldives. Their contributions have been instrumental in achieving our goals and ensuring a successful future for the profession.

TWITTER

FOLLOWERS

140

ENGAGEMENT

72.282

MEETINGS WITH GOVERNMENT MINISTRIES, REGULATORS AND ORGANIZATIONS

MINISTRY OF ECONOMIC DEVELOPMENT (FEBRUARY 2022)

Members of the Council met with Minister of Economic Development, Uz. Fayyaz Ismail to discuss and to get feedback on the draft Regulation for Accountants in Business.

(SEPTEMBER 2022)

CA Maldives met with the Minister of Economic Development, Uz. Fayyaz Ismail and the senior management team to discuss the potential areas of collaboration for the upcoming Maldives Accountants Forum 2022.

MALDIVES QUALIFICATION AUTHORITY (FEBRUARY 2022)

Members of the Council met with the Chief Executive Officer (CEO) of Maldives Qualification Authority, Dr. Abdul Hannan Waheed to discuss the possible areas of collaboration.

MINISTRY OF HIGHER EDUCATION (MAY 2022)

CA Maldives paid a courtesy call to the Minister of Higher Education Dr. Ibrahim Hassan.

(SEPTEMBER 2022)

Auditor General and President of the Institute, Mr.

Hussain Niyazy, along with Council Member and Chairperson of Academic Committee, Mr. Mohamed Haleem and delegation of the Institute paid a courtesy call to the Minister of Higher Education, Dr. Ibrahim Hassan, to discuss potential scholarship opportunities for accountants and how both parties can collaborate further in the development of the profession.

ISLAMIC UNIVERSITY OF MALDIVES (JUNE 2022)

CA Maldives met with the Chancellor of Islamic University of Maldives (IUM) Dr. Mohamed Zahir Hussain and Vice-Chancellor, Dr. Ibrahim Zakariyya Moosa, to discuss areas of collaboration to increase awareness of Islamic Finance among accounting professionals in Maldives.

MINISTRY OF FINANCE (AUGUST 2022)

Assistant Auditor General, Council Member, and Chairperson of the Technical and Standards Committee of the Institute, Mr. Ibrahim Fazeel, along with the members of the Technical and Standards Committee and Management met with the Financial Controller of the Ministry of Finance, Ms. Fathimath Razeena, and senior officials, to discuss the areas in which the committee can provide technical assistance to the ministry on accrual accounting.

Members of the Tax and Public Policy Committee met with the officials of the Ministry of Finance to discuss potential areas of collaboration in public policy-related matters, including legislation and policies.

MALDIVES TRANSPORT AND CONTRACTING COMPANY (MTCC) (SEPTEMBER 2022)

CA Maldives met with CEO Mr. Adam Azim and the senior management of Maldives Transport and Contracting Company (MTCC) to discuss Maldives Accountants Forum 2022.

CAPITAL MARKET DEVELOPMENT AUTHORITY (CMDA) (SEPTEMBER 2022)

CA Maldives met with the CEO of Capital Market Development Authority (CMDA) Mr. Mohamed Hussain Maniku and the senior management team to discuss potential areas of collaboration for the upcoming Maldives Accountants Forum 2022.

(OCTOBER 2022)

Members of the Technical and Standards Committee of the Institute met with the CEO of CMDA, Mr. Mohamed Hussain Maniku, and the senior management team, to discuss potential areas of collaboration between both parties on sustainability reporting.

ATTORNEY GENERAL'S OFFICE (SEPTEMBER 2022)

Auditor General and President of the Institute, Mr. Hussain Niyazy, and members of the Tax and Public Policy Committee of the Institute met with the Attorney General, Mr. Ibrahim Riffath, and senior officials, to discuss potential areas of collaboration between both parties in public policy-related matters, including legislation and policies of the State.

PUBLIC ACCOUNTS COMMITTEE OF THE PARLIAMENT (SEPTEMBER 2022)

Auditor General and President of the Institute, Mr. Hussain Niyazy, and members of the Tax and Public Policy Committee of the Institute met with the Public Accounts Committee of the Parliament. During the meeting, potential areas of collaboration in public policy-related matters, including legislation and policies of the state were discussed.

MALDIVES INLAND REVENUE AUTHORITY (MIRA) (SEPTEMBER 2022)

Members of the Tax and Public Policy Committee of the Institute met with the Commissioner General of Taxation, Mr. Fathuhulla Jameel, and senior officials of MIRA to discuss possible areas of collaboration between both parties in tax-related matters.

PRIVATIZATION CORPORATIZATION BOARD (PCB) (OCTOBER 2022)

Members of the Technical and Standards Committee of the Institute met with the President of the Privatization Corporatization Board (PCB), Mr. Asim Mohamed, and the senior management team, to discuss potential areas of collaboration between both parties on sustainability reporting.

MEETINGS WITH INTERNATIONAL STAKEHOLDERS AND OTHER PROFESSIONAL ACCOUNTING BODIES

The Year 2022 has been an eventful year for the Institute in expanding its collaboration by reaching International Stakeholders and other Professional Accounting Bodies by visiting respective countries.

INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA (ICAI) IN NEW DELHI, INDIA - MARCH 2022

Auditor General and President of the Institute, Mr. Hussain Niyazy, Vice-President of the Institute, Mr. Hassan Mohamed, and a delegation from the Institute had the pleasure of meeting with the President of the Institute of Chartered Accountants of India (ICAI), CA. (Dr.) Debashis Mitra and the Council members of ICAI. During the meeting, both parties discussed potential areas of collaboration and ways to share resources and expertise to improve the development of the accounting profession in the Maldives. As a result, dialogues were held with the aim of signing a Memorandum of Understanding (MoU) between the two Institutes to further strengthen the development of the accounting profession in the Maldives.

Industry (CII), Mr. Kaushlendra Sinha and the senior officials to discuss areas of collaboration.

NORTHERN INDIA REGIONAL COUNCIL OF ICAI IN NEW DELHI, INDIA – MARCH 2022

Auditor General and President of the Institute, Mr. Hussain Niyazy, and Vice-President of the Institute Mr. Hassan Mohamed, met with the President of Northern India Regional Council (NIRC) of ICAI -CMA, MA P. Raju Iyer, and senior officials to discuss the areas of collaboration between the two Institutes, focusing on increasing the awareness of the importance of cost management in the Maldives and training opportunities.

MALAYSIAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS (MICPA) IN MALAYSIA - JUNE 2022

Auditor General and the President of the Institute, Mr. Hussain Niyazy had an introductory meeting with the President of the Malaysian Institute of Certified Public Accountants (MICPA) Mr. Dato' Gan Ah Tee and the senior management team of MICPA. Ahmad Rudirman Wan Razak and the Vice-President of MIA, Datuk Bazlan Osman.

ATTENDING 21ST WORLD CONGRESS OF ACCOUNTANTS (WCOA) 2022 IN MUMBAI, INDIA – NOVEMBER 2022

Auditor General and the President of the Institute, Mr. Hussain Niyazy and Vice-President of the Institute, Mr. Hassan Mohamed, along with other Council members and the Management team attended the 21st World Congress of Accountants in Mumbai to represent the Institute.

INTERNATIONAL FEDERATION OF ACCOUNTANTS COMPANY (IFAC) IN MUMBAI, INDIA – NOVEMBER 2022

Auditor General and the President of the Institute, Mr. Hussain Niyazy and Vice-President of the Institute, Mr. Hassan Mohamed, along with other Council members and the Management team met with the President of the International Federation of Accountants Company (IFAC), Ms. Asmâa Resmouki, CEO of IFAC, Mr. Kevin Dancey, and senior officials of IFAC in Mumbai during WCOA to discuss and update on the efforts by the Institute to obtain IFAC Membership.

INTERNATIONAL FEDERATION OF ACCOUNTANTS COMPANY (IFAC) IN MUMBAI, INDIA – NOVEMBER 2022

Delegates from the Institute met with ACCA Director, Partnerships and Recognition, Mr. Stephen Shields, and ACCA Director, Mr. Mohammed Sajid Khan to discuss the current challenges students are facing and how both parties can work together to develop the accountancy profession in the Maldives.

DEVELOPING THE PROFESSION

The Institute has been continuously working closely with the government ministries, regulators, and other relevant parties in the industry to find opportunities for aspiring individuals to enhance their knowledge and skill in the field of accounting and finance. Discussions focused on ways of collaborations and opportunities in the field of accounting has been the main highlight during every stakeholder meeting held during the year as developing the profession with skilled individuals is one of the strategic goals of the Institute.

Activities and Achievements:

- 150 Scholarships awarded by the Ministry of Higher Education to train 150 Chartered Professional Accountants.
- Free Accounting Courses offered under the "COVID-19 Income Support Project" by the Ministry of Economic Development under the World Bank Project.
- Partnership Agreement with MED to promote Accounting Courses offered under the "COVID-19 Income Support Project".
- Career Guidance Session conducted by the Institute for schools and students who completed higher education.
- Building technical knowledge and networking opportunities at events and sessions by the Institute like IFRS and ISAs Forum, MAF 2022, and CPD sessions.
- Launching of "Maldives ESG Reporting

CONFEDERATION OF INDIAN INDUSTRY (CII) IN NEW DELHI, INDIA – MARCH 2022

Delegation of the Institute met with the Chief Operating Officer of the Confederation of Indian

MALAYSIAN INSTITUTE OF Accountants (MIA) in Malaysia - June 2022

Auditor General and the President of the Institute, Mr. Hussain Niyazy met with the CEO of the Malaysian Institute of Accountants (MIA) Dr. Wan Awards" by the Institute in collaboration with CMDA and PCB.

 The signing of MoU between CA Maldives and CIMA

STANDARD SETTING AND THE REGULATORY ENVIRONMENT

The Tax and Public Policy Committee of the Institute was established during the year where the committee is responsible to discuss, review, and advise the Council on public policy related matters, including legislations and policies of the State on tax, public finances, business, etc. and Environmental, Social, and Governance (ESG).

To begin their work, they held introductory meetings with relevant stakeholders during the month of September 2022. As such, meetings were conducted with Attorney General, Mr. Ibrahim Riffath along with senior officials, the Public Accounts Committee of the Parliament, Commissioner General of Taxation, Mr. Fathuhulla Jameel along with senior officials of MIRA, and the senior officials of the Ministry of Finance.

To be more engaged in public policy matters and comment on important bills, the Institute comments on relevant bills and along with the amendments to such bills, and such comments on bills are published on the Institute's Website.

Comments for bills published during the year:

- 1. Amendments to the Companies Act
- 2. Amendments to Tourism Act
- 3. Foreign Investment Bill
- 4. Amendment to Legal Profession Act
- 5. Amendment to Public Finance Act

On 20th April 2022, the Institute invited comments from professional accountants in public practice, professional accountants in business and other interested stakeholders on the Exposure Draft by International Accounting Standards Board (IASB) on Non-current Liabilities with Covenants and Supplier Finance Arrangement

A subcommittee was created among members of the Technical and Standard Committee and Admission and Licencing Committee of the Institute to develop a guideline for auditors on matters relating to elections held in Maldives; "A guide for the Auditor of an election candidate in Maldives". Two members from the Elections Commission (EC) of the Maldives are also part of the subcommittee to advise on matters relevant to the Election Act and Regulation of Maldives. This guide should ensure that the auditors adhere to the Election Act and Regulation of Maldives and will include recommendations for best practices to ensure the auditors remain independent and impartial.

PROFESSIONAL REPRESENTATION

During the year, the Institutes' representatives participated in various conferences, seminars, and other industry-related gatherings locally and internationally. These representations were aimed at promoting the Institute's expertise and engaging with industry peers and stakeholders, with the ultimate goal of maintaining its leadership position in the accounting and finance industry. Attending industry-related conferences, and events and participating in important discussions also enables the Institute to stay informed on the latest industry developments, share its knowledge and insights, and build relationships with other professionals and organizations in the industry. These efforts not only help to enhance the Institute's reputation but also reinforce its commitment to professional excellence.

The Institute is dedicated to remaining at the forefront of the industry by continuously participating in important discussions and events, and by leveraging its expertise to promote the highest standards of professionalism and ethics in the field of accounting and finance.

CA MALDIVES BECOMING A MEMBER OF THE ASIAN-OCEANIC STANDARD-SETTERS GROUP (AOSSG)

The year 2022 becomes a prominent year for the success of the Institute in increasing the presence of the Institute internationally by becoming a member of AOSSG. The Membership was officially awarded during the 14th Annual AOSSG meeting held in Nepal on 16 November 2022.

ACCA PRIZE WINNERS AWARD CEREMONY

Vice-President of the Institute, Mr. Hassan Mohamed, addressed the prize winners of ACCA, on employability and the significance of increasing local accountants in the Maldives at the Virtual Prize Winners Award Ceremony hosted by ACCA Sri Lanka in February 2022.

150 CHARTERED PROFESSIONAL ACCOUNTANTS SCHOLARSHIP AWARDING CEREMONY

Institute of Chartered Accountants of the Maldives attended the 150 Chartered Professional Accountants scholarship awarding ceremony at Maldives National University organized by the Ministry of Higher Education in March 2022.

SOUTH ASIAN FEDERATION OF ACCOUNTANTS (SAFA) SME DEVELOPMENT CONFERENCE 2022

During June 2022, Council Member and the Chairperson of the Admission and Licencing Committee, Mr. Ahmed Salih, participated in the SAFA Small and Medium Enterprises (SME) development Conference 2022 as a panellist, for the topic on "Supporting Small Businesses in Financial and Cost Management."

21ST ASSEMBLY OF THE WORKING GROUP ON ENVIRONMENTAL AUDITING (WGEA)

In July 2022, the Vice-President of the Institute, Mr. Hassan Mohamed took part as a panellist in the 21st Assembly of the WGEA, under the International Organization of Supreme Audit Institutions (INTOSAI) held at AA. Ukulhas, which was organized by the Auditor General's Office. Vice-President, Mr. Hassan Mohamed also presented on Sustainable Reporting under the theme of Green Economy at the assembly.

73RD SOUTH ASIAN FEDERATION OF ACCOUNTANTS (SAFA) BOARD MEETING

Vice-President of the Institute, Mr. Hassan Mohamed participated in the 73rd Board meeting of SAFA in August 2022. Ongoing activities of the Institute and ways to increase the presence of CA Maldives in SAFA were discussed.

SOUTH ASIAN FEDERATION OF ACCOUNTANTS (SAFA) FOUNDATION DAY CONFERENCE

In August 2022, Vice-President Mr. Hassan Mohamed participated in the Panel Discussion on "How Professional Accountancy Organizations (PAO's) can Lead ESG Initiatives" at SAFA Foundation Day Conference on ESG and Sustainable Finance in New Delhi, India.

21ST WORLD CONGRESS OF ACCOUNTANTS (WCOA)

In November 2022, the Institute's delegates attended the 21st chapter of the World Congress of Accountants (WCOA) 2022, which was held in Mumbai on the theme "Building Trust Enabling Sustainability."

14TH ASIAN-OCEANIC Standard-Setters group (Aossg) Meeting

Vice-President Mr. Hassan Mohamed represented the Institute at the 14th AOSSG Meeting held in Kathmandu, Nepal in November 2022, where he provided a brief presentation on the adoption of IFRS in the Maldives.











LOOKING AHEAD TO 2023

In 2022, the Institute set several key milestones, with achievements in most of them. The Institute was successful in developing the infrastructures through the development of the web portal. The Institute was able to provide 500 scholarship opportunities to accounting students through free accounting courses offered under the "COVID-19 Income Support Project" by MED and Scholarships by MoHE. The Maldives Accountants Forum and IFRS and ISAS Forum were both conducted successfully and will be held annually. Although the Competency Framework development work was not completed during 2022, we have dedicated additional resources and attention to ensure that this project is successfully completed in 2023. Overall, the Institute made great progress towards its goals in 2022.

The Institute is looking forward to a promising future in the year 2023, by making our key focus on becoming a member of IFAC. As such, the institute aims to submit the application for membership this year.

By 2023, the Institute will introduce the Competency Framework which will contribute to formulating competency standards for the accountancy industry. Furthermore, the implementation of the Quality Assurance Framework and to conduct quality reviews of licenced auditors and firms is a highly prioritized agenda for the Institute during the year 2023.

In addition to the Competency Framework and Quality Assurance Framework, the year 2023, highly anticipates publishing and establishing the mechanism for Investigation and Disciplinary Process and the guideline for Valuation Process in the Maldives.

Eventful activities for Maldives Accountants Forum 2023 and IFRS and ISAs Forum 2023 are also planned for the year 2023.

2023 is sure to be a year of many achievements and advancements for the Institute. CA Maldives is dedicated to providing its members with the best services and ensuring high standards for the profession.

Application for IFAC Membership Development of Competency Framework Conducting QARs MAF 2023 IFRS and ISAs 2023 Framework for Investigation and Disciplinary Process Framework for Valuation Process

INDEPENDENT AUDITORS REPORT

A I X ASSOCIATES

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL MEMBERS OF INSTITUTE OF CHARTERED ACCOUNTANTS OF THE MALDIVES

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Institute of Chartered Accountants of The Maldives (the "Institute"), which comprise the statement of financial position as at 31st December 2022, and the statements of income and expenditure, changes in funds and reserves and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information set out in pages 7 to 18.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Institute as at 31st December 2022, and of 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 Institute in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) and have fulfilled our other responsibilities under those relevant ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Management and Those Charged with Governance for the Financial Statements

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

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

Those charged with governance is responsible for overseeing the Institute's financial reporting process.

A.I.X ASSOCIATES L.L.P. Ma.Thalhamudhige, 2nd Floor, Ameenee Magu, Male', 20178, Maldives, Tel: +960 331 0249, +960 733 0249, Email: info@aixassociates.com.mv, Web: www.aixassociates.com.mv

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 auditors' 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 planning and performance of 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 entity'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 the 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 institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosure are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Institute 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.

The engagement partner on the audit resulting in this independent auditor's report is Ms. Sudhuna Sulaiman, partner of the AIX Associates LLP.

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.

Sudhuna Sulaiman Certified Auditor ICAM-IL-3LL A.I.X Associates LLP 20th May 2023





INSTITUTE OF CHARTERED ACCOUNTANTS OF THE MALDIVES STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2022

			Restated
		2022	2021
	Note	MVR	MVR
NCOME	5		
Audit licence related fees		691,193	307,000
Contribution from government of maldives		3,000,000	3,500,000
Aaldives accountants forum		1,530,850	660,520
Nembers subscription and fees		265,000	207,500
evenue from trainings		373,500	104,000
ponsorship/Donations		268,488	-
	_	6,129,030	4,779,020
	<i>c</i>		
ESS: EXPENDITURE	6	204.054	70 500
cademic programs and trainings		204,854	79,500
ccounting and auditing standards setting		306,444	129,000
dministrative expenses		134,675	161,130
apacity development and global representation		211,877	-
areer guidance related expenses		852	9,103
mployee benefits and staff related costs		1,443,268	690,267
vent, ceremonies and PR activities		923,213	933,669
overnance and strategic leadership		604,000	673,000
nformation technology related expenses		47,399	24,163
Nembership services and audit licence regulatory expenses		252,000	420,000
Itilities		2,293	921
	-	4,130,873	3,120,752
NCOME OVER EXPENDITURE	-	1,998,157	1,658,268

The financial statements are to be read in conjunction with the related notes which form an integral part of the financial statements of the Division set out on pages 7 to 18. The Report of the Independent Auditors is given on pages 1 to 2.





Restated

INSTITUTE OF CHARTERED ACCOUNTANTS OF THE MALDIVES STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Notes	2022 MVR	Restated 2021 MVR
ASSETS			
Non-current assets			
Property, plant and assets	7	87,869	78,427
Construction work-in-progress	8	754,675	11,204
Intangible assets		-	-
Total non-current assets	-	842,544	89,631
Current assets			
Cash and cash equivalents	9	2,796,775	1,499,127
Trade and other receivables	10	239,185	10,500
Total current assets	-	3,035,960	1,509,627
Total assets	-	3,878,504	1,599,258
FUNDS AND LIABILITIES			
Funds and reserves			
Accumulated funds		1,548,032	(110,235)
Current year surplus funds		1,998,157	1,658,268
Total capital and reserves	-	3,546,189	1,548,032
Current liabilities			
Trade and other payables	11	31,388	30,801
Deferred Income	12	264,650	-
Acrrued Expenses	13	36,276	20,425
Total current liabilities	-	332,315	51,226
Total equity and liabilities	-	3,878,504	1,599,258

The Council Members are responsible for the preparation and presentation of these financial statements. Signed for and on behalf of the Council by,

Name of the Council Members Hassan Mohamed, Vice President

Ibrahim Fazeel, Council Member



The financial statements are to be read in conjunction with the related notes which form an integral part of the financial statements of the Division set out on pages 7 to 18. The Report of the Independent Auditors is given on pages 1 to 2.





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INSTITUTE OF CHARTERED ACCOUNTANTS OF THE MALDIVES STATEMENT OF CHANGES IN FUNDS AND RESERVES FOR THE YEAR ENDED 31 DECEMBER 2022

		Restated Accumulated	Total fund
	Note	fund	and reserves
		MVR	MVR
Balance as at 31 December 2020		(110,235)	(110,235)
Income over expenditure for the period		1,658,268	1,658,268
Balance as at 31 December 2021		1,548,032	1,548,032
Income over expenditure for the period		1,998,157	1,998,157
Balance as at 31 December 2022		3,546,189	3,546,189

The financial statements are to be read in conjunction with the related notes which form an integral part of the financial statements of the Division set out on pages 7 to 18. The Report of the Independent Auditors is given on pages 1 to 2.





INSTITUTE OF CHARTERED ACCOUNTANTS OF THE MALDIVES STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 MVR	Restated 2021 MVR
Operating activities			
Income over Expenditure		1,998,157	1,658,268
Adjustments for			
Depreciation	7	24,898	19,497
Operating surplus before working capital changes	•	2,023,055	1,677,764
Working capital changes			
Decrease/(increase) in trade and other receivable		(228,685)	(9,816)
(Decrease)/increase in trade and other payables		281,089	(368,899)
Cash Generated from Operations		2,075,458	1,299,049
Tax paid		-	-
Lease payment		-	-
Net Cash flows from Operating Activities		2,075,458	1,299,049
Investing activities			
Acquisition of property, plant and equipment	7	(34,339)	(97,924)
Construction work-in-progress	8	(743,471)	(11,204)
Net cash flows used in investing activities		(777,810)	(109,128)
Financing activities			
Borrowings		-	-
Net Cash from Financing Activities			-
Net Increase in cash and cash equivalents		1,297,648	1,189,921
Cash and cash equivalents at the beginning of the year		1,499,127	309,206
Cash and cash equivalents at the end of the year	9	2,796,775	1,499,127

The financial statements are to be read in conjunction with the related notes which form an integral part of the financial statements of the Division set out on pages 7 to 18. The Report of the Independent Auditors is given on pages 1 to 2.





1.0 CORPORATE INFORMATION

1.1 REPORTING ENTITY

Institute of Chartered Accountants of the Maldives (Institute) is a statutory body incorporated by the Chartered Accountants of the Maldives Act No: 13/2020, and domiciled in Maldives, situated at 1st Floor, G. Billoorijehige, Majeedhee Magu, Male'.

Principal activities and nature of operations

The main objective of the Institute is to regulate and advance the accountancy profession in the Maldives in accordance with international standards and to determine classes of its membership, codes of professional conduct and ethics, and other relevant matters.

2.0 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and its interpretations adopted by the International Accounting Standards Board (IASB).

2.2 BASIS OF MEASUREMENT

The financial statements have been prepared on the historical cost basis.

2.3 FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Maldivian Rufiyaa (MVR), which is the Institute's functional currency. All financial information presented in Maldivian Rufiyaa has been rounded to the nearest Rufiyaa.

2.4 USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with IFRSs requires the Council to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the respective notes.

Reg. No

011/2017

APPROVAL OF FINANCIAL STATEMENTS BY THE COUNCIL

The financial statements of Institute of Chartered Accountants of the Maldives for the ended 31st December 2022 were authorized for issue by the Council on

INSTITUTE OF CHARTERED ACCOUNTANTS OF THE MALDIVES NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

3.0 SIGNIFICANT ACCOUNTIING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Institute.

3.1 FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are translated to Maldivian Rufiyaa at the exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to Maldivian Rufiyaa at the exchange rate ruling at the reporting date. Foreign exchange differences arising on translations are recognized in profit or loss.

Non-monetary assets and liabilities, which are stated at historical cost, denominated in foreign currencies are translated to Maldivian Rufiyaa at the exchange rates ruling at the dates of transactions. Nonmonetary assets and liabilities, which are stated at fair value, denominated in foreign currencies, are translated to Maldivian Rufiyaa at the exchange rates ruling at the dates that the values were determined.

3.2 FINANCIAL INSTRUMENTS

i. Financial Assets (Non-derivative)

The Institute initially recognizes receivables and deposits on the date that they are originated. All other financial assets are recognized initially on the trade date at which the Institute becomes a party to the contractual provisions of the instrument.

The Institute derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Institute is recognized as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Institute has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Institute has the following financial assets (non-derivative): • Receivables • Cash and Cash Equivalents

Loans and Receivables

Loans and Receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at transaction costs. Subsequent to initial recognition receivables are measured at amortized cost using the effective interest method, less any impairment losses.

Receivables comprise trade and other receivables.



2.5

3.0 SIGNIFICANT ACCOUNTIING POLICIES (Continued)

Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand and balances with banks. For the purpose of cash flows, the cash and cash equivalents are shown net of bank overdraft.

ii. Financial Liabilities (Non-derivative)

Financial liabilities are recognized initially on the trade date at which the Institute becomes a party to the contractual provisions of the instrument. The Institute derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Institute has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Institute has non-derivative financial liabilities such as payables. Such financial liabilities are recognized initially at transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

3.3 PROPERTY, PLANT AND EQUIPMENT i. Recognition and Measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalized borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income in profit or loss.

ii. Subsequent Costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Institute, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

Reg. No:



INSTITUTE OF CHARTERED ACCOUNTANTS OF THE MALDIVES NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

3.0 SIGNIFICANT ACCOUNTIING POLICIES (Continued)

iii. Depreciation

Depreciation on property, plant and equipment of the Institute is charged on the straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives are as follows:

Office Equipment - 5 years Leasehold Improvements - Over the lease period Furniture and fittings - 10 Years Computer Equipment 3 years

The charge for the depreciation commences from the date in which the property, plant and equipment are ready for use. Depreciation method, useful lives and residual are reviewed at each financial year-end and adjusted if appropriate.

iv. Amortization

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. The estimated useful life for the current and comparative periods is as follows: Software - 3 years

3.4 INVENTORIES

Inventories have been valued at the lower of cost and net realizable value. Cost is generally determined by reference to weighted average principle and includes expenditure incurred in acquiring the inventories and bringing them to their condition and location.

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

3.5 IMPAIREMENT

i. Financial Assets (Including Receivables)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

The Institute considers evidence of impairment for receivables at both a specific asset and collective level. All individually significant receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics.



3.0 SIGNIFICANT ACCOUNTIING POLICIES (Continued)

ii. Financial Assets (Including Receivables)

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 the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognized through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

iii. Non-Financial Assets

Determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets.

3.6 REVENUE RECOGNITION

i. Contribution from Government

Under Section 24(a) of the Chartered Accountants of the Maldives Act No 13/2020, the Government shall be providing budget support as may be necessary to properly discharge the responsibilities of the Institute during the Institute's 4-year interim period. The method for accounting for the government grant is income approach, where the grant is recognised in the statement of profit or loss as income.

ii. Subscription Fees

Subscription fees of the members are accounted on an accrual basis.

iii. Registration / License charges

Registration / License charges are recognized at the time of the issuance of the registration / license.

iv. Net Income from Other Activities

Net income from other activities of the Institute is recognized in the year of completion of such activity after deducting the related expenses.

v. Donations



Donation income received shall be recognized as income in the statement of accome are expenditure only to the extent of their realization under the reporting period.



INSTITUTE OF CHARTERED ACCOUNTANTS OF THE MALDIVES NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

- 3.0 SIGNIFICANT ACCOUNTIING POLICIES (Continued)
- 3.7 EXPENSES

All expenses incurred in the running of the Institute and in maintaining the capital assets in a state of efficiency has been charged to the revenue in arriving at income over expenditure for the year.

Expenses incurred for the purpose of acquiring, expanding or improving assets of a permanent nature by means of which to carry on the Institute or for the purpose of increasing the utilization capacity of the Society has been treated as capital expenses.

3.8 EMPLOYEE BENEFITS

Short-term employee benefit obligations of the Institute are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under short-term cash bonus if the Institute has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.9 PROVISIONS

A provision is recognized if, as a result of a past event, the Institute 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.

4.0 COMPARATIVE INFORMATION

The accounting policies have been applied in accordance with IAS 1 Presentation of Financial Statements. Further, information has been restated and reclassified in order to provide better comparison and correct use of accounting policies.

The details of restatement and reclassification have been given in Note 16.1.





		2022	2021
		MVR	MVR
5	Income		
	Audit licence related fees	691,193	307,000
	Contribution from government of maldives (Note 5.1)	3,000,000	3,500,000
	Maldives accountants forum	1,530,850	660,520
	Members subscription and fees	265,000	207,500
	Revenue from trainings	373,500	104,000
	Donations (Note 5.2)	268,488	-
		6,129,030	4,779,020

5.1 The Government of Maldives has contributed MVR 3,000,000 during the period as budget support under the section 24(a) of the Chartered Accountants of the Maldives Act No: 13/2020.

5.2 This includes the sponsorship amount provided by State Trading Organisation under the agreement 60-CLA/CON-L/2022/390 dated October 16th, 2022.

			Restated
		2022	2021
6	Expenditure	MVR	MVR
	Academic programs and trainings (Note 6.1)	204,854	79,500
	Accounting and auditing standards setting (Note 6.2)	306,444	129,000
	Administrative expenses (Note 6.3)	134,675	161,130
	Capacity development and global representation (Note 6.4)	211,877	-
	Career guidance related expenses	852	9,103
	Employee benefits and staff related costs (Note 6.5)	1,443,268	690,267
	Event, ceremonies and PR activities	923,213	933,669
	Governance and strategic leadership (Note 6.6)	604,000	673,000
	Information technology related expenses	47,399	24,163
	Membership services and audit licence regulatory expenses (Note 6.7	252,000	420,000
	Utilities	2,293	921

4,130,873 3,120,752

2022

- 6.1 This mainly includes sitting allowance of members of Academic Committee and expenses of CPD trainings.
- 6.2 This mainly includes sitting allowance of members of Technical and Standards Committee, Tax and Public Policy Committee, Valuation Committee and its related expenses. The Council has approved to pay a sitting allowance of MVR 1,500 per sitting to the eligible committee members for the year 2022 to discharge its committee related duties under the section 24(g) of the Chartered Accountants of the Maldives Act No: 13/2020.
- 6.3 Administrative expenses include sitting allowance of members of the Management and Finance committee, administrative expenses, professional fees, bank charges, donation expenses and depreciation charges.

6.4 The Institute made international trips in order to build a strong brand and reputation, establishes. partnerships with international organizations, and participate in international events and for unwork/2012 a global capacity.

INSTITUTE OF CHARTERED ACCOUNTANTS OF THE MALDIVES NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

6 Expenditure (Continued)

- 6.5 The Institute has entered into service agreements with the staff of Auditor General Office (AGO) of the Maldives to provide secretarial, administrative, finance and IT related services. A total of 3 staff was employed on part-time basis during the period.
- 6.6 This includes sitting allowance of Council, Appeal Committee & Ethics Committee members. The Council has approved to pay a sitting allowance of MVR 2,500 per sitting to the eligible council members and MVR 1,500 per sitting to the eligible committee members respectively for the year 2022 to discharge its council and committee related duties under the section 24(g) of the Chartered Accountants of the Maldives Act No: 13/2020.
- 6.7 This mainly includes sitting allowance of members of Admission and Licensing commitee and its related expenses. The Council has approved to pay a sitting allowance of MVR 1,500 per sitting to the eligible committee members for the year 2022 to discharge its committee related duties under the section 24(g) of the Chartered Accountants of the Maldives Act No: 13/2020.
- 6.8 The Council has resolved to set the maximum sitting allowance payable to committee meetings for each month for the year 2022 as per the resolution no: RES-C/2022/4, effective from January 25th, 2022.

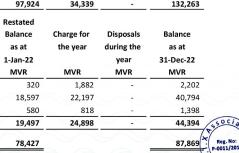
7 Property, plant and equipment

7.1 Gr

Gross carrying amounts At cost	Balance as at 1-Jan-22 MVR	Additions during the year MVR	Disposals during the year MVR	Balance as at 31-Dec-22 MVR
Furnitures & fittings	3,200	15,624	-	18,824
Office equipments	92,984	18,000	-	110,984
Computer equipment	1,740	715	<u> </u>	2,455
	97,924	34,339	-	132,263

7.2 Depreciation Furnitures & fittings Office equipments Computer equipment

Net book value



8	Capital Work in progress	Restated Balance as at 1-Jan-22	Additions	Disposals	Balance as at 31-Dec-22
		MVR	MVR	MVR	MVR
	Construction work in progress	11,204	743,471	-	754,675
		11,204	743,471	-	754,675
9	Cash and cash equivalents			2022 MVR	2021 MVR
	Cash in hand Cash at bank			2,455 2,794,320	931 1,498,196
	Favourable balances			2,796,775	1,499,127
	Bank Overdraft			-	
				2,796,775	1,499,127

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The Institute has opened a bank account in MVR and USD at Maldives Islamic Bank and in MVR and USD in Bank of Maldives. All transactions were made through the said accounts during the period.

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		2022	2021
10	Trade and other receivables	MVR	MVR
	Trade receivables	204,185	5,500
	Other receivables	35,000	5,000
		239,185	10,500
		2022	2021
11	Trade and other payables	MVR	MVR
	Trade payables	31,289	30,549
	Prepayments	99	251
		31,388	30,801
		2022	2021
12	Deferred income	MVR	MVR
	Deferred income	264,650	-
		264,650	-
		2022	2021
		2022	
13	Accrued expenses	MVR	MVR
13	Accrued expenses Accrued expenses		

INSTITUTE OF CHARTERED ACCOUNTANTS OF THE MALDIVES NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

14 Financial instruments and risk management Financial risk management

The Institute has exposure to the following risks from its use of financial instruments: Credit risk Liquidity risk Market risk

This note presents information about the Institute's exposure to each of the above risks, the Institute's objectives, policies and processes for measuring and managing risk, and the Institute's management of capital.

Risk management framework

The Council members have overall responsibility for the establishment and oversight of the Institute's risk management framework.

14.1 Credit risk

Credit risk is the risk of financial loss to the Institute if a party fails to meet its contractual obligations, and arises principally from the Institute's receivables.

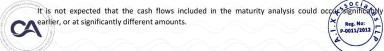
The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Carrying Amount 2022 MVR	Carrying Amount 2021 MVR
Trade receivables	239,185	10,500
Other receivables	-	-
Cash at bank	2,794,320	1,498,196
	3.033.505	1.508.696

14.2 Liquidity risk

Liquidity risk is the risk that the Institute will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Institute'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, without incurring unacceptable losses or risking damage to the Institute's reputation.

The following are the contractual maturities of financial liabilities:



14 Financial instruments and risk management (Continued) Financial risk management

14.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Institute's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

14.3.1 Interest rate risk

There are no interest bearing borrowings or lending by the Institute. Hence, the Institute does not face any interest rate risk as at the reporting date.

14.3.2 Currency risk

Exposure to currency risk

The Institute's exposure to foreign currency risk, in the risk of movements in exchange rates in

relation to foreign currency transactions of US Dollars, is as follows:

	2022	2021
	USD	USD
Financial liabilities (Non- derivative)	688	345
Cash and cash equivalents	-	-
Gross statement of financial position exposure	688	345

15 Events after the reporting date

As at the reporting date the Institute incurred MVR 754,675.09 for renovation of the office space, including fees for both the designers and contractors, which was capitalized as Capital Work-In-Progress (CWIP) (Note 8). On April 10th, 2023, a notice was issued to the Institute by the Auditor General's Office informing to vacate the office space following the decision taken by the Government of Maldives to demolish Ghaazee Building.

The institute, during the financial year 2023, will perform an assessmentof individual items of CWIP account as to what can be capitalised and what can be written off.

Consquentially, the result of this assessment will be reflected in the financial statements for the year 2023.

16 Subsequent Event

16.1 Restatement to Financial Statement for the year ended 31 December 2021

During the preparation of the financial statements for the year ended 31 December 2022, management identified an error in the accounting treatment of depreciation for the year

ended 31 December 2021.





INSTITUTE OF CHARTERED ACCOUNTANTS OF THE MALDIVES NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

16 Subsequent Event (Continued)

The following table summarizes the restatements and reclassifications made to the financial statements for the year ended 31 December 2021:

Account	Restatement or Reclassification	Originally reported	Restated amount	Explanation
Donations/ Contributions	Reclassification	-	-	"Donations/contributions" was reclassificated under "Administrative Expenses"
Administrative Expenses	Restated	149,462	161,130	"Administrative Expenses" has been restated due to the non-recognition of depreciation expense.
Event, ceremonies and PR activities	Restated	932,044	933,669	"Event, ceremonies and PR activities" has been restated as an public relations expense was incorrectly recorded in "Administrative Expenses"

Management has concluded that this error is not material to the financial statements for the year ended 31 December 2021, and does not impact the financial condition or results of operations of the Institute for the year ended 31 December 2022.

The Institute has implemented new controls and procedures to prevent similar errors from occurring in the future.

17 Council's responsibilities

The Council Members of the Institute is responsible for the preparation and presentation of these financial statements.

18	Related party disclosures	2022	2021
18.1	Transactions with Key Management Personnel	Amount	Amount
		MVR	MVR
	Sitting allowance for the Council	482,500	610,000
	Sitting allowance for the Committee	787,500	784,500

18.1.1 No sitting allowance has been paid to Auditor General and Commissioner General of Taxation during the period as they decided not to take allowance, with reference to the relevant Audit Act and Tax Administration Act, as they represent the Institute in the capacity of their Statutory Positions and the respective governing laws could be interpreted to disallow any other remuneration other than that approved by the Parliament although the CA Maldives Act section 24 (m) specifies a sitting allowance shall be paid to the Council Members for each meeting held.

18.2 Sitting allowance to Key Management Personnel

The Council Members of the Institute of Chartered Accountants of the Maldives are the governing body and key management personnel. The Institute has paid sitting allowance to the Council Members during the period as per a pre-approved budget with caps on the number of paid meetings. The Sa Maldives Act section 24 (m) specifies the Council Members shall be paid a sitting allowance for each section.

Reg. No:

