



Capital Market Development Authority
Republic of Maldives

Terms of Reference

Internal Audit

A. Background

The Capital Market Development Authority ('CMDA' or 'the Authority') is mandated by law (Maldives Securities Act 2/2006) with regulating the capital market of the Maldives, whereby it regulates issuers of securities, the stock exchange, the central depository, dealing companies and various other entities providing securities market services. In addition, it also has the complementary mandate of developing the capital market. The CMDA also carries out supervisory activities with respect to the Maldives Retirement Pension Scheme under the Maldives Pension Act (8/2009).

CMDA is seeking an independent Internal Auditor for continuous and critical appraisal of the functions of the Authority with a view to suggest improvements and to strengthen the overall governance mechanisms of the Authority including risk management and internal control systems.

B. Objective

The primary objective of this assignment is to

1. Develop a work plan for the function of annual Internal Audit in accordance with CMDA Audit charter and manual.
2. Conduct Annual Internal Audit of Capital Market Development Authority.



Scope of work

The selected party shall perform internal audit in accordance with the International Standards for the Professional Practice of Internal Auditing issued by IIA and include tests of controls, as the auditor considers necessary under the circumstances to ensure the transparency accountability of the financial management system. Audits should be conducted as per CMDA's Audit Charter and manual. The firm is expected to:

1. Propose work plan and implement annual work plan approved by CMDA Audit and Risk Committee for internal audit with a fixed plan of activities but also allowing for appropriate investigation time for matters that emerge over the year;
2. Review adequacy and effectiveness of internal controls;
3. Review implementation of internal controls and SOPs;
4. Audit the operations of all departments annually.
5. Responds to matters that emerge from appropriate governing bodies (the Board of Directors, CEO and other senior management);
6. Review and recommend improvements to internal accounting policies and procedures annually.
7. Coordinates with the management to ensure internal audit recommendations are implemented within appropriate and agreed timetable

C. Reporting

- The Auditor will report to the Audit and Risk Committee of CMDA.
- A report on the audit findings should be submitted to the Audit and Risk Committee each quarter.

D. Internal Audit Review

- The audit review should be carried out as per the audit plan which is prepared in consultation with the management and in accordance with the Audit Charter and Manual.
- The audit should also cover compliance review of the Authority's procedures and relevant laws and regulations that the Authority should adhere to.

E. Facilities to be provided by Authority

The Auditor will be given access to all audit related documents.

No services other than those specifically mentioned in this TOR shall be extended to the auditor. The auditors shall make their own conveyance arrangements.

F. Engagement Term/ Term of Audit

The Internal Auditor will be appointed on an engagement basis for a period of 3 years.



G. Eligibility Criteria

The qualification and experience requirements are as follows:

- shall be a firm licensed by the Chartered Accountants of Maldives and its licensed partner(s) must be a full member of an IFAC member body;
- Must not be a firm that is owned/managed by a member of the CMDA board or its senior staff;
- Be competent in the professional practice of internal auditing;
- Its partner practicing internal audit must be a certified audit professional, e.g., CIA/Chartered Internal Auditor;
- Be well versed in the best practices of the profession; and
- Firm must have at least Three (03) years of experience in internal auditing
- Has completed at least 3 internal audit assignments¹

Additional considerations:

- Substantial experience in performance and compliance auditing with a preference for experience in provision of a similar scope of services;
- Knowledge about the capital market related laws, regulations and best practices;
- Ability to communicate audit findings and consultancy advice effectively, both orally and in written reports;
- At least one member of the team should be a Maldivian

H. Selection and Evaluation Criteria

Technical proposals (60%)

<p>Technical competency of the team members involved in the Internal Audit</p> <ul style="list-style-type: none"> - team should consist of at least 3 members and points will be given to all team members and an average will be considered - Membership of an IFAC body = 15 points - Fellow membership =20 point - Post Fellowship experience =20+(years of post fellowship experience /highest no of years of post fellowship experience)*10 	30%												
<p>Firm's experience in conducting Internal Audit.</p> <table border="1" data-bbox="331 1556 634 1799"> <thead> <tr> <th>Audit Assignments</th> <th>Score</th> </tr> </thead> <tbody> <tr> <td>3</td> <td>1</td> </tr> <tr> <td>4</td> <td>5</td> </tr> <tr> <td>5</td> <td>9</td> </tr> <tr> <td>6</td> <td>13</td> </tr> <tr> <td>7</td> <td>17</td> </tr> </tbody> </table>	Audit Assignments	Score	3	1	4	5	5	9	6	13	7	17	30%
Audit Assignments	Score												
3	1												
4	5												
5	9												
6	13												
7	17												

¹ Only Internal Audit assignments of government agencies, public companies and international organisations will be considered for evaluation purpose.



8	21		
9	25		
10	30		
(Experience will be counted based on reference letters)			

CMDA will use a combined scoring method, in which the technical proposal will be weighted at 60% and financial proposal at 40%.

To qualify for financial evaluation, technical proposals should obtain a minimum of 65 % of the allocated marks for the technical evaluation.

I. Format and Scaling Bids

All the bids must be submitted to the following email address by the closing date and time referred on the Authority’s announcement (IUL)179-3.2/1/2024/15

J. Deadline for Submission of Proposals

The deadline for the submission of proposals is 06th May 2024 at 23:59 hours (Local Time).

• **The Technical proposal shall provide the following documents and information**

1. Copy of Company/Partnership Registration Certificate.
2. Company profile/work profile
3. Copies of ID card or Passport of Team members
4. Certificate copies of team members (Academic and Professional)
5. CVs of all team members submitted in the format as proposed in Annex 1 which demonstrates their expertise and experience in relevant fields
6. Clearance of criminal records (Police Certificate) of team members
7. Details of similar assignments undertaken previously (in the format given in Annex 2)
8. clearances such as tax clearance.

K. Financial Proposal Evaluations

Total price in MVR (including GST) and payment schedule.

$$\frac{\text{Proposed lowest price}}{\text{Proposed price}} \times \text{total marks}$$

L. Non-Disclosure Agreement

Selected party must sign a non-disclosure agreement before commencing the work.

18th April 2024



Annex 1

(to be filled up separately for each member)

1. PERSONAL DETAILS

NAME			
ADDRESS		DATE OF BIRTH	
MOBILE		EMAIL	
Capacity	Team Leader		Team Manager

2. AREA(S) OF EXPERTISE:

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3. EDUCATIONAL BACKGROUND

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4. EMPLOYMENT RECORD RELEVANT TO ASSIGNMENT

	Employment Period	Institution/Location	Summary of activities relevant to assignment
1			
2			
3			
4			
5			
6			
7			



5. WORK EXPERIENCE

	Designation	Organization	Duration	Brief Description of Responsibilities	Reference (name and contact details)
1.					
2.					
3.					
4.					
5.					
6.					

6. MEMBERSHIPS/AFFILIATIONS (IF ANY)

**If additional space is required, please add extra pages.*

**Please submit supporting documents with each form.*



ANNEX 2: INTERNAL AUDITS AND SIMILAR ASSIGNMENTS

Internal Audit Assignment / Project	Client/ Organization	Date of Commencement	Date of Completion	Brief Description of the Assignment/Project	Reference (Name and Contract Details)

**Please submit supporting documents.*