

An aerial photograph of a tropical coastline. The top left shows deep turquoise water. A white sandy beach curves along the right side, with a single palm tree standing on it. To the right of the beach is a dense strip of green vegetation, including many palm trees. The bottom right corner shows a small lagoon or inlet with more palm trees.

**Auditing for the Nation and Citizens**

# ANNUAL WORK PLAN 2023



A large, stylized '75' in a blue, metallic, 3D font with orange and yellow highlights. The numbers are set against a background of crumpled white paper, with a soft shadow cast beneath them.

# 75

**75 Years of Public Audit Service**





## Table of Contents

Foreword	4
Plan Development Process	5
Strategic Direction	6
Our Audits	8
Financial and Compliance Audit	8
Audit Strategy	8
State-Owned Enterprises Audit Strategy	8
Local Council Audit Strategy	9
Audit of Funds	9
Financial and Compliance Audits	10
Performance and Special Audit	11
Audit Topic Selection Process	11
Assessment of Potential Topics	12
Performance Audit Strategy	13
Special Audit Strategy	14
Information Systems Audit	14
Audit Universe	15
Overview of Performance Audits	16
Overview of Special Audits	17



## Foreword

I am pleased to submit the Annual Work Plan of the Auditor General's Office for 2023. In developing this plan, we have tried to incorporate in this plan, our legal mandate and expectations of our key stakeholders in relation to our work in holding the government to account for stewardship of public resources. The AGO plays a significant role in providing an independent assurance over financial management and financial reporting of government ministries, local councils, statutory bodies and other publicly funded institutions including, but not limited to public universities in the Maldives.

The increasing demand for high quality public services continues to put a seemingly untenable strain on public resources as the government is forced to increase the level of public spending and public debt which in turn raises the fiscal deficit. Therefore, as has been the case in previous years, we will continue to prioritize audits focusing on public debt, whole-of-government financial statements, debt strategy and budget implementation in developing our financial audit work programme. In addition, our financial audit work programme has also been designed to enable the Auditor General to discharge his responsibilities under the Fiscal Responsibility Act 2013.

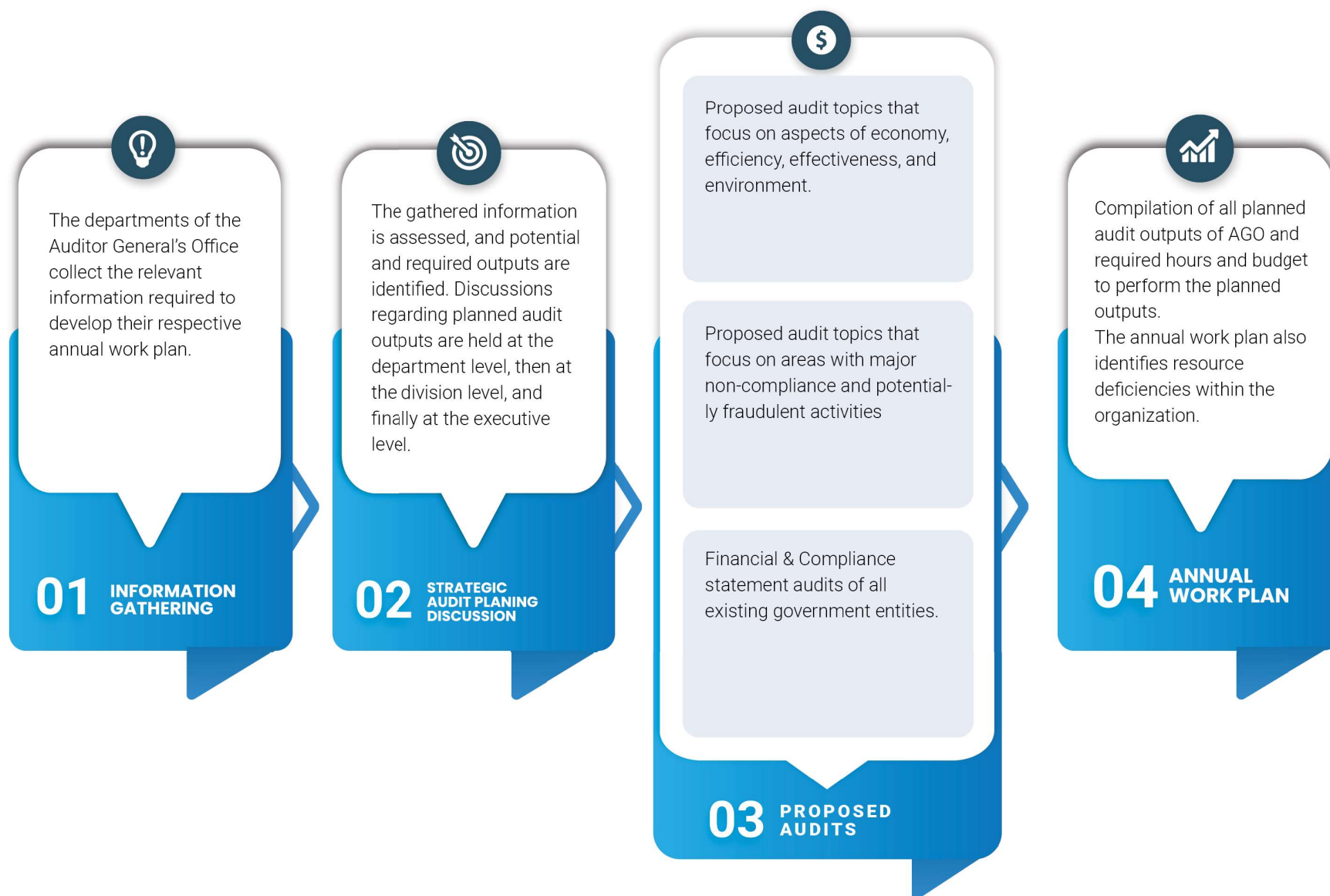
The plan also seeks to maintain broad coverage of important audit areas including the areas of greatest risk, issues, activities across the public sector and publicly funded institutions that are subject to our audit and review. In recent years, we have placed increasing importance on the environment – including climate change – as well as sustainable development given the vulnerable nature of our environment and our country's commitment towards the UN Agenda for Sustainable Development. With invaluable input from our key stakeholders including members of public, our performance audit work programme has been developed to cover topics focusing on such areas as the environmental protection, sustainable development, delivery of public services, and health and education schemes. Our special audits focus on areas of greatest risks of significant loss of taxpayer money due to fraud, mismanagement and wastage. In addition, we also assist the government in assessing claims for damages by private contractors and this plan provides for such work as we have continued to receive requests from the government to look into such claims.

We intend to promote accountability, integrity, transparency and sound financial management in the public sector by implementing this plan to provide value and benefits to citizens. We look forward to receiving feedback, comments and suggestion for improvement from our stakeholders.



**Hussain Niyazy**  
**Auditor General of the Maldives**

# Plan Development Process



# Strategic Direction

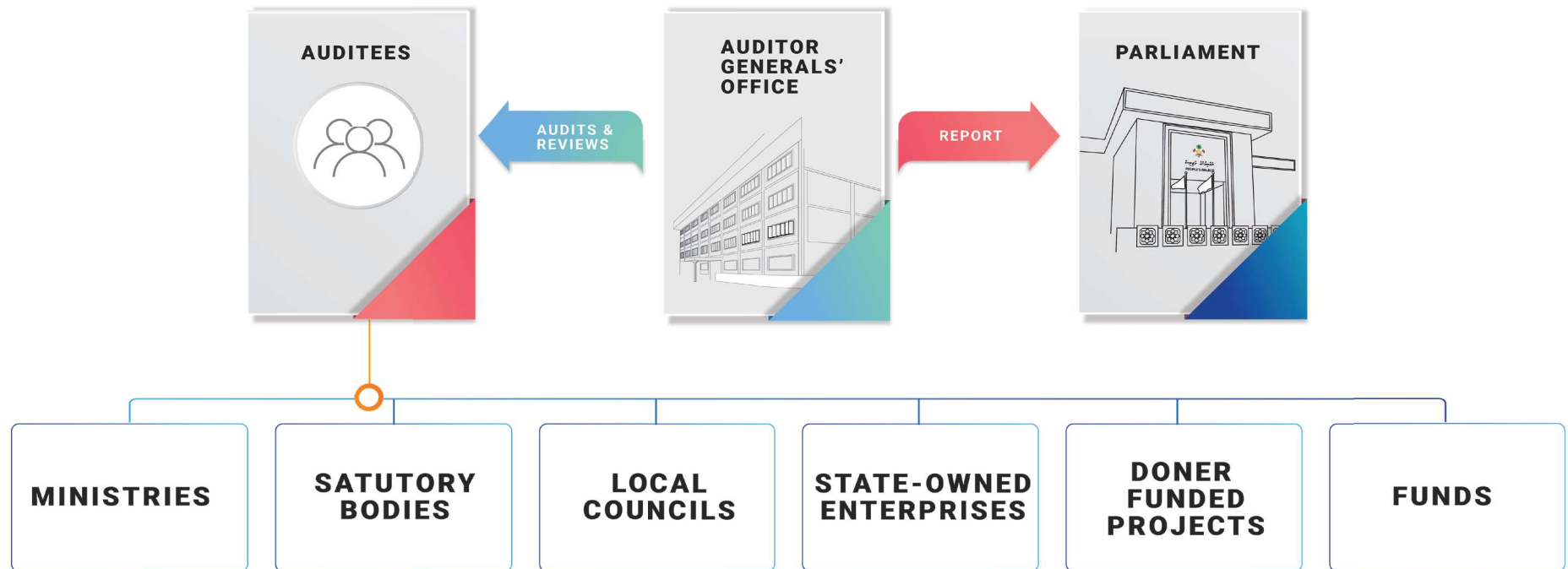
AGO will focus on the following outcomes during the year 2023:



# Our Role

The Auditor General reports to the People’s Majlis and is responsible for the audits of public sector entities. These audits are published and help the parliament to hold the government and institutions accountable and keeps the public informed about the audits.

The Auditor General conducts Financial and Compliance Audits, Performance Audits, Special Audits and Information Systems Audits under the Audit Act 4/2007 and Public Finance Act 3/2006.





# Our Audits

## Financial and Compliance Audit

Financial and Compliance Audits provide an independent opinion on the Financial Statements of the State Consolidated Financial Statements, Ministries, Statutory Bodies, Local Councils, Donor funded projects. The Auditor General has a statutory requirement to audit Financial audits of the Accountable Government Agencies (AGAs) and these audits are a key part of effective public sector accountability and governance. It also helps to strengthen the financial management and reporting frameworks of the government.

## Audit Strategy

Delivering the audit of Consolidated Financial Statements on or before 30th June every year remains one of our key priorities in terms of discharging our responsibility for conducting financial statement audits. However, given our mandate to conduct financial statement audits of all Accountable Government Agencies under the Public Finance Act, we will allocate resources to report on financial audits of all AGAs by 31 May 2023 based on the assumption that our clients prepare and submit financial statements in time for us to deliver our financial audit mandate.

## State-Owned Enterprises Audit Strategy

Pursuant to Regulation on Audit and Accountability of State-owned Enterprises, the Auditor General will not be involved in the process of appointing external auditors of State-Owned Enterprises (SOEs). The regulation requires the SOEs to submit the audit report, management letter and the Report to the Auditor General on Internal Controls over Financial Reporting and on Compliance and Other Matters based on an Audit of Financial Statements to AGO which are then subject to post completion review by the Auditor General. Following the review of the Report, the Auditor General's Office will compile a report on the review of financial audit results and other matters identified in the report and communicate its findings to the President of Maldives, Parliament, relevant ministries, and public institutions and shall publish the report on Auditor General's Office's website.



## Local Council Audit Strategy

We are planning to increase AGO's presence in the local councils by increasing the number of councils we audit in-house. Since the financial year 2016, the strategy for Local Council Audits has been to contract out some of the audits. AGOs role in these audits is to review and issue the audit reports as AG's reports upon completion and submission of the audit reports and audit files to us. The reviews of local council audits are allocated among the audit departments. The target for delivery of these audits is on or before end of succeeding calendar year.

## Audit of Funds

Every year we select material funds operated in the public accounting systems. Amongst them, we plan to conduct compliance audits of the following funds.

1. Maldives Green Fund
2. Zakat Fund
3. Thauleemee Fund
4. Sovereign Development Fund

These audits will include review of financial transactions and governance of funds in relation to the fund statement regulation/Standard Operating Procedures for the fund.

# Financial and Compliance Audits

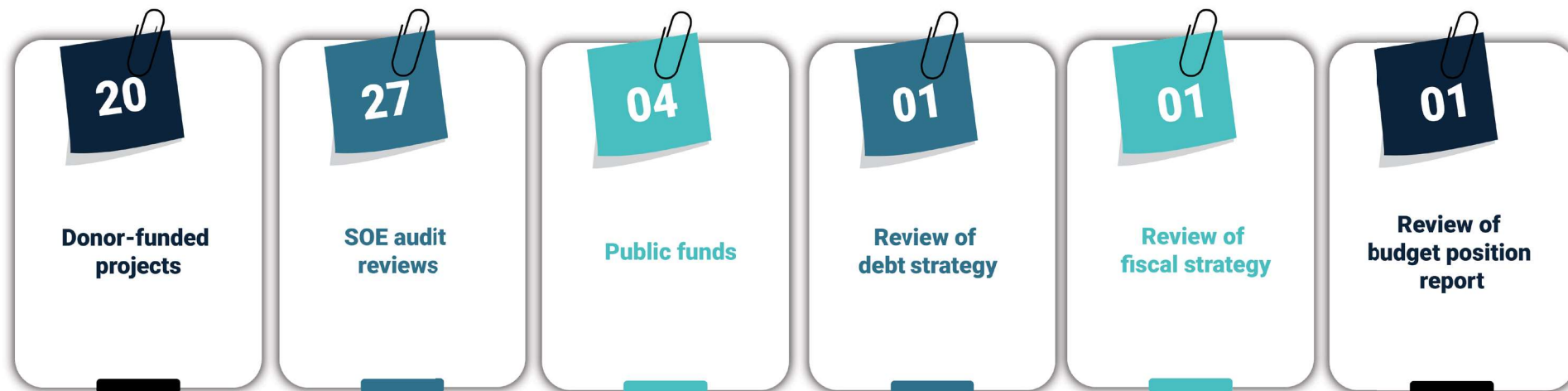
## Audits of Accountable Government Agencies



## Audits of Whole of Government (Multi-agencies)



## Other Financial and Compliance Audits, and Reviews



## Performance and Special Audit

The Performance and special audit division carry out direct reporting engagements. The performance department focuses on aspects of the economy, efficiency, effectiveness, and environment, while the special audit department focuses on public sector fraud and significant non-compliance. The subject matter to be audited are selected based on a topic selection matrix.

The value for money audits provide the users with the necessary degree of confidence by explicitly explaining how auditors developed findings, criteria, and conclusions in a balanced and reasoned manner and why the combinations of findings and criteria result in a certain overall conclusion or recommendation.

### Audit Topic Selection Process

The potential audit topics were selected based on a scan of the audit environment. This process identified public, legislature, and government interests and priorities. In addition to this, media reports regarding public sector programs, projects, entities, and state-owned enterprises were scanned to identify potential topics. The performance audit department also received 14 topics through the audit contribution portal, which added to the potential pool of audits to be assessed. After collecting information, internal discussions were held regarding these and additional topics suggested by the financial audit division.



## Assessment of Potential Topics

A Scoring matrix was used to score each potential audit topic against a pre-set criteria and audit topics for the performance audit department and the special audit department were selected based on those scores. The criterion's weight was based on the importance of the criterion to the AGO's management, legislature, government, and the public. Auditors exercised Professional Judgement in the selection process and assigning the scores to the topics. This process was separately carried out for Environmental Audits.

The topic scoring the highest 'Aggregate Weighted Score' was ranked as the highest priority. Allocation of audit resources of the departments was based on the scoring matrix, with audits at the top of the list getting the highest number of resources. The number of audit topics included in the annual work plan depends on the net available resources of each department.



### Assessment

**Information regarding potential topics are collected and assessed**

**Topics are assessed base on:**

#### **Performance & Special audit**

1. Legislative or public interest
2. Possible impact/potential added value
3. Potential risks of the area
4. Relevance
5. Timeliness
6. Previous audit work
7. Materiality
8. Auditability
9. Risk to the SAI
10. Request for performance audit
11. Other major work planned or in progress

## Performance Audit Strategy

Performance audits are carried out with the objective to promote better value-for-money within public bodies by highlighting and demonstrating to audited bodies ways in which they could make improvements to realize financial savings or reduce costs; provide a better quality of service; strengthen and enhance their management, administrative, and organizational processes, and achieve their aims and objectives more cost-effectively. Performance audits are also conducted to study and examine value for money in the administration of various schemes and programs designed to improve the lives of citizens. Our main outputs are performance audit reports to audited entities.

## Strategic Direction of Performance Audits

**01**

Assessing the efficiency and effectiveness of government programmes and projects via performance auditing

**02**

Making an impact via environmental audits

**03**

Contributing to UN Agenda for Sustainable Development via performance audits of SDGs

## Special Audit Strategy

The special audit department was established to conduct more detailed examinations of issues of non-compliance, which are outside the scope of financial audits, and conduct detailed examinations of matters of serious allegations of fraud, misuse, and wastage of public funds.

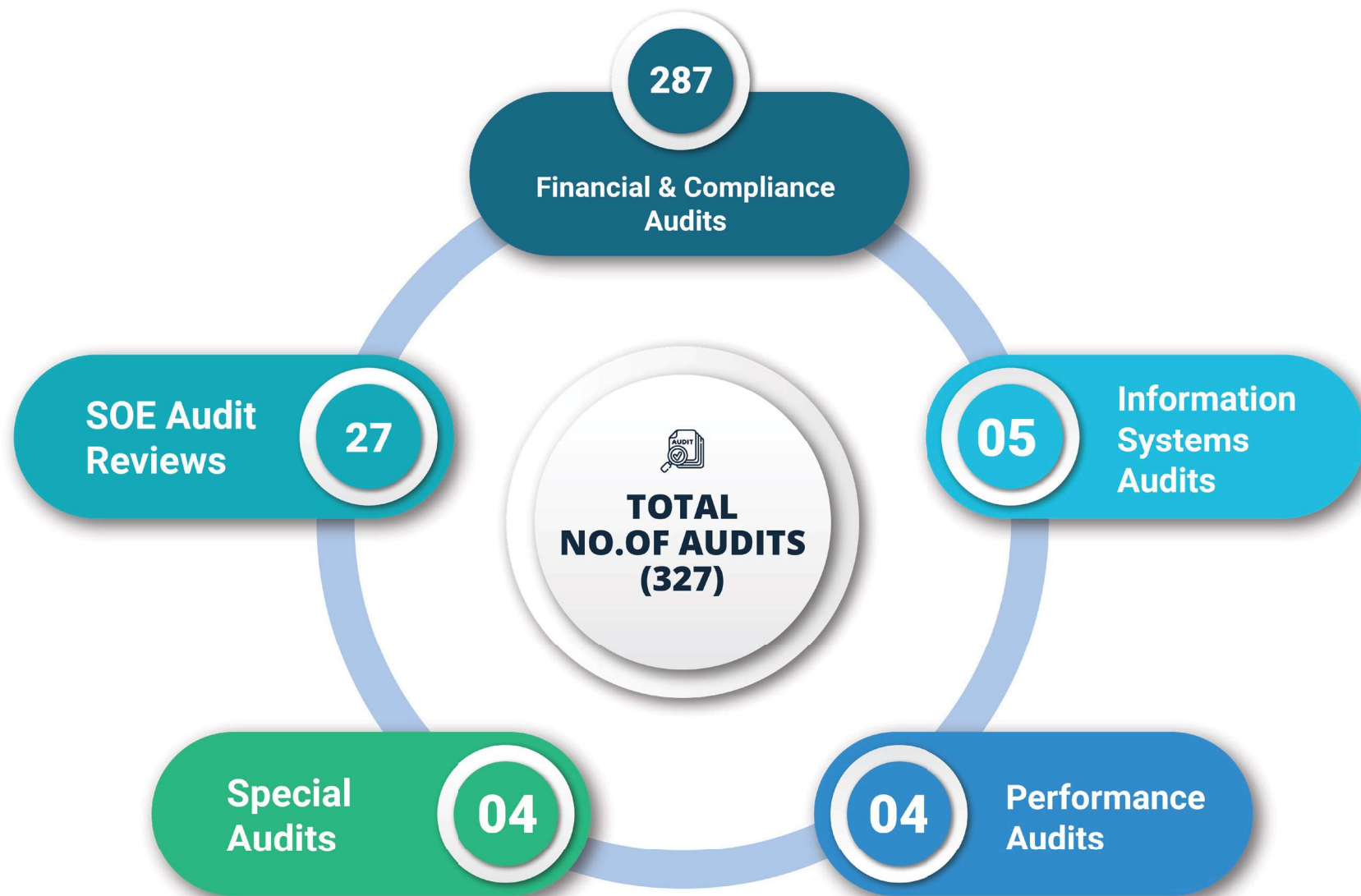
The key focus of special audits is to obtain sufficient evidence to ensure fraud, misuse, or wastage of public funds, has occurred and to submit the report to the parliament to make responsible parties accountable and, if required, to investigative authorities to take further action.

## Information Systems Audit

The Information Systems Audit (IS) is mandated with the audit of information systems of public sector entities and state-owned enterprises. The public sector accounting is maintained using SAP and almost all SOs use accounting software to maintain the accounting records and for financial reporting. Other related functions such as payroll, procurement, revenue, public debt and assets are also maintained on various computer platforms and the independent assessment in the form of IS audits on the integrity, system controls, reliability and accuracy of the information and data are paramount to place reasonable assurance on the financial reporting systems.



# Audit Universe



# Overview of Performance Audits

## Health

Aasandha health insurance scheme

This audit is expected to highlight various inefficiencies in the policy implementation and also governance and administration of the scheme. Thus, audit will help pressure Aasandha Company to resolve these inefficiencies and make cost savings.

## Education

Free degree program

This audit is expected to assess the efficiency and effectiveness of the implementation and administration of the free degree program. Thus, audit will help the related entities to resolve the inefficiencies and reduce wastage of resources.

## Local Government

Service delivery of Male' City Council

This audit is expected to assess the efficiency of the Male' city council in delivering mandated activities which are directly related to the public. Thus, audit will help the city council to resolve the inefficiencies in its administration.

## Energy

SDG Implementation, Goal 7 (affordable and clean energy), national policy 2 (expand and develop the renewable energy sector)

This audit is expected to assess the performance of the government in delivering the transition of the energy sector to renewable energy and lessen the dependence on imported fossil fuels.

# Overview of Special Audits

## Transport infrastructure

Road Development Corporation projects

This audit is expected to examine major non-compliance and fraudulent practices in the procurement process and project awarding and implementation of the company. It is further expected to assess the company's effectiveness in managing and implementing the state's infrastructure projects.

## Labor, employment & migration

Expatriate employment  
(for projects)

This audit is expected to assess the quota allocation system, regularization process for unregistered workers and identify possible causes for why expatriate workers are not sent back after completing projects.

## Housing

Ministry of National Planning,  
Housing & Infrastructure's public  
infrastructure projects execution

This audit is expected to examine infrastructure projects executed by MoNPHI, Assess the procurement process and identify significant non-compliance, fraudulent or corrupt activities in awarding the project, implementing the project, and payments made for the work. It is also expected to assess the ministry's project planning and monitoring of audited projects.

## Energy

Fenaka Corporation procurement

This audit is expected to do follow up on recommendations of previous procurement special audits, Assess the company's procurement practices, identify fraudulent activities, and assess a large number of unpaid amounts to suppliers.



## ANNUAL WORK PLAN 2023

#	Final Audit 2022					Interim Audit 2023	Overall Risk of the Audit Profile
	Audits Jobs (FY2022)	Revenue	Budget Value 2022	Indicative Budget (Hrs) 2022	Statutory Deadline or deadline	Indicative Budget (Hrs) 2023	
	<b><i>Accountable Government Agencies</i></b>						
1	President's Office	140,643	181,000,000	700	31/05/2023	400	
2	Peoples Majilis	252,726	188,071,078	600	31-05-2023	360	M
3	Ministry of Education	6,213,421	3,100,607,067	2,000	31-05-2023	1,200	H
4	Ministry of National Planning, Housing and Infrastructure	5,692,387	2,110,152,105	1,200	31-05-2023	720	H
5	Ministry of Higher Education	601,817	703,847,284	700	31-05-2023	420	H
6	Ministry of Finance	1,654,317,135	11,923,589,033	1,500	31-05-2023	900	H
7	Ministry of Foreign Affairs	14,204	352,100,000	1,500	31-05-2023	900	H
8	Ministry of Fisheries Marine Resources and Agriculture	2,047,917	88,075,271	700	31-05-2023	420	M
9	Ministry of Home Affairs	18,647	90,354,105	500	31-05-2023	300	M
10	Ministry of Tourism	26,650	58,600,000	500	31-05-2023	300	M
11	Ministry of Environment climate change and Technology	235,367,927	237,483,400	1,600	31/05/2023	800	M
12	Ministry of Youth and Sports	416,990	312,017,166	1,440	31/05/2023	720	
13	Ministry of Economic Development	196,155	288,343,947	1,440	31/05/2023	720	M
14	Ministry of Defence	16,590,011	17,914,428	800	31/05/2023	400	L
15	Ministry of Transport And Civil Aviation	24,423,306	53,127,922	800	31/05/2023	400	L
16	Ministry of Gender, Family and Social Services	129,830	217,704,570	1,280	31/05/2023	640	M
17	Ministry of Health	45,123,782	2,030,944,678	1600	31/05/2023	800	H
18	Ministry of Islamic Affairs	335,800	186,687,271	700	31/05/2023	350	M
19	Ministry of Arts, Culture & Heritage	394,257	63,240,961	500	31/05/2023	250	L
20	Maldives Customs Services	3,649,473,513	236,013,533	800	31-05-2023	480	H
21	Maldives Inland Revenue Authority	15,092,594,320	113,700,000	800	31-05-2023	480	H
22	Elections Commission	194,740	28,477,900	800	31-05-2023	480	M
23	Attorney General's Office	121,384	43,700,000	200	31-05-2023	120	L

24	Local Government Authority	6,515	57,756,576	200	31-05-2023	120	L
25	Judicial Service Commission	2,598	17,400,000	200	31-05-2023	120	L
26	Employment Tribunal	14,079	10,200,000	200	31-05-2023	120	L
27	Maldives International Arbitration Center	3,792	6,900,000	200	31-05-2023	120	L
28	Maldives Media Council		5,100,000	200	31-05-2023	120	L
29	Tax Appeal Tribunal	1,129	10,500,000	200	31-05-2023	120	L
30	Prosecutor General's Office	38,441	66,100,000	600	31-05-2023	360	L
31	Anti-Corruption Commission	38,591	41,500,000	500	31-05-2023	300	L
32	Maldives Broadcasting Commission	4,352,593	9,300,000	500	31-05-2023	300	L
33	Human Rights Commission	21,331	29,850,198	500	31-05-2023	300	L
34	Inthigaalee Insaafuge Ombudsperson Office	1,587	15,000,000	500	31-05-2023	300	L
35	Department of Judicial Administration	7,557,818	531,183,564	1,798	31/05/2023	899	M
36	Islamic University of Maldives	66,396	40,000,000	1,000	31/05/2023	500	L
37	Childrens Ombudsperson's Office	1,603	9,000,000	300	31/05/2023	150	L
38	Information Commissioner's Office	2,164	4,703,715	300	31/05/2023	200	L
39	Civil Service Commission	8,682	29,215,518	398	31/05/2023	200	L
40	Maldives Police Service	741,963	1,784,296,593	870	31/05/2023	500	H
41	Maldives Immigration	24,176,770	159,732,160	1,000	31/05/2023	600	M
42	National Social Protection Authority	5,937	1,297,000,000	1,000	31/05/2023	600	H
43	Aviation Security Command	87,818	145,000,000	500	31/05/2023	300	M
44	National Integrity Commission	2,765	13,780,000	239	31/05/2023	143	L
45	Family Protection Authority	383	10,165,636	292	31/05/2023	175	L
46	Maldives National Defence Force	418,078	1,516,538,064	1,000	31/05/2023	500	H
47	Maldives National University	209,502	170,838,382	1,200	31/05/2023	600	M
48	Male' Group of Hospitals	33,514,340	1,093,433,860	1920	31/05/2023	960	H
49	Hulhumale Hospital	14,890,630	291,066,913	1000	31/05/2023	500	M
50	Maldives Civil Aviation Authority		20,000,000	800	31/05/2023	400	L
51	Maldives Correctional Service	185,670	321,643,246	800	31/05/2023	400	M
52	National Disaster Management Authority	8,816	12,300,000	300	31/05/2023	150	L
53	L.Gan Regional Hospital	1,459,512	202,601,872	500	31/05/2023	250	M
54	Ungoofaaru Regional Hospital	3,662,806	171,320,765	500	31/05/2023	250	M
55	Kulhudhuffushi Regional hospital	1,775,271	236,722,751	585	16-Mar-23		M

56	Dr. Abdul Samad Memorial Hospital	1,417,231	172,200,000	97.5	21-May-2023		M
57	Addu Equatorial Hospital	8,787,081	267,594,165	715	21-Apr-2023		M
	<b>Local Council Audits</b>						
	Local Council Audit – In-house (88 audits)			26,900	31-12-2023		
	Local Council Audit reviews – Out-source (112 audits)			8,960	31-12-2023		
	<b>Audits of Whole of Government ( Multi – agencies)</b>						
1	State Consolidated Financial Statements			1500	31/05/2023	750	
2	Statement of Public Debt		91,348,000,000	1,000	30-09-2023	600	H
3	Statement of Government Guarantees		11,627,000,000	700	30-09-2023	420	H
	<b>Other Financial and Compliance audits, and Reviews</b>						
	<b>Donor Funded Projects</b>						
1	Learning and Measurement Advancement Project (LAMP)			320	30-06-2023	192	M
2	Sustainable Fisheries Resource Development Project (SFRDP)			320	30-06-2023	192	M
3	Enhancing Employability and Resilience Youth Project (MEERY)			320	30-06-2023	192	M
4	Maldives Urban Development and resilience project			320	30-06-2023	192	L
5	Kulhudhuffushi Harbour Expansion Project			320	30-06-2023	192	M
6	Maldives Agri-Business Programme			320	30-06-2023	192	M
7	Additional Financing - PFMSS			320	30-06-2023	192	L
8	Public Financial Management System Strengthening project (PFMSS)			320	30-06-2023	192	L
9	Preparing Outer Islands for Sustainable Energy Development( POISED)			320	30/06/2023	192	M
10	Greater Male’ Environment Improvement and Waste Management Project			320	30/06/2023	192	M
11	MV Covid Emergency Income Support Project (MCEISP)-Main			320	30/06/2023	192	M
12	MV Covid Emergency Income Support Project (MCEISP)--Advance			320	30/06/2023	192	M
13	Accelerating Renewable Energy Integration and Sustainable Energy			320	30/06/2023	192	M
14	Accelerating Sustainable Private Investment in Renewable Energy			320	30/06/2023	192	M


15	National Single Window Project			320	30/06/2023	192	M
16	Maldives Clean Environment Project			320	30/06/2023	192	M
17	Prevention of Marine Litter in the Lakshdweep Sea (PROMISE)			320	31/07/2023	192	M
18	Maldives Emergency Covid Response Project			320		160	M
19	Maldives Emergency Covid Response Project (Grant No: 0687)			320		160	M
20	Maldives Emergency Covid Response Project (Grant No: 0716)			320		160	M
	<b>SOE Reviews</b>						
1	Public Service Media Corporation			120	31-12-2023		
2	Kadhdhoo Airport Company Limited			120	31-12-2023		
3	Business Centre Corporation Limited			120	31-12-2023		
4	Waste Management Corporation			120	31-12-2023		
5	Maldives Post Ltd.			120	31-12-2023		
6	Maldives Marketing and PR Corp Ltd			120	31-12-2023		
7	Aasandha Pvt Ltd			120	31-12-2023		
8	Kulhudhuffushi Port Ltd.			120	31-12-2023		
9	Maldives Airports Company Limited			120	31-12-2023		
10	Fenaka Corporation Ltd			120	31-12-2023		
11	Maldives Fund Management Corporation Ltd.			120	31-12-2023		
12	SME Development Finance Corporation			120	31-12-2023		
13	Maldives Center for Islamic Finance			120	31-12-2023		
14	Male' Water and Sewerage Company Pvt Ltd			120	30/06/2023		
15	Regional Airports Company Limited			120	01/07/2023		
16	Maldives Ports Limited			120	02/07/2023		
17	Island Aviation Services Ltd			120	03/07/2023		
18	Maldives Integrated Tourism Development Corporation			120	04/07/2023		
19	Hithadhoo Port Limited			120	05/07/2023		
20	Housing Development Corporation			120	06/07/2023		
21	Tradenet Maldives Corporation Limited			120	07/07/2023		
22	Fahi Dhiriulhun Corporation Ltd			120	30/06/2023		
23	Maldives Sports Corporation Ltd			120	30/06/2023		
24	State Electric Company Limited			120	30/06/2023		



25	Addu International Airport Pvt Ltd			120	30/06/2023		
26	Road Development Corporation Ltd			120	30/06/2023		
27	Maldives Hajj Corporation Ltd			120	30/06/2023		
	<b>Trust Funds</b>						
1	Thauleemee Fund			512	31-12-2023		H
2	SDF Fund			512	31-12-2023		H
3	T-ZKT Zakat Fund_MIA			320		160	M
4	Maldives Green Fund			320		192	M
	<b>Reviews</b>						
1	Debt strategy		-	700	30-09-2023	-	NA
2	Fiscal Strategy		-	700	30-09-2023	-	NA
3	Budget Position Report		-	700	30-09-2023	-	NA
	<b>IT Audits of Public Institutions and SOEs</b>						
1	SAP Tax and Revenue Management – MIRA (Pilote Audit Phase 2)			1,300	30/06/2023		
2	Election Commission' Election Mgt. Sustem			650	31 Dec 2023		
3	General IT Controls Review - Hospital Information Management System of IGMH			650	31 Dec 2023		
4	General IT Controls Review of Elections Commission – Political Party Information Management System			650	30-Oct-2023		
5	General IT Controls Review of LGA (Viya Module)			650	31 Sep 2023		
	<b>Special Audit</b>						
1	Road Development Corporation Limited (Procurement and projects)					1,500	
2	Fenaka Corporation Limited (Procurement)					1,200	
3	Expatriates brought for projects on quota					2,000	
4	Ministry of National Planning, Housing & Infrastructure projects (Housing & Road projects)					1,500	
	<b>Performance</b>						
1	Performance Audit of Aasandha Health Insurance					1,800	

2	Service delivery of Male' city council					2,100	
3	Free Degree Program					1,200	
4	SDG Implementation, Goal 7 (affordable and clean energy), national policy 2 (expand and develop the renewable energy sector)					1,500	

Auditor General's Office  
Gaazee Building, 1st floor  
Ameer Ahmed Magu, Male',  
20125  
Republic of Maldives

 (+960) 332 3939  
 [info@ audit.gov.mv](mailto:info@audit.gov.mv)  
 [www.audit.gov.mv](http://www.audit.gov.mv)

