

Chapter 1. COMPANY REGULATIONS

I. AUDITOR

Every Company must appoint an auditor who must examine and report on the financial accounts of that Company.

II. WHEN TO PREPARE AND SUBMIT FINANCIAL ACCOUNTS

- ❖ The Directors of a Company must arrange the preparation and approval of financial accounts and for these to be audited by an auditor approved by DMCCA and approved by the shareholders of the company within six months after the end of the financial year of the Company.
- ❖ A copy of the company accounts and auditor's report must be filed with the Registrar within five Business Days of the relevant shareholders meeting approving the audited accounts.

III. HOW TO APPOINT OR REMOVE AN AUDITOR

- ❖ An auditor is appointed by the shareholders passing an Ordinary Resolution at a General Meeting.
- ❖ The shareholders may at any time remove an auditor by passing an Ordinary Resolution.
- ❖ If an auditor resigns, the shareholders must meet to appoint a new one.

IV. HOW DOES AN AUDITOR RESIGN?

- ❖ An auditor may resign by sending:
 - written notice to the Company; and
 - a statement confirming that there are no circumstances connected with the resignation which should be brought to the attention of the shareholders or the creditors of the Company.
- ❖ If there are circumstances connected with an auditor's resignation which the shareholders or the creditors of the Company should know, the auditor must provide a statement of these circumstances.

- ❖ If there are any circumstances connected to an auditor's resignation, the Company must, within ten business days of receiving an auditor's resignation and statement of circumstances, send the statement of circumstances to every shareholder of the Company and to every person entitled to receive notices of General Meetings.

V. WHO CAN BE APPOINTED AS AN AUDITOR?

- ❖ A Company can only appoint an auditor if:
 - the auditor has been approved and registered by DMCCA;
 - the auditor has consented in writing to the appointment;
 - the Company, having made reasonable enquiries, is not aware of any matter which would prevent the auditor from consenting to the appointment.

VI. WHAT ARE AN AUDITOR'S DUTIES?

- ❖ An auditor must determine whether:
 - proper accounting records have been kept by the Company;
 - proper returns adequate for the audit have been received from branches not visited by the auditor;
 - the Company's accounts are in agreement with the accounting records and returns; and
 - the Company's accounts have been prepared in compliance with the applicable accounting standards.

VII. WHAT IS AN AUDITOR'S REPORT?

- ❖ An auditor must prepare a report on the accounts of the Company.
- ❖ An auditor's report must state, among other things, that the accounts have been properly prepared and give a true and fair view of the profit or loss of the Company for the financial year.
- ❖ An auditor must state in their report if:

- the Company's accounts are not in order; or
- the auditor has not received all the information and explanations which are necessary for the purposes of the audit.

VIII. WHAT ARE AN AUDITOR'S POWERS?

❖ An auditor:

- must have a right of access, at all reasonable times, to all the records of a Company;
- may ask questions to and require officers to provide explanations in respect of the Company's accounts as necessary; and
- should receive notice of, and attend, any General Meetings during which the auditor may discuss matters which concern him or her.

Chapter 2. APPROVED AUDITOR RULES¹

1. HOW DO I APPLY TO BE AN APPROVED AUDITOR (AA)?

- ❖ To be appointed as an Approved Auditor, the Audit Firm must send an email to **ApprovedAuditor@dmcc.ae** expressing its intention to register.
- ❖ An Audit Firm must apply by preparing the following required documents:
 - application form duly signed by the Audit Partner, a copy of which is located at [AA Application Form](#)
 - valid audit certificate from the UAE Ministry of Economy, authorizing the Audit Partner to report on company accounts. The audit certificate can be one of the following, as applicable:
 - an individual audit certificate linked to the Audit Firm
 - a company audit certificate if the Audit Firm is a branch of a foreign company;
 - valid commercial/professional trade license;
- ❖ A DMCC registration link will be provided to the Audit Firm to fill in the application and submit the required Audit Firm details.
- ❖ The Audit Firm will be notified via email on the result of the initial screening.
- ❖ If the Audit Firm passed the initial screening, a DMCC portal access and instruction will be shared via registered email of the Audit Firm.
- ❖ Top up and pay the 50% initial payment of AED 1,520 in the portal, then upload the required documents and submit the application.
- ❖ During assessment of the application, DMCCA may contact the Audit Firm in case additional information is required.
- ❖ A notification email will be sent to the Audit Firm when a decision is made. If the application is approved, the Audit Firm should top up and pay the 50% balance amount of AED 1,520 to allow the process to be completed.
- ❖ The Audit Firm's name will be automatically listed on the DMCC Approved Auditors List once the application is approved and closed.

¹ A capitalised term used in this section has the meaning given to that term in the Approved Auditor Rules.

2. HOW DO I APPLY FOR RENEWAL OF APPOINTMENT AS AN APPROVED AUDITOR?

- ❖ Three (3) months prior to your scheduled renewal date, DMCCA will send you a reminder to initiate your renewal application, and you may initiate the renewal application not later than 20 Business Days prior to the date of expiry of the Approved Auditor.
- ❖ To be renewed as an Approved Auditor, an Audit Firm must access the DMCC portal and top up the account by AED 1,020 renewal fees.
- ❖ Create a renewal application request in the portal by uploading and submitting the following required documents:
 - renewal application form, duly signed by the Audit Partner, a copy of which is located at [AA Application Form](#);
 - survey form with the DMCC Clients List, a copy of which is located at [Approved Auditors Survey Form](#);
 - valid audit certificate from the UAE Ministry of Economy, authorizing the Audit Partner to report on company accounts. The audit certificate can be one of the following, as applicable:
 - an individual audit certificate linked to the Audit Firm
 - a company audit certificate if the Audit Firm is a branch of a foreign company;
 - valid commercial/professional trade license;
- ❖ During assessment of the application, DMCCA may contact the Audit Firm in case additional information is required.
- ❖ A notification will be sent to the Audit Firm when a decision has been made.
- ❖ It is estimated that the renewal application approval process should not take more than 5 working days from all the documentation being received.

3. HOW MUCH ARE THE APPLICATION AND RENEWAL FEES?

| Fees | AED |
|---|----------|
| Registration fee (for new applications): <ul style="list-style-type: none">- 50% payable on submission of application (non-refundable)- 50% payable on notification of approval. | 3,000.00 |
| Renewal fee (payable annually on approval if renewed) | 1,000.00 |

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| Knowledge & Innovation fee (for each payment or part payment) | 20.00 |
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- ❖ 50% of the registration fee which is payable on application is paid by the Audit Firm on a non-refundable basis regardless of outcome of the application and the balance of 50% is to be settled upon approval of the registration.

4. WHAT IS THE APPROVAL CRITERIA FOR APPOINTMENT OR RENEWAL?

- ❖ In order for an Audit Firm to be approved as an Approved Auditor and be maintained on the Approved Auditor List, the Audit Firm must be able to demonstrate to DMCCA's satisfaction that the Audit Firm meets or otherwise complies with the following minimum requirements:
 - the Audit Firm has an Audit Partner
 - the Audit Firm has a valid commercial/professional trade license from a recognised competent authority within the UAE that permits the activities of auditing accounts;
 - the Audit Firm has a physical location in the UAE;
 - the Audit Partner has a certificate of valid accreditation from the UAE Ministry of Economy;
 - the Audit Firm has demonstrated sufficient capacity and professional qualifications of personnel who will be providing audit services to a Member Company;

5. HOW DO I NOTIFY DMCCA OF ANY CHANGE IN AUDIT FIRM DETAILS?

- ❖ It is the responsibility of the Audit Partner to notify DMCCA of any change in Audit Firm details immediately and, in any event, no later than 10 Business Days after the effective date of any change.
- ❖ A change in Audit Firm details includes any of the following matters:
 - change in any Audit Partner;
 - change in address or other contact details of the Audit Firm; and
 - any such matters notified by DMCCA from time to time.
 - An Audit Firm must notify DMCCA of any such change in writing by submitting a letter, signed by the Audit Partner which can be sent by e-mail to ApprovedAuditor@dmcc.ae or by creating a case through [DMCC Help Centre](#).

6. HOW DO I CHALLENGE ANY DECISION OF DMCCA?

- ❖ Decisions are made by DMCCA in its sole discretion.
- ❖ If you have valid grounds to challenge the decision of DMCCA on any matter relating to the Rules, you may submit a request for appeal by sending an email notification to ApprovedAuditor@dmcc.ae or by creating a case through [DMCC Help Centre](#), setting out details of the grounds for appeal and including supporting documentary evidence of such grounds.
- ❖ Any valid request for appeal will be submitted to the Approved Auditor Advisory Panel for consideration and determination.