



جهاز أبوظبي للمحاسبة  
ABU DHABI ACCOUNTABILITY AUTHORITY

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Frequently Asked Question -

**List of authorized  
statutory auditors**

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**ISSUE 1**

23rd November 2022



## What is the list of authorised statutory auditors?

It is the list of audit firms authorized to perform statutory audit services in entities subject to the Authority's mandate. The list is developed in accordance with Article (3) of the Statutory Auditor Appointment Rules (the Rules) issued by ADAA Chairman's resolution (53) of year 2020.

## Why did ADAA introduce the list of authorised statutory auditors?

ADAA has introduced the list of authorized statutory auditors to elevate the quality of statutory audit services provided to entities subject to ADAA mandate. The list will only include auditors who demonstrate indicators of quality, independence and confidentiality specified in the Rules.

## What is the process to be listed in ADAA list of authorized statutory auditors?

To enlist, the firm shall open an account on the statutory auditor platform, complete application forms, submit the required data and meet the evaluation criteria requirements through the following link: [\[Link to Platform\]](#)

## How and when the list of authorised statutory auditors will be updated?

All completed applications will be reviewed against a defined evaluation criteria developed in accordance with the Rules and financial audit regulations issued by ADAA to ensure the completeness, correctness, consistency, and relevance of the data provided in accordance with the requirements for inclusion in the list. The review will also consider the firm-related information available with the Authority from its monitoring activities.

The list is updated every 3 months and published on ADAA website; Audit firms listed or looking to be in the list shall update their data or submit their application within the time allocated for that.

The timeframe defined for preparing and publishing the authorized statutory auditors list consider the process of appointing statutory auditors, in subject entities, whether through reappointment or tendering, while enabling ADAA to take necessary accountability measures towards subject entity statutory auditors.

## What are the forms required to be filled in the Statutory Auditors Platform?

The forms required to be filled under the statutory auditor platform consist of the following:

1. **General Information:** the audit firm's contact information such as address, phone, authorized firm personnel and point of contact regarding the platform, in addition to the contact information of the firm global head office in the event the local registered firm is a branch, member, or affiliate of a global network firm.
2. **Regulatory Information:** the details of the audit firm's registration and licenses in the Ministry of Economy and Abu Dhabi Department of Economic Development and the audit firm's systems, policies and procedures related to the following:
  - Legal and regulatory requirements in accordance with UAE's Audit Profession Law number 12 of year 2014.
  - Compliance with the International Standards on Auditing (ISAs) as issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC).
  - Compliance with International Standard on Quality Control (ISQC) and the other pronouncements issued by IAASB.



- Compliance with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (Code of Ethics).
  - Continuous Professional Education for the audit firm's employees.
  - Data protection and confidentiality standards applied by the audit firm.
3. **Employee Information:** the audit firm's partners and employees' information, professional qualifications, experiences and Emiratization percentage in the firm.
  4. **Client Information:** the audit firm's sources of income with a focus on the firm's audit engagement with entities subject to ADAA mandate to assess adequacy of the level of efforts and the firm independence.
  5. **Fit and proper questionnaire:** information related to the audit firm or any of its partners and employee's exposure or involvement in legal disputes or disciplinary procedures inside or outside the country in the last 5 years.
  6. **Declaration:** the audit firm's declaration on the correctness, accuracy, and completeness of all submitted information as of the date of submission.

### What is the evaluation criteria used to review submitted application?

ADAA applies a defined criteria to conclude assessment scores based on the nature of the requirement, being either essential or developmental. The Statutory Auditor will earn points based on the information submitted and the results of the evaluation process. Requirements are classified into the following categories:

1. **Essential requirements:** the requirements that the audit firm's submission should demonstrate to be included in the list:
  - Compliance with legal and regulatory requirements
  - Auditor's independence
  - Compliance with International Standards of Auditing
  - Compliance with Quality Control Standards
  - Confidential and Data Privacy standards
  - Adequacy of the Audit Firm's Staff to conduct financial statements audit
2. **Developmental requirements-** the requirements that demonstrate the audit firm's quality levels and can be met within a specified period. Such requirements will not impact the decision of the audit firm's inclusion in the list during the specified period, such as hours of continuous education and completion of some clients' data.

### What happens after completing the application and review process?

The Statutory Auditor Application will earn one of the following statuses:

- **Accepted:** the audit firm has successfully completed the process and approved for inclusion in the list of Authorized Statutory Auditors.
- **Provisionally Accepted:** the audit firm will temporarily become in the List of Authorized Statutory Auditors until it addresses developmental requirements.
- **Rejected:** the audit firm has not met the requirements and is excluded from the List of Authorized Statutory Auditors.



## **What if the audit firm's application is rejected?**

If the audit firm's application is rejected:

- The audit firm will be notified with the reasons for the rejection.
- The audit firm may submit a new application after resolving the reasons for rejection.

## **What if a previously listed statutory auditor firm application is rejected?**

When statutory auditor application is rejected, the audit firm will be excluded from the List of Authorized Statutory Auditors and the firm will not be permitted to provide statutory audit services to entities subject to ADAA mandate.

In the case of statutory audit services contracted before the firm was excluded from the list of authorized statutory auditors, the firm shall complete the ongoing audit engagements and notify entities subject to ADAA mandate that they will not be able to accept new engagements, enter any new contracts, or receive request for proposal related to provide statutory audit services.

ADAA will communicate the reasons of exclusion to the audit firm and reserve the right to perform the required procedures to monitor the auditor's engagement signed before the firm's exclusion from the list of authorized statutory auditors.

## **In addition to the list of authorized statutory auditors, how ADAA contributes to elevating the quality of statutory audit services?**

In addition to monitoring the listing data on the statutory auditor's platform, ADAA performs the following:

- Issue rules and regulations that emphasize on quality of statutory audit services provided to entities subject to ADAA mandate.
- Perform regular firm wide inspections to verify the audit firm's governance practices, assess compliance with the rules and standards issued by ADAA, and review the effectiveness of quality control procedures performed on the audit of the entities subject to ADAA mandate.
- Organize regular meetings and forums for listed audit firms to discuss standards new advancements, challenges and good practices.

## **What are the statutory audit regulations issued by ADAA?**

ADAA issued the following statutory audit regulations:

- Statutory Auditor Appointment Rules ([Link](#))
- Financial Statements Audit Standards ([Link](#))

## **What to do if an audit firm still has a question or clarification?**

If the audit firm still has a question or clarification, please contact Audit Affairs Office via email at (AuditAffairsOffice@adaa.gov.ae).



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