## AUDITORS AND ACCOUNTING STANDARDS MODULE



MODULE:
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#### AU (Auditors and Accounting Standards)

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MODULE	AU:	Auditors and Accounting Standards
CHAPTER	AU-A:	Introduction

#### AU-A.1 Purpose

- AU-A.1.1 This Module presents requirements that have to be met by <u>conventional bank</u> <u>licensees</u> with respect to the appointment of external auditors. This Module also sets out certain obligations that external auditors have to comply with, as a condition of their appointment by <u>conventional bank licensees</u>.
- AU-A.1.2 This Module is issued under the powers given to the Central Bank of Bahrain ('CBB') under Decree No. (64) of 2006 with respect to promulgating the Central Bank of Bahrain and Financial Institutions Law 2006 ('CBB Law'). It supplements Article 61 of the CBB Law, which requires <u>licensees</u> to appoint an external auditor acceptable to the CBB.

#### Legal Basis

- AU-A.1.3 This Module contains the CBB's Directive (as amended from time to time) relating to auditors and accounting standards used by <u>conventional bank licensees</u>, and is issued under the powers available to the CBB under Article 38 of the CBB Law. The Directive in this Module is applicable to all <u>conventional bank licensees</u>.
- AU-A.1.4 For an explanation of the CBB's rule-making powers and different regulatory instruments, see Section UG-1.1.



MODULE	AU:	Auditors and Accounting Standards
CHAPTER	AU-A:	Introduction

#### AU-A.2 Module History

- AU-A.2.1 This Module was first issued as Module AU (Audit Firms) in July 2004, as part of the first release of Volume 1 (conventional banks) of the CBB Rulebook. It was subsequently reissued in full in July 2006 (and renamed 'Auditors and Accounting Standards').
- AU-A.2.2 The reissued Module was one of several Modules modified to reflect the introduction of the CBB's new integrated license framework. Although the new framework did not change the substance of the requirements contained in this Module, the Module was re-issued in order to simplify its drafting and layout and align it with equivalent Modules in other Volumes of the CBB Rulebook.
- AU-A.2.3 This Module is dated July 2006. Pages that are subsequently changed in this Module are updated with the end-calendar quarter date in which the change was made: Chapter UG-3 provides further details on Rulebook maintenance and version control.
- AU-A.2.4 When the CBB replaced the BMA in September 2006, the provisions of this Module remained in force. Volume 1 was updated in October 2007 to reflect the switch to the CBB; however, new calendar quarter dates were only issued where the update necessitated changes to actual requirements.
- AU-A.2.5 A list of changes made to this Module is provided below:

Module Reference	Change Date	Description of Changes
Whole Module	July 2006	Module renamed as Module AU (Auditors and Accounting Standards). Text redrafted but substance of requirements left unchanged.
AU-A.1	10/2007	New Rule AU-A.1.3 introduced, categorising this Module as a Directive.
AU-1.2	10/2007	Rule AU-1.2.3 redrafted to clarify reporting obligation.
AU-1.5	10/2007	Paragraphs AU-1.5.4 and AU-1.5.6 updated to reflect CBB Law requirements on auditor independence.
AU-3.1	01/2009	Paragraph AU-3.1.1 updated in respect of agreed upon procedures report for review of PIR by external auditors.
AU-5	01/2009	New Chapter inserted for the role of the reporting accountant.
AU-5.1	10/2009	Clarification of fee arrangements for reporting accountants.
AU-A.1.3	01/2011	Clarified legal basis.
AU-1.1, AU-1.2, AU-1.5, AU-2.1, AU-3 and AU-5	01/2011	Various minor amendments made for consistency in formatting
AU-3.5	01/2011	Added new Section on report on material differences to be in line with Volume 2.

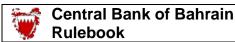


MODULE	AU:	Auditors and Accounting Standards
CHAPTER	AU-A:	Introduction

#### Module History (continued) AU-A.2

AU-A.2.5 (continued)

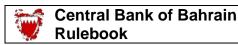
	Module Reference	Change Date	Description of Changes
AU-3.3.2		04/2011	Added cross reference to Module FC and clarified due date of report.
AU-3.5.1		<mark>04/2011</mark>	Corrected name of return.



MODULE	AU:	Auditors and Accounting Standards
CHAPTER	AU-B:	Scope of Application

#### AU-B.1 Conventional Bank Licensees

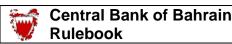
- AU-B.1.1 The contents of this Module unless otherwise stated apply to all <u>conventional bank licensees</u>.
- AU-B.1.2 The contents of Chapters AU-1 to AU-4 apply to both <u>Bahraini conventional bank</u> <u>licensees</u> and <u>overseas conventional bank licensees</u>.



MODULE	AU:	Auditors and Accounting Standards
CHAPTER	AU-B:	Scope of Application

#### AU-B.2 Auditors

AU-B.2.1 Certain requirements in this Module indirectly extend to auditors, by virtue of their appointment by <u>conventional bank licensees</u>. Auditors appointed by <u>conventional bank licensees</u> must be independent (cf. Sections AU-1.4 and AU-1.5). Auditors who resign or are otherwise removed from office are required with their licensees to inform the CBB in writing of the reasons for the termination of their appointment (cf. Sections AU-1.2). Other requirements are contained in Sections AU-1.3 (Audit partner rotation) and AU-3 (Auditor reports).



MODULE	AU:	Auditors and Accounting Standards
CHAPTER	AU-1:	Auditor Requirements

#### AU-1.1 Appointment of Auditor

## AU-1.1.1 <u>Conventional bank licensees</u> must obtain prior written approval from the CBB before appointing or re-appointing their auditor.

- AU-1.1.2 As the appointment of auditors normally takes place during the course of the firm's annual general meeting, <u>conventional bank licensees</u> should notify the CBB of the proposed agenda for the annual general meeting in advance of it being circulated to <u>shareholders</u>. The CBB's approval of the proposed auditor does not limit in any way <u>shareholders</u>' rights to subsequently reject the Board's choice.
- AU-1.1.3 The CBB, in considering the proposed (re-) appointment of an auditor, takes into account the expertise, resources and reputation of the audit firm, relative to the size and complexity of the <u>licensee</u>. The CBB will also take into account the track record of the audit firm in auditing <u>conventional bank licensees</u> within Bahrain; the degree to which it has generally demonstrated independence from management in its audits; and the extent to which it has identified and alerted relevant persons of significant matters. Finally, the CBB will also consider the audit firm's compliance with applicable laws and regulations (including legislative Decree No. 26 of 1996; the Ministry of Industry and Commerce's Ministerial Resolution No. 6 of 1998; and relevant Bahrain Stock Exchange regulations).
- AU-1.1.4 In the case of <u>overseas conventional bank licensees</u>, the CBB will also take into account who acts as the auditor of the parent firm. As a general rule, the CBB does not favour different parts of a banking firm or group having a different auditor.



MODULE	AU:	Auditors and Accounting Standards
CHAPTER	AU-1:	Auditor Requirements

#### AU-1.2 Removal or Resignation of Auditor

- AU-1.2.1 <u>Conventional bank licensees</u> must notify the CBB as soon as they intend to remove their auditor, or if their auditor intends to resign, with an explanation of their decision, or as soon as their auditor resigns.
- AU-1.2.2 <u>Conventional bank licensees</u> must ensure that a replacement auditor is appointed (subject to the CBB approval as per Section AU-1.1), as soon as reasonably practicable after a vacancy occurs, but no later than three months.

### AU-1.2.3

In accordance with the powers granted to CBB under Article 63 of the CBB Law, auditors of <u>conventional bank licensees</u> and their licensees must inform the CBB in writing, should they resign or their appointment as auditor be terminated, within 30 calendar days, of the event occurring, setting out the reasons for the resignation or termination.



MODULE	AU:	Auditors and Accounting Standards
CHAPTER	AU-1:	Auditor Requirements

#### AU-1.3 Audit Partner Rotation

AU-1.3.1

Unless otherwise exempted by the CBB, <u>conventional bank licensees</u> must ensure that the audit partner responsible for their audit does not undertake that function more than five years in succession.

AU-1.3.2

<u>Conventional bank licensees</u> must notify the CBB of any change in audit partner.



MODULE	AU:	Auditors and Accounting Standards
CHAPTER	AU-1:	Auditor Requirements

#### AU-1.4 Auditor Independence

AU-1.4.1 Article 61(d) of the CBB Law imposes conditions for the auditor to be considered independent. Before a <u>conventional bank licensee</u> appoints an auditor, it must take reasonable steps to ensure that the auditor has the required skill, resources and experience to carry out the audit properly, and is independent of the <u>licensee</u>.



For an auditor to be considered independent, it must, among other things, comply with the restrictions in Section AU-1.5.

AU-1.4.3

If a <u>conventional bank licensee</u> becomes aware at any time that its auditor is not independent, it must take reasonable steps to remedy the matter and notify the CBB of the fact.

AU-1.4.4

If in the opinion of the CBB, independence has not been achieved within a reasonable timeframe, then the CBB may require the appointment of a new auditor.



MODULE	AU:	Auditors and Accounting Standards
CHAPTER	AU-1:	Auditor Requirements

#### AU-1.5 Licensee/Auditor Restrictions

Financial Transactions with Auditor

AU-1.5.1 <u>Conventional bank licensees</u> must not lend to their auditor, nor enter into any contracts of professional indemnity insurance with their auditor.

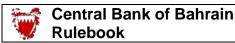
#### Outsourcing to Auditor

AU-1.5.2 Section OM-3.7 generally prohibits <u>conventional bank licensees</u> from outsourcing their internal audit function to the same firm that acts as their external auditor. However, the CBB may allow short-term outsourcing of internal audit operations to a <u>conventional bank licensee's</u> external auditor, to meet unexpected urgent or shortterm needs (for instance, on account of staff resignation or illness). Any such arrangement will normally be limited to a maximum period of one year and is subject to the CBB prior approval.

#### Other Relationships

# AU-1.5.3 <u>Conventional bank licensees</u> and their auditor must comply with the restrictions contained in Article 217 (c) of the Commercial Companies Law (Legislative Decree No. (21) of 2001), as well as in Article 61(d) of the CBB Law.

- AU-1.5.4 Article 217(c) prohibits an auditor from (i) being the chairman or a member of the Board of <u>Directors</u> of the company he/she audits; (ii) holding any managerial position in the company he/she audits; and (iii) acquiring any shares in the company he/she audits, or selling any such shares he/she may already own, during the period of his audit. Furthermore, the auditor must not be a relative (up to the second degree) of a person assuming management or accounting duties in the company. Article 61 (d) prohibits an <u>auditor</u> from (i) being the chairman or a member of the Board of <u>Directors</u> of the company he/she audits; (ii) holding any managerial position in the company he/she audits; and (iii) acquiring any shares in the company he/she audits, or selling any such shares he/she may already own, during the period of his audit. Furthermore, the <u>auditor</u> must not be a relative (up to the second degree) of a person assuming management or accounting duties in the company he/she audits, or selling any such shares he/she may already own, during the period of his audit. Furthermore, the <u>auditor</u> must not be a relative (up to the second degree) of a person assuming management or accounting duties in the company.
- AU-1.5.5 The restrictions in Paragraph AU-1.5.3 applies to <u>overseas conventional bank</u> <u>licensees</u> as well as <u>Bahraini conventional bank licensees</u>.
- AU-1.5.6 A partner, <u>Director</u> or manager on the engagement team of auditing a <u>conventional bank licensee</u> may not serve on the Board or in a <u>controlled function</u> of the <u>licensee</u>, for two years following the end of their involvement in the audit, without prior authorisation of the CBB.



AU-1.5.8

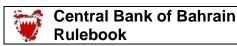
MODULE	AU:	Auditors and Accounting Standards
CHAPTER	AU-1:	Auditor Requirements

#### AU-1.5 Licensee/Auditor Restrictions (continued)

AU-1.5.7 [This Guidance was deleted in January 2011].

Definition of 'Auditor'

For the purposes of Section AU-1.5, 'auditor' means the partners, <u>Directors</u> and managers on the engagement team responsible for the audit of the <u>conventional bank licensee</u>.



MODULE	AU:	Auditors and Accounting Standards
CHAPTER	AU-2:	Access

#### AU-2.1 CBB Access to Auditor

- AU-2.1.1 Conventional bank licensees must waive any duty of confidentiality on the part of their auditor, such that their auditor may report to the CBB any concerns held regarding material failures by the <u>conventional bank</u> licensee to comply with the CBB requirements.
- AU-2.1.2 The CBB may, as part of its on-going supervision of <u>conventional bank licensees</u>, request meetings with a <u>licensee's</u> auditor. If necessary, the CBB may direct that the meeting be held without the presence of the <u>licensee's</u> management or <u>Directors</u>.

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MODULE	AU:	Auditors and Accounting Standards
CHAPTER	AU-2:	Access

#### AU-2.2 Auditor Access to Outsourcing Providers

AU-2.2.1 Rule OM-2.5.1 (c) on <u>outsourcing</u> agreements between <u>conventional</u> <u>bank licensees</u> and <u>outsourcing providers</u> requires <u>licensees</u> to ensure that their internal and external auditors have timely access to any relevant information they may require to fulfil their responsibilities. Such access must allow them to conduct on-site examinations of the <u>outsourcing provider</u>, if required.



MODULE	AU:	Auditors and Accounting Standards
CHAPTER	AU-3:	Auditor Reports

#### AU-3.1 Review of Quarterly Prudential Information Returns

- AU-3.1.1 Conventional bank licensees must arrange for their auditor to review the licensee's quarterly Prudential Information Returns to the CBB, unless otherwise exempted in writing by the CBB. The review must be made in the form of an Agreed Upon procedures Report (as outlined in BR-3).
- AU-3.1.2 <u>Conventional bank licensees</u> are required to submit a quarterly Prudential Information Return (PIR). <u>Conventional bank licensees</u> may apply in writing to CBB for an exemption from the requirement that the PIR be reviewed by the licensee's external auditor: this exemption would normally only be given where the licensee had established a track record of accurate and timely reporting, and there were no other supervisory issues of concern. Further details on the CBB's reporting and related requirements, including the precise scope of the auditor's review and attestation, are contained in Module BR (CBB Reporting).



MODULE	AU:	Auditors and Accounting Standards
CHAPTER	AU-3:	Auditor Reports

#### AU-3.2 Review of Financial Disclosures

- AU-3.2.1 <u>Conventional bank licensees</u> that are required to publish financial disclosures in accordance with Chapters PD-2 and PD-3 must arrange for their external auditor to review these prior to their publication, unless otherwise exempted in writing by the CBB.
- AU-3.2.2 Chapter PD-2 requires <u>overseas conventional bank licensees</u> operating as retail banks to publish on a semi-annual basis summary information on their balance sheet and profit and loss account, in the same format as their annual audited accounts. Chapter PD-3 requires all locally incorporated conventional bank licensees to publish quarterly financial statements, in accordance with International Accounting Standard 34 (Interim Financial Reporting).

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MODULE	AU:	Auditors and Accounting Standards
CHAPTER	AU-3:	Auditor Reports

#### AU-3.3 Report on Compliance with Financial Crime Rules

AU-3.3.1 <u>Conventional bank licensees</u> must arrange for their external auditor to report on the licensee's compliance with the requirements contained in Module FC (Financial Crime), at least once a year.

AU-3.3.2 The report specified in Rule AU-3.3.1 must be in the form agreed by the CBB, and must be submitted to the Compliance Directorate at the CBB by the 30th of April of the following year (See Paragraph FC-4.3.5).

#### AU-3.3.3 The context to the above requirement can be found in Section FC-4.3.



MODULE	AU:	Auditors and Accounting Standards
CHAPTER	AU-3:	Auditor Reports

#### AU-3.4 Review and Validation of Internal Models

- AU-3.4.1 <u>Conventional bank licensees</u> seeking the CBB approval for their use of internal models for the calculation of regulatory capital requirements, must arrange for their external auditor to validate the soundness of the model concerned. This external review must be undertaken at least once a year, unless otherwise exempted in writing by the CBB.
- AU-3.4.2 Before granting its approval for <u>Bahraini conventional banks</u> to use internal models for the measurement of market risk in the context of regulatory capital calculations, the CBB requires such models to be validated by both the internal and external auditors of the bank (see Chapter CA-9). The CBB will review the validation procedures performed by the internal and external auditors, and may independently carry out further validation procedures.
- AU-3.4.3 The specific requirements and procedures for external validation of models are contained in Section CA-9.8.
- AU-3.4.4 Exemptions from the external validation requirement are normally only given where a track record of satisfactory validations has been developed over several years, and where the CBB has no other material supervisory concerns regarding the licensee concerned.



MODULE	AU:	Auditors and Accounting Standards
CHAPTER	AU-3:	Auditor Reports

#### AU-3.5 Report on Material Differences

- AU-3.5.1
- <u>Conventional bank licensees</u> must arrange for their external auditor to provide to the CBB explanations for any material differences in data reported in the bank's audited or reviewed accounts and in the following reports provided to the CBB:
- (a) Prudential Information Returns (PIR); and
- (b) Monthly Statements of Assets and Liabilities.



MODULE	AU:	Auditors and Accounting Standards
CHAPTER	AU-4:	Accounting Standards

#### AU-4.1 General Requirements

#### AU-4.1.1 <u>Conventional bank licensees</u> must comply with International Financial Reporting Standards / International Accounting Standards.

- AU-4.1.2 <u>Overseas conventional bank licensees</u> that do not, at the parent company level, apply IFRS/IAS are still required under Paragraph AU-4.1.1 to produce pro-forma accounts for the Bahrain branch in conformity with these standards. Where this requirement is difficult to implement, the Bahraini <u>conventional bank licensee</u> should contact the CBB in order to agree a solution.
- AU-4.1.3 Paragraph AU-4.1.1 requires <u>conventional bank licensees</u> that maintain Islamic 'windows' or units to apply relevant AAOIFI Financial Accounting Standards, depending on the type of Islamic finance contracts entered into. In particular, attention is drawn to AAOIFI Financial Accounting Standard 18, 'Islamic Financial Services Offered by Conventional Financial Institutions'.



MODULE	AU:	Auditors and Accounting Standards
CHAPTER	AU-5:	Role of Reporting Accountants

#### AU-5.1 Introduction

## AU-5.1.1 The content of this chapter is applicable to all banks and concerned auditors in the Kingdom of Bahrain.

- AU-5.1.2 The purpose of the contents of this chapter is to set out the roles and responsibilities of reporting accountants when appointed pursuant to Article 114 of the CBB Law (see EN-7.1.1). This Article empowers the CBB to assign some of its officials or others to inspect licensees' or listed companies' businesses.
- AU-5.1.3 The CBB uses its own inspectors to undertake on-site examinations of licensees as an integral part of its regular supervisory efforts. In addition, the CBB may commission reports on matters relating to the business of licensees in order to help it assess their compliance with CBB requirements, as contained in Article 114 of the CBB Law. Such inspections may be carried out either by the CBB's own officials, by duly qualified "Reporting Accountants" appointed for the purpose by the CBB, or a combination of the two. Article 111 requires licensees to make available to the CBB's inspectors, their books and other records, and to provide all relevant information within the time limits deemed reasonable.
- AU-5.1.4 Banks must provide all relevant information and assistance to reporting accountants on demand as required by Articles 111 and 114 of the CBB Law. Failure by licensees to cooperate fully with the CBB's inspectors or reporting accountants, or to respond to their examination reports within the time limits specified, will be treated as demonstrating a material lack of cooperation with the CBB which will result in other enforcement measures being considered, as described elsewhere in EN Module. This rule is supported by Article 114(a) of the CBB Law.
- AU-5.1.5 Article 163 of the CBB Law provides for criminal sanctions where false or misleading statements are made to the CBB or any person /reporting accountant appointed by the CBB to conduct an inspection on the business of the licensee or the listed company.



MODULE	AU:	Auditors and Accounting Standards
CHAPTER	AU-5:	Role of Reporting Accountants

#### AU-5.1 Introduction (continued)

- AU-5.1.6 The CBB will not, as a matter of general policy, publicise the appointment of reporting accountants, although it reserves the right to do so where this would help achieve its supervisory objectives. Both the reporting accountants and the CBB are bound to confidentiality provisions restricting the disclosure of confidential information with regards to any such information obtained in the course of the investigation.
- AU-5.1.7 Unless the CBB otherwise permits, reporting accountants should not be the same firm appointed as external auditors of the bank.
- AU-5.1.8 Reporting accountants will be appointed in writing, through an appointment letter, by the CBB. In each case, the CBB will decide on the range, scope and frequency of work to be carried out by reporting accountants.
- AU-5.1.9 Reporting accountants will report directly to and be responsible to the CBB in this context and will specify in their report any limitations placed on them in completing their work (for example due to the relevant bank's group structure). The report produced by the reporting accountants is the property of the CBB (but is usually shared by the CBB with the firm concerned). The cost of the reporting accountant's work must be borne by the licensee concerned.
- AU-5.1.10 Compliance by reporting accountants with the contents of this chapter will not, of itself, constitute a breach of any other duty owed by them to a particular bank (i.e. create a <u>conflict of interest</u>).
- AU-5.1.11 The CBB may appoint one or more of its officials to work on the reporting accountants' team for a particular bank.



AU-5.2.1

MODULE	AU:	Auditors and Accounting Standards
CHAPTER	AU-5:	Role of Reporting Accountants

#### AU-5.2 The Required Report

Commissioned reporting accountants would normally be required to report on one or more of the following aspects of a bank's business:

- (a) Accounting and other records;
- (b) Internal control systems;
- (c) Returns of information provided to the CBB;
- (d) Operations of certain departments; and/or
- (e) Other matters specified by the CBB.

#### AU-5.2.2 Reporting accountants will be required to form an opinion on whether, during the period examined, the bank is in compliance with the relevant provisions of the CBB Law and the CBB's relevant requirements, as well as other requirements of Bahrain Law and, where relevant, industry best practice locally and/or internationally.

AU-5.2.4

The reporting accountants' report must follow the format set out in Appendix AU 1.

Unless otherwise directed by the CBB or unless the circumstances described in section AU 5.3 apply, the report should be discussed with board of directors and/or senior management in advance of its being sent to the CBB.

AU-5.2.5

Where the report is <u>qualified by exception</u>, the report should clearly set out the risks which the bank runs by not correcting the weakness, with an indication of the severity of the weakness should it not be corrected. Reporting accountants will be expected to report on the type, nature and extent of any weaknesses found during their work, as well as the implications of a failure to address and resolve such weaknesses.



MODULE	AU:	Auditors and Accounting Standards
CHAPTER	AU-5:	Role of Reporting Accountants

#### AU-5.2 The Required Report (continued)

- AU-5.2.6 If the reporting accountants conclude, after discussing the matter with the bank, that they will give a negative opinion (as opposed to one <u>qualified by exception</u>) or that the issue of the report will be delayed, they must immediately inform the CBB in writing giving an explanation in this regard.
- AU-5.2.7

The report should be completed, dated and submitted, together with any comments by directors or management (including any proposed timeframe within which the bank has committed to resolving any issues highlighted by the report), to the CBB within the timeframe applicable.



MODULE	AU:	Auditors and Accounting Standards
CHAPTER	AU-5:	Role of Reporting Accountants

#### AU-5.3 Other Notifications to the CBB

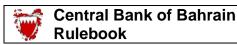
- AU-5.3.1 Reporting accountants should communicate to the CBB, during the conduct of their duties, any reasonable belief or concern they may have that any of the requirements of the CBB, including the criteria for licensing a bank (see Module LR), are not or have not been fulfilled, or that there has been a material loss or there exists a significant risk of material loss in the concerned bank, or that the interests of customers are at risk because of adverse changes in the financial position or in the management or other resources of a bank. Notwithstanding the above, it is primarily the bank's responsibility to report such matters to the CBB.
- AU-5.3.2 The CBB recognises that reporting accountants cannot be expected to be aware of all circumstances which, had they known of them, would have led them to make a communication to the CBB as outlined above. It is only when reporting accountants, in carrying out their duties, become aware of such a circumstance that they should make detailed inquiries with the above specific duty in mind.
- AU-5.3.3 If reporting accountants decide to communicate directly with the CBB in the circumstances set out in paragraph AU 5.3.1 above, they may wish to consider whether the matter should be reported at an appropriate senior level in the bank at the same time and whether an appropriate senior representative of the bank should be invited to attend the meeting with the CBB.



MODULE	AU:	Auditors and Accounting Standards
CHAPTER	AU-5:	Role of Reporting Accountants

#### AU-5.4 Permitted Disclosure by the CBB

AU-5.4.1 Information which is confidential and has been obtained under, or for the purposes of, this chapter or the CBB Law may only be disclosed by the CBB in the circumstances permitted under the Law. This will allow the CBB to disclose information to reporting accountants to fulfil their duties. It should be noted, however, that reporting accountants must keep this information confidential and not divulge it to a third party except with the CBB's permission and/or unless required by Bahrain Law.



MODULE	AU:	Auditors and Accounting Standards
CHAPTER	AU-5:	Role of Reporting Accountants

#### AU-5.5 Trilateral Meeting

AU-5.5.1 The CBB may, at its discretion, call for a <u>trilateral meeting</u>(s) to be held between the CBB and representatives of the relevant bank and the reporting accountants. This meeting will provide an opportunity to discuss the reporting accountants' examination of, and report on, the bank.