

DOCUMENTS SUPPORTING THE APPLICATION TO BE INCLUDED IN THE LIST OF EXTERNAL AUDITORS

The Decision on External Bank Audit (“RS Official Gazette,” No. 57/2006) establishes a set of criteria based on which the National Bank of Serbia forms and publishes the list of external auditors that may audit financial statements of a bank (hereinafter: List).

The criteria that external auditors must fulfil in order to conduct audit of financial statements of a bank are:

- 1) to comply with the conditions prescribed in legislation on accounting and audit;
- 2) to employ at least two qualified and certified auditors with at least a three-year proven track record in auditing financial statements of banks;
- 3) to employ at least five accounting and auditing professionals with at least a two-year proven track record in auditing financial statements of domestic or foreign banks;
- 4) to employ at least 20 people to work in the company’s Audit Department;
- 5) that the National Bank of Serbia has not rejected that audit company’s report in the preceding two years.

To become a listed external auditor, an audit company needs to submit a written application to the National Bank of Serbia together with original copies or certified photocopies of documents proving compliance with the above listed criteria:

- excerpt from the Register of Business Entities certifying to the present registered status of the audit company;
- licence to engage in audit operations issued by the ministry in charge of finance;
- certificates and audit licences issued by the Chamber of Certified Auditors for at least two certified auditors from the audit company, and statement of an authorized person from the audit company on banks and periods in which such persons audited financial statements,
- certificates or decisions on granting professional title for at least five employees in the audit company (subject to Article 73 of the Law on Accounting and Audit, RS Official Gazette, 46/2006), including certificates and licences from the paragraph above. For the same five employees, the audit company must also submit evidence of their employment in the company (photocopy of the employment record card or employment contract) and statement of an authorized person from the audit company on domestic and foreign banks and periods in which such persons audited financial statements,
- documents of the audit company setting out internal organization of the company and job classification, and the statement of an authorized person from the company, with the list of employees (specifying name, surname, personal identification number, title and years of work experience) employed in the company’s Audit Department.

By way of exception, and with reference to transitional provisions of the Law on Accounting and Audit, along with the application to be included in the List of auditors to conduct the audit of banks in 2007, an audit company may submit the following documents to the National Bank of Serbia:

- licence issued by the former Federal Ministry of Finance instead of the audit licence issued by the ministry in charge of finance;
- certificates or decisions on granting the title of certified auditor (subject to Article 73 of the Law on Accounting and Audit) issued subject to earlier regulations on accounting and audit, instead of certificates and audit licences issued by the Chamber of Certified Auditors.

In line with amendments and supplements to relevant regulations or independently thereof, the National Bank of Serbia will change and update the list of documents that need to be enclosed with the application to be included in the List.