



**CIRCULAR**

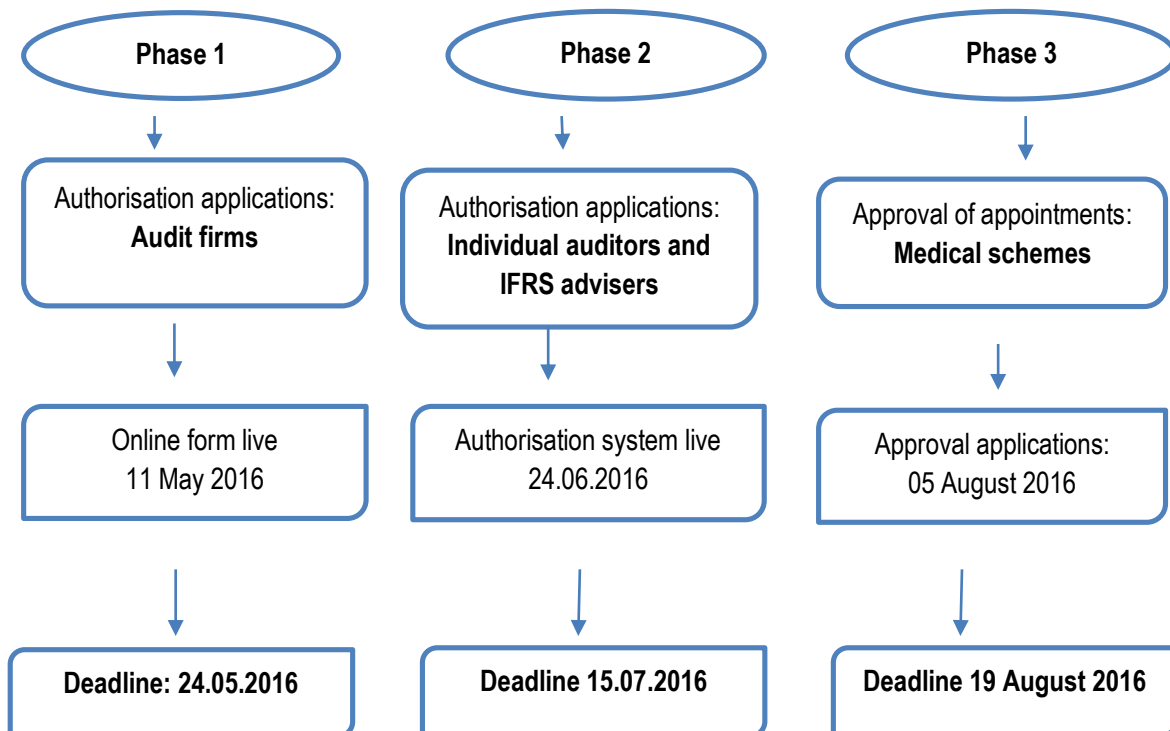
Reference: Authorisation Standards: Auditors  
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**Circular 31 of 2016: Standards for Authorisation of Auditors**

The Council for Medical Schemes (CMS) would like to express its gratitude to all stakeholders who submitted comments on the draft Standards for Authorisation of auditors and International Financial Reporting Standards (IFRS) advisers (Circular 17 of 2016).

The final version of the Standards for Authorisation of auditors and IFRS advisers can be accessed [here](#).

Application process



## Phase 1: Application by audit firms

In order for medical schemes to have a list of authorised audit firms in time for the appointment of statutory auditors at the Annual General Meetings (AGMs) for the 2016 financial year, the CMS is implementing an interim online based form for completion of applications only by audit firms. The information submitted on the online based form will be automatically imported into the authorisation system, as soon as it is fully operational, thereafter individual auditors and IFRS advisers' applications can be submitted. The authorisation of audit firms will be completed at the end of May 2016 and the list will be published on the CMS website on 31 May 2016.

In order to grant the audit firm representative access to the online based application form, audit firms are requested to email the following details:

- Name of contact person;
- Position;
- Tel. no;
- Cell no; and
- E-mail.

These details must be forwarded to the email address: [auditorapprovals@medicalschemes.com](mailto:auditorapprovals@medicalschemes.com). The link to the online form will be sent securely to all key contacts nominated by firms i.e. the online form will not be available on the CMS website. The same login details will be used to access the authorisation system. It should further be noted that each firm should nominate only 1 (one) contact person for purposes of application for authorisation.

## Submission requirements

Applications for audit firms who would like to be authorised for the 2016 financial year should be submitted to the CMS by 24 May 2016 with the following documents:

- Signed online based report;
- Declaration by senior firm representative;
- IRBA firm review decision letter/ Letter from audit firm if IRBA has not completed review;
- IRBA annual certificate of registration; and
- Proof of payment of Administration fees.

After completion of the online based form, a PDF version will be sent to the user for signature by the CMS. Should any user not receive their report a request can be sent to [auditorapprovals@medicalschemes.com](mailto:auditorapprovals@medicalschemes.com). All applications will only be deemed valid upon the submission of hard copies as detailed above, as well as an email copy to the email address: [auditorapprovals@medicalschemes.com](mailto:auditorapprovals@medicalschemes.com).

## Phase 2: Application for authorisation by individual auditors and IFRS advisers

The authorisation system will go live on 24 June 2016, thereafter applications for individual auditors and IFRS advisers will be accepted. In order to be considered for the 2016 financial year, the applications for individual auditors and IFRS advisers must be submitted by 15 July 2016. The authorisation of individual auditors and IFRS advisers will be completed at the end of July 2016 and the list will be published on the CMS website.

## Phase 3: Approval applications

Medical scheme applications for approval of appointment will be accepted from 5 August 2016 to 19 August 2016, including submission of all relevant documents.

## Administration fees

The fees payable for the 2016 financial year are as follows:

	<b>Audit firm</b>	<b>Individual auditor</b>	<b>IFRS adviser</b>
Fee payable:	R5 000	R2 500	R2 500

The fee payable by the audit firm is **R5 000** and **R2 500** per individual auditor and per IFRS adviser in respect of initial applications and renewals. This fee is payable on application and will cover the three (3) years' authorisation period.

The CMS will keep the auditors and medical schemes updated with any developments with regard to this process, until the 2016 applications are completed.

Your cooperation will be highly appreciated.



**Tebogo Maziya**  
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