



ACE AUDITING OFFICES

# **AUDIT FOR ABU DHABI COMMUNITY COOPERATIVE**

United Arab Emirates

**Proposal for Audit for the Year Ended December 2024**



## ACE AUDITING OFFICES

29th August 2024

Attn: Owner  
ABU DHABI COMMUNITY COOPERATIVE  
United Arab Emirates

### **Audit For The Year Ended December 2024**

You have requested that we audit the financial statements for ABU DHABI COMMUNITY COOPERATIVE, which comprise the following the statement of financial position as at Year Ended December 2024 and the income statement, statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes. We are pleased to confirm our acceptance and our understanding of this engagement by means of this letter. Our audit will be conducted with the objective of our expressing an opinion on the financial statements.

### **AUDIT RESPONSIBILITIES AND LIMITATIONS:**

We will conduct our audit in accordance with International Standards on Auditing (ISAs). Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Because of the test nature and other inherent limitations of an audit, together with the inherent limitations of any accounting and internal control system, there is an unavoidable risk that even some material misstatements may remain undiscovered.

In making our risk assessment, we consider internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we expect to provide you with a separate letter concerning any material weaknesses in the design or implementation of internal control over financial reporting that comes to our attention during the audit of the financial statements.

The objective of our audit is the expression of an opinion on the fairness of the presentation of the Company's financial statements in accordance with International Financial Reporting Standards, in all material respects. Our ability to express an opinion, and the wording of our opinion, will, of course, be dependent on the facts and circumstances at the date of our report.

### **MANAGEMENT’S RESPONSIBILITIES AND REPRESENTATIONS:**

We remind you that the responsibility for the preparation of financial statements that present fairly the financial position, financial performance and cash flows of the Company in accordance with International Financial Reporting Standards is that of the management of the Company. This includes the maintenance of adequate accounting records and internal controls, the selection and application of accounting policies, and the safeguarding of the assets of the entity. Our auditor’s report will explain that management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and this responsibility includes:

1. Designing, implementing and maintaining internal control relevant to the preparation of financial statements that are free from misstatement, whether due to fraud or error;
2. Providing us with complete, accurate and timely information to carry out any obligations ascribed to or undertaken by you or others under your control;
3. Identifying and ensuring that the Company complies with the laws and regulations applicable to its activities;
4. Properly recording transactions in the accounting records;
5. Adjusting the financial statements to correct materials misstatements;
6. Safeguarding assets;
7. Selecting and applying appropriate accounting policies; and
8. Making accounting estimates that are appropriate in the circumstances.

We will make specific inquiries of management and others about the representations embodied in the financial statements of the Company. As part of our audit procedures, we will request that management provide us with a representation letter acknowledging management’s responsibility for the preparation of the financial statements and affirming management’s belief that the effects of any uncorrected financial statement misstatements aggregated by us during the current audit engagement and pertaining to the latest period presented are immaterial, both individually and in aggregate, to the financial statements taken as a whole. We will also request that management confirm certain representations made to us during our audit. The results of our audit tests, the responses to our inquiries together with the written representations of management required by International Standards on Auditing comprise the evidential matter that we will rely upon as auditors in forming our opinion on the Company’s financial statements.

**OTHER MATTERS:**

1. If the Company intends to publish or otherwise reproduce in any document our report on the Company's financial statements, or otherwise make reference to Ace Auditing Offices in a document that contains other information in addition to the audited financial statements (e.g., in a periodic filing with a regulator, in a debt or equity offering circular or in a private placement memorandum), thereby associating Ace Auditing Offices with such document, the Company agrees that management will provide us with a draft of the document to read and obtain our approval for the inclusion or incorporation by reference of our report, or the reference to Ace Auditing Offices in such document before the document is printed and distributed. The inclusion or incorporation by reference of our report in any such document would constitute the reinsurance of our report. The Company also agrees that management will notify us and obtain our approval prior to including our report on an electronic site.
2. Unless otherwise agreed with you, we may correspond by means of the Internet or other electronic media or provide information to you in electronic form. Because of the inherent risks associated with the electronic transmission of information on the Internet or otherwise, we cannot guarantee the security and integrity of any electronic communications or information sent or received in relation to this engagement. While it is our policy to check our e-mail correspondence and other electronic information with antivirus software, we similarly cannot guarantee that transmissions or other electronic information will be free from infection. You acknowledge that if we are working on your premises we may need to connect to the Internet through your internal network in order to access our systems.
3. Neither we nor you should be liable in any way for failure to perform, or delay in performing our respective obligations under this engagement if the failure or delay is due to causes outside the reasonable control of the party which has failed to perform (force majeure).
4. Where we receive confidential information we will take such steps as we in good faith think fit to preserve confidential information from unauthorized disclosure or other misuse both during and after termination of this engagement. Save where there is specific agreement to the contrary, our client relationship with you should not be treated as confidential information and we may disclose this fact to clients, potential clients, or other third parties.

Subject to our duty of confidentiality, you agree we may act for your competitors or for other clients, whose interests are or may be opposed to yours. The report, letters, information and advice we provide to you during this engagement are given in confidence solely for the purpose of this engagement and are provided on the condition that you undertake not to disclose these, or any other confidential information made available to you by us during the course of our work, to any third party (being a party other than those to whom the report, letter, information or advice is addressed) without our prior written consent.

Neither we nor you will be prevented from disclosing confidential information:

1. Which is or becomes public knowledge other than by a breach of an obligation of confidentiality;
2. Which is or becomes known from other sources without restriction on disclosure; or
3. Which is required to be disclosed by law or any professional or regulatory obligation.



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You agree that, for the purposes of carrying out our responsibilities in this engagement, we should not be treated as having notice of information which may have been provided to individuals within this firm who are not involved in this engagement.

The working papers prepared in conjunction with our work are the property of Ace Auditing Offices, and constitute confidential and proprietary information and will be retained by us in accordance with our policies and procedures.

### FEES:

Our fees are based on the time required by the individuals assigned to the engagement. Individual hourly rates vary according to the degree of responsibility involved and the experience and skill required.

We have estimated our fees for the audit will be as follows:

**- For the year ended  
December 2024 – 7,000 AED (excluding VAT)**

### TERM:

The term of this agreement will commence from the date of our appointment until our re-appointment, termination or resignation.

This letter reflects the entire agreement between the Company and Ace Auditing Offices relating to the services described herein and supersedes any previous proposals, correspondence and understandings, whether written or oral. The agreement contained herein shall survive the completion or termination of the audit which is the subject of this letter. In the event that any of the terms of business is held to be invalid, the remainder of the terms will continue in full force and effect.

### LIMITATION OF LIABILITY:

Because of the importance to our work of the information and representations supplied to us by the directors, employees and agents of the Company, we shall not, save to the extent that the law requires otherwise, be held responsible or liable for any loss, damage, cost, expense or other consequences (together "loss") whatsoever and howsoever, caused, incurred, sustained or arising if information material to our work is withheld or concealed from us or misrepresented to us, except and only to the extent finally determined to having resulted from our knowing disregard of matters of which we have actual knowledge, or from our bad faith or willful default.

Further, in the circumstances of this engagement and save where we re-perform the work, you agree that the maximum liability to you of the firm, its partners, principals, members, employees and agents including secondees (in contract or tort or under statute or otherwise) for any losses suffered



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by you arising out of or in connection with our work, however caused, and including any consequential or punitive losses, shall be limited as set out in the following paragraph.

You agree that we shall not be liable for any losses, except in the proportion that, and only to the extent that, such losses are agreed between us to have resulted primarily from our breach of contract or negligence (or are finally determined to have so resulted on a just and equitable basis by a judicial or other process) and in no event (other than our bad faith or willful default) shall our liability exceed the fees paid to us for the portion of the services or work products giving rise to the liability.

The liability Ace Auditing Offices for any reasons whatsoever arising under or relating to this engagement letter shall not exceed in the aggregate the amounts actually received by Ace Auditing Offices for its services hereunder. We will not be liable for any claim or demand against you, your officers, directors, employees, agents or representatives by any third party, or for any amounts representing loss of profit, loss of business or special, indirect, incidental, consequential or punitive damages.

This provision shall survive the termination of this agreement.

### **INDEPENDENCE MATTERS RELATING TO FINANCIAL INTERESTS AND PROVIDING CERTAIN SERVICES:**

In connection with our engagement, Ace Auditing Offices, management, and the Audit Committee will assume certain roles and responsibility in an effort to assist Ace Auditing Offices in maintaining independence and ensuring compliance with the independence restrictions, securities laws and regulations. Ace Auditing Offices will communicate to its partners, principals, members and employees that the Company is an attest client. Management of the Company will ensure that the Company, together with its subsidiaries and other entities that comprise the Company for purposes of the financial statements, has policies and procedures in place for the purpose of ensuring that neither the Company nor any such subsidiary or other entity will act to engage Ace Auditing Offices or accept from Ace Auditing Offices any service that either has not been subjected to their preapproval process, national securities legislation or other applicable rules would impair Ace Auditing Offices independence. All potential services are to be discussed with the partner responsible for providing our services.

In connection with the foregoing, the Company agrees to furnish to Ace Auditing Offices and keep Ace Auditing Offices updated with respect to (i) a corporate tree that identifies the legal names of the Company's affiliates (e.g. parents, subsidiaries, investors or investees), together with the ownership relationship among such entities, and (ii) equity and debt securities of the Company and its affiliates (including, without limitation, tax-advantaged debt of such entities that is issued through governmental authorities) that are available to individual investors (whether through stock, bond, commodity, futures or similar markets, or equity, debt or any others securities offerings), together with related securities identification information. The Company acknowledges and consents that such information may be treated by Ace Auditing Offices as being in the public domain. To the extent the Company notifies Ace Auditing Offices of concerns regarding the confidentiality of such information, Ace Auditing Offices agrees to discuss such concerns with the Audit Committee.

**GOVERNING LAW:**

This agreement shall be governed by and construed in accordance with the laws of United Arab Emirates and the parties irrevocably submit to the exclusive jurisdiction of UAE courts, where applicable, to settle any disputes, which may arise out of or in connection with this agreement.

Very truly yours,  
Ace Auditing Offices



Mohamed Asif  
(Managing Partner)



We hereby confirm our agreement to the above letter:

Accepted by: \_\_\_\_\_  
(Name and Title)

Signature: \_\_\_\_\_

Date: \_\_\_\_\_