
ORDER MAKING FINDINGS AND
DISAPPROVING REGISTRATION
APPLICATION

In re Registration Application of
Ernst & Young-Middle East

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) PCAOB Release No. 102-2020-001
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) June 16, 2020
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I.

On April 8, 2020, the Public Company Accounting Oversight Board (“PCAOB” or “Board”), pursuant to PCAOB Rule 2106(b)(2)(ii), issued a Notice of Hearing on the Registration Application of Ernst & Young-Middle East (“Applicant”). The Notice of Hearing afforded Applicant an opportunity for a hearing under PCAOB Rule 5500 to determine whether to approve or disapprove Applicant’s application for registration with the Board. The Board received from Applicant a timely request for a hearing on the registration application.

II.

Pursuant to PCAOB Rule 5205, Applicant has submitted an Offer of Settlement that the Board has determined to accept. Solely for the purpose of this proceeding and any other proceedings brought by or on behalf of the Board, or to which the Board is a party, and without admitting or denying the findings herein except the finding described in III.A below, Applicant consents to the entry of this Order Making Findings and Disapproving Registration Application as set forth below.

III.

On the basis of information obtained by the Board in connection with consideration of Applicant's registration application, the Board finds¹ that:

- A. Applicant is a ‘specialised partnership company’ headquartered in Manama, Bahrain.

¹ The findings herein are made pursuant to Applicant's Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

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- B. Applicant prepared or issued an audit report in August 2019 with respect to the fiscal year ended June 30, 2019 financial statements of a broker dealer (as defined by the Sarbanes-Oxley Act of 2002 (the "Act") and the PCAOB Rules).
- C. On the date that Applicant prepared or issued the audit report, Applicant was not registered with the Board.
- D. Applicant violated Section 102(a) of the Act and PCAOB Rule 2100, both of which require that any public accounting firm that prepares or issues an audit report with respect to a broker or dealer must be registered with the Board.
- E. Applicant's violation described above resulted from Applicant's failure to exercise the degree of care that the Board would expect of a public accounting firm under the circumstances.

IV.

In view of the foregoing, and to protect the interests of investors and further the public interest in the preparation of informative, accurate, and independent audit reports, it is hereby ORDERED:

That Applicant's application for registration with the Board is disapproved, provided, however, that with respect to any new application for registration submitted by Applicant after October 8, 2020, the Board will not issue a Notice of Hearing to determine whether to approve or disapprove such application based solely on the violations that are the subject of the findings contained in this Order.²

ISSUED BY THE BOARD.

/s/ Phoebe W. Brown

Phoebe W. Brown
Secretary

June 16, 2020

² In accepting this settlement, the Board took into account the Firm's cooperation in this matter, including its timely self-reporting of the violations to the Board. The Board also took into account that the Firm facilitated the re-audit of the broker-dealer and undertook improvements to its quality control system in response to the identification of the violation.