
DRAFT STATUTORY INSTRUMENTS

2016 No. XXXX

**COMPANIES
AUDITORS**

The Statutory Auditors and Third
Country Auditors Regulations 2016

Made - - - - - ***
Coming into force in accordance with
regulation 1(1)

THE STATUTORY AUDITORS AND THIRD
COUNTRY AUDITORS REGULATIONS 2016

PART 1

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Signature

SCHEDULE 1 — Requirements for professional ethics, independence, objectivity, confidentiality, auditing standards and audit reporting

1. In this Schedule— “A” means a person appointed as a...
2. (1) Standards must ensure that— (a) A is subject to...
3. (1) Standards must ensure that A takes all reasonable steps...
4. (1) Standards must ensure that A does not accept appointment...
5. (1) Standards must ensure that— (a) none of the persons...
6. Standards must ensure that if, during the period covered by...
7. (1) Standards must ensure that— (a) where A is an...
8. (1) Standards must ensure that, before accepting an appointment as...
9. (1) Standards must ensure adequate provision on confidentiality in relation...
10. (1) Standards must ensure that A— (a) has appropriate policies...
11. (1) Standards must ensure that, when A is a firm,...
12. (1) Standards must ensure that A— (a) keeps records of...
13. Standards must ensure that remuneration received or receivable by a...
14. Standards must ensure that the scope of statutory audit work...
15. (1) Standards must ensure that, in the case of a...
16. (1) In relation to the audit of public interest entities,...

SCHEDULE 2 — Investigation Powers

1. (1) The competent authority may for any purpose related to...
2. (1) If a person fails to comply with a notice...
3. (1) This paragraph applies if a person provides information (including...
4. (1) An officer of the competent authority may, for the...
5. (1) A person commits an offence if the person—

SCHEDULE 3 — Amendments to the Companies Act 2006

PART 1 — Introductory

1. The Act is amended as set out in Parts 2...

2. In this Schedule— (a) a reference to a numbered section...

PART 2 — Amendment to Part 15 of the Companies Act 2006

3. (1) Section 461 (permitted disclosure of information obtained under compulsory...

PART 3 — Amendments to Chapters 2 to 4 of Part 16 of the Companies Act 2006

4. After section 485 insert— Appointment of auditors of private company:...

5. (1) Section 486 is amended as follows.

6. (1) Section 487 is amended as follows.

7. After section 487 insert— Maximum engagement period: transitional arrangements (1) In the case of an auditor who was first...

8. After section 489 insert— Appointment of auditors of public company:...

9. (1) Section 490 is amended as follows.

10. (1) Section 491 is amended as follows.

11. After section 491 insert— Maximum engagement period: transitional arrangements (1) In the case of an auditor who was first...

12. After section 494 insert— Interpretation In this Chapter— “audit committee” means a body which performs...

13. (1) Section 495 is amended as follows.

14. (1) Section 496 is amended as follows.

15. (1) Section 497A is amended as follows.

16. (1) Section 498 is amended as follows.

17. (1) Section 503 is amended as follows.

18. (1) Section 505 is amended as follows.

19. (1) Section 508 is amended as follows.

20. (1) Section 509 is amended as follows.

21. (1) Section 510 is amended as follows.

22. (1) After section 511 insert— Public interest companies: application to...

23. (1) Section 513 is amended as follows.

24. (1) Section 514 is amended as follows.

25. (1) Section 515 is amended as follows.

26. (1) Section 519A is amended as follows.

PART 4 — Amendments to Part 38 of the Companies Act 2006

27. (1) Section 1173 (minor definitions: general) is amended as follows....

28. (1) Schedule 8 (index of defined expressions) is amended as...

PART 5 — Amendments to Part 42 of the Companies Act 2006

29. (1) Section 1217 is amended as follows.

30. (1) Section 1218 is amended as follows.

31. After section 1223, insert— Matters to be notified to the...

32. (1) Section 1223A is amended as follows.

33. After section 1224, insert— The competent authority’s power to call...

34. (1) Section 1224A is amended as follows.

35. (1) Section 1225 is amended as follows.

36. (1) Section 1229 is amended as follows.

37. (1) Section 1239 is amended as follows.

38. (1) Section 1251A is amended as follows.

39. (1) Section 1252 is amended as follows.

40. (1) Section 1253 is amended as follows.

41. (1) Section 1253B is amended as follows.

42. (1) Section 1253C is amended as follows.

43. (1) Section 1253D is amended as follows.

44. (1) Section 1253DA is amended as follows.
45. (1) Section 1253DB is amended as follows.
46. In section 1253DC, for “audit working papers” substitute “audit working...”
47. (1) Section 1253DD is amended as follows.
48. (1) Section 1253DE is amended as follows.
49. (1) Section 1253E is amended as follows.
50. (1) Section 1254 is amended as follows.
51. (1) Section 1261 is amended as follows.
52. (1) Section 1262 is amended as follows.
53. Schedule 10 is amended as follows.
54. (1) Paragraph 2 is amended as follows.
55. (1) Paragraph 3 is amended as follows.
56. In Part 2, before paragraph 6, insert— Delegation etc. of...
57. (1) Paragraph 6 is amended as follows.
58. (1) Paragraph 9 is amended as follows.
59. (1) Paragraph 10 is amended as follows.
60. (1) Paragraph 10A is amended as follows.
61. Omit paragraph 10B.
62. (1) Paragraph 10C is amended as follows.
63. For paragraph 11 substitute— The body must have rules and practices designed to ensure...
64. (1) Paragraph 12 is amended as follows.
65. For paragraphs 13 and 14 substitute— Monitoring of audits (1) The body must— (a) have adequate arrangements for enabling...
66. (1) Paragraph 15 is amended as follows.
67. For paragraph 16 substitute— Independent investigation for enforcement purposes (1) The body must have rules and practices designed to...
68. (1) Paragraph 16A is amended as follows.
69. (1) Paragraph 16AB is amended as follows.
70. After paragraph 20 insert— Supplementary: funding of arrangements (1) This paragraph applies where, under regulation 3 of the...
71. For paragraph 20A substitute— Interpretation In this Part of this Schedule — “audit reporting requirements” has...
72. Part 3 is repealed.
73. (1) Schedule 11A (specified persons, descriptions, disclosures etc for the...

SCHEDULE 4 — Amendments to Part 8 of the Building Societies Act 1986

PART 1 — Introductory

1. In this Schedule— (a) a reference to a numbered section...
 - PART 2 — Amendments to Part 8 of the Building Societies Act 1986
2. Part 8 of the Building Societies Act 1986 is amended...
3. In section 78 (auditor’s report)— (a) in subsection (1), before...
4. In section 78A (signature of auditor’s report)—
5. After section 78C(1) (names to be stated in copies of...
6. At the beginning of section 78D(1) (circumstances in which names...
7. In subsection 79 (auditor’s duties and powers)—
8. In Schedule 11— (a) after paragraph 3 insert— (1) Any term in a contract which, in relation to...

SCHEDULE 5 — Amendments to other enactments

1. Amendments to Part 1 of the Companies (Audit, Investigations and Community Enterprise) Act 2004
2. Amendments to Schedule 5 to the Local Audit and Accountability Act 2014

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Explanatory Note