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STATUTORY INSTRUMENTS

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**1991 No. 1997**

**COMPANIES**

**The Companies Act 1989 (Eligibility  
for Appointment as Company Auditor)  
(Consequential Amendments) Regulations 1991**

<i>Made</i>	- - - -	<i>3rd September 1991</i>
<i>Laid before Parliament</i>		<i>9th September 1991</i>
<i>Coming into force</i>	- -	<i>1st October 1991</i>

The Secretary of State, in exercise of his powers under section 50 of the Companies Act 1989(1) and of all other powers enabling him in that behalf, and having obtained the consent of those Ministers and other persons whose consent he is required to obtain by virtue of section 50(5) of that Act, hereby makes the following Regulations:

**Citation, commencement and interpretation**

**1.** –

(1) These Regulations may be cited as the Companies Act 1989 (Eligibility for Appointment as Company Auditor) (Consequential Amendments) Regulations 1991 and shall come into force on 1st October 1991.

(2) In these Regulations, “the Act” means the Companies Act 1989.

**Consequential amendments**

**2.** The enactments mentioned in the Schedule to these Regulations shall have effect with the amendments specified therein.

**3.** Where a partnership constituted under the law of England and Wales or under the law of any other country or territory in which a partnership is not a legal person is appointed under any enactment as amended by these Regulations, the provisions of section 26 of the Act apply to the appointment in the same way as they apply to the appointment as company auditor of such a partnership.

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**Transitional provision**

4. None of the amendments specified in the Schedule to these Regulations shall have the effect that a person is required to resign from or otherwise surrender an appointment, or that the appointment of a person must be terminated, before the date on which the person's appointment would, apart from these Regulations, have expired.

3rd September 1991

*John Redwood*  
Minister of State,  
Department of Trade and Industry

## SCHEDULE

Regulation 2

### AMENDMENTS TO ENACTMENTS

#### **Milk Marketing Scheme 1933(2)**

1. In paragraph 53(3) of the Milk Marketing Scheme 1933 (accounts and balance sheets of Milk Marketing Board) for the words “by a member of, or a firm of accountants containing a member of, the Institute of Chartered Accountants of England and Wales or of the Association of Certified Accountants” substitute “by a person who is eligible for appointment as a company auditor under section 25 of the Companies Act 1989”.

#### **The North of Scotland Milk Marketing Scheme 1934(3)**

2. In section 11 of the North of Scotland Milk Marketing Scheme 1934 (auditor), for subsection (2) substitute—

“(2) No person shall be eligible for appointment as Auditor or Auditors unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

#### **Industrial Organisation and Development Act 1947(4)**

3. —

(1) In section 7 of the Industrial Organisation and Development Act 1947 (reports and accounts of development councils), after subsection (2) insert—

“(2A) A person shall not be appointed to audit a council’s accounts unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

(2) The above amendment supersedes any provisions of a development council order as to qualification for appointments as auditor of a development council.

#### **British Wool Marketing Scheme 1950(5)**

4. In paragraph 66 of the British Wool Marketing Scheme (accounts of Wool Marketing Board) for the words “by a member of one of the Chartered Societies in Scotland or of the Institute of Chartered Accountants in England and Wales or of the Society of Incorporated Accountants and Auditors or of the Corporation of Accountants Limited or of the London Association of Certified Accountants Limited” substitute “by a person who is eligible for appointment as a company auditor under section 25 of the Companies Act 1989”.

#### **Potato Marketing Scheme 1955(6)**

5. In paragraph 54 of the Potato Marketing Scheme 1955 (accounts of Potato Marketing Board) for the words

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- (2) S.R. & O. 1933/789. Paragraph 53 of the Scheme was substituted by the Milk Marketing Scheme (Amendment) Regulations 1981 (S.I.1981/323). The Scheme has been amended in irrelevant respects by S.R. & O. 1936/767, 1937/228, 744, 1939/324; S.I. 1950/1029, 1955/946, 1969/1812, 1977/900, 1979/249.
- (3) S.R. & O. 1934/703. Section 11 of the North of Scotland Milk Marketing Scheme was substituted by the North of Scotland Milk Marketing Scheme (Amendments) Approval Order 1957 (S.I. 1957/2025).
- (4) 1947 c. 40.
- (5) S.I. 1950/1326.
- (6) S.I. 1955/690.

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“by an accountant or firm of accountants appointed by the registered producers at the annual general meeting but no person or firm shall be qualified to be so appointed unless he is a member or in the case of a firm each partner is a member of one or more of the following bodies:–

The Institute of Chartered Accountants in England and Wales.

The Society of Incorporated Accountants.

The Institute of Chartered Accountants of Scotland.

The Association of Certified and Corporate Accountants, or

The Institute of Chartered Accountants in Ireland.”

substitute the words “by a person appointed by the registered producers at the annual general meeting but no person shall be qualified to be so appointed unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989”.

#### **Horticulture Act 1960(7)**

6. In section 14 of the Horticulture Act 1960 (reports and accounts of a relevant organisation), for subsection (3) substitute–

“(3) A person shall not be appointed auditor under subsection (2) unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

#### **Charities Act 1960(8)**

7. In section 8 of the Charities Act 1960 (audit of accounts of charities), in subsection (3) for the words from “being a member” to the end substitute “being a person eligible for appointment as a company auditor under section 25 of the Companies Act 1989”.

#### **Professions Supplementary to Medicine Act 1960(9)**

8. In paragraph 18 of the First Schedule to the Professions Supplementary to Medicine Act 1960 (expenses and accounts), for sub-paragraph (4) substitute–

“(4) A person shall not be appointed auditor under this paragraph unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

#### **Covent Garden Market Act 1961(10)**

9. In section 46 of the Covent Garden Market Act 1961 (reports, accounts and returns), in subsection (3) for the words from “shall not be qualified” to the end substitute “shall not be so appointed unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989”.

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- (7) **1960 c. 22.** Section 14(5) of the Horticulture Act 1960 has been amended by section 30 of the Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985 (c. 9). That amendment is superseded by these Regulations.
- (8) **1960 c. 58.** Section 8(3) of the Charities Act 1960 has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985. That amendment is superseded by these Regulations.
- (9) **1960 c. 66.** Paragraph 18(4) of the First Schedule to the Professions Supplementary to Medicine Act 1960 has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985. That amendment is superseded by these Regulations.
- (10) **1961 c. 49.**

### **Transport Act 1962(11)**

10. In section 24 of the Transport Act 1962 (accounts) in subsection (2) for the words from “shall not be qualified” to the end substitute “shall not be so appointed unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

### **Betting, Gaming and Lotteries Act 1963(12)**

11. In section 55 of the Betting, Gaming and Lotteries Act 1963 (interpretation etc—general), for the definition of “qualified accountant” in subsection (1) substitute “qualified accountant” means a person who is eligible for appointment as a company auditor under section 25 of the Companies Act 1989;

### **Hairdressers (Registration) Act 1964(13)**

12. In section 13 of the Hairdressers (Registration) Act 1964 (accounts), in subsection (1) for the words from “shall be qualified” to the end substitute “shall be appointed under the last foregoing subsection unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

### **Cereals Marketing Act 1965(14)**

13. In section 21 of the Cereals Marketing Act 1965 (report and accounts of Home-Grown Cereals Authority), in subsection (5)(b) for the words from “a person who is a member” to the end substitute “a person who is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”

### **Teaching Council (Scotland) Act 1965(15)**

14. In paragraph 13 of Schedule 1 to the Teaching Council (Scotland) Act 1965 (expenses and accounts), for subsection (3) substitute—

“(3) No person shall be appointed as an auditor under this paragraph unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

### **Universities (Scotland) Act 1966(16)**

15. In section 12 of the Universities (Scotland) Act 1966 (annual reports and financial statements), for subsections (2) and (3) substitute—

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- (11) **1962 c. 46.** Section 24(2) of the Transport Act 1962 has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985. That amendment has been superseded by these Regulations.
  - (12) **1963 c. 2.** Section 55(1) of the Betting, Gaming and Lotteries Act 1963 has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985. That amendment is superseded by these Regulations.
  - (13) **1964 c. 89.** Section 13(1) of the Hairdressers (Registration) Act 1964 has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985. That amendment is superseded by these Regulations.
  - (14) **1965 c. 14.** Section 21(5)(b) of the Cereals Marketing Act 1965 has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985. That amendment is superseded by these Regulations.
  - (15) **1965 c. 19.** Paragraph 13(3) of Schedule 1 to the Teaching Council (Scotland) Act 1965 has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985. That amendment is superseded by these Regulations.
  - (16) **1966 c. 13.** Section 12(2) of Universities (Scotland) Act 1966 has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985. That amendment is superseded by these Regulations.

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“(2) No person shall be appointed as an auditor under this section unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.

(3) No person shall be appointed as an auditor under this section if he, or where the person in question is a partnership or a body corporate, any partner in the partnership or any director or officer of the body corporate, is a member of the University Court or of the staff of the University concerned.”.

#### **Agriculture Act 1967(17)**

**16.** In section 19 of the Agriculture Act 1967 (annual report and accounts of Meat and Livestock Commission), for subsection (3) substitute–

“(3) A person shall not be appointed auditor under subsection (2) unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

#### **Development of Inventions Act 1967(18)**

**17.** In section 12 of the Development of Inventions Act 1967 (accounts and audit) for subsection (3) substitute–

“(3) No person shall be so appointed unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

#### **New Towns (Scotland) Act 1968(19)**

**18.** In section 39 of the New Towns (Scotland) Act 1968 (accounts, audit, annual reports etc), for subsection (3) substitute–

“(3) No person shall be so appointed unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

#### **Hearing Aid Council Act 1968(20)**

**19.** In section 12 of the Hearing Aid Council Act 1968 (expenses, receipts and accounts of Council), for subsection (3) substitute–

“(3) A person shall not be appointed under subsection (2) unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

#### **Friendly and Industrial and Provident Societies Act 1968(21)**

**20.** –

(1) The Friendly and Industrial and Provident Societies Act 1968 shall be amended as follows.

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- (17) **1967 c. 22.** Section 19(3) of the Agriculture Act 1967 has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985. That amendment is superseded by these Regulations.
- (18) **1967 c. 32.** Section 12(3) of the Development of Inventions Act 1967 has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985. That amendment is superseded by these Regulations.
- (19) **1968 c. 16.**
- (20) **1968 c. 50.** Section 12(3) of the Hearing Aid Council Act 1968 has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985. That amendment is superseded by these Regulations.
- (21) **1968 c. 55.** Section 7 of the Friendly and Industrial and Provident Societies Act 1968 has been amended by section 116(4) of and Schedule 11 to the Friendly Societies Act 1974 (c. 46) and by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985. The latter amendment is superseded by these Regulations.

(2) In section 7 (qualified auditors), in subsection (1) for the words from “he is either a member” to the end substitute “he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

(3) In section 8 (restrictions on appointment of auditors)–

(a) paragraph (c) of subsection (1) and subsection (3) shall be deleted; and

(b) in subsection (2) for paragraph (b) substitute–

“(b) he is by virtue of section 27 of the Companies Act 1989 ineligible for appointment as auditor of a company which is a subsidiary of that society.”.

### **Transport Act 1968(22)**

**21.** –

(1) The Transport Act 1968 shall be amended as follows.

(2) In section 14 (accounts of executive), in subsection (2) for the words from “who is a member” to “Board of Trade;” substitute “who is eligible for appointment as a company auditor under section 25 of the Companies Act 1989 or who is a member of the Chartered Institute of Public Finance and Accountancy;”.

(3) In section 41 (financial provisions as to Boards and new Authorities), omit subsection 9.

(4) In Schedule 15 (Channel Tunnel Planning Council), for paragraph 12(2) substitute–

(2) A person shall not be appointed auditor as aforesaid unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.

### **Hallmarking Act 1973(23)**

**22.** In paragraph 19 of Schedule 4 to the Hallmarking Act 1973 (expenses and accounts of the British Hallmarking Council), for sub-paragraph (2) substitute–

“(2) No person shall be appointed as auditor under this paragraph unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

### **Local Government (Scotland) Act 1973(24)**

**23.** Section 97 of the Local Government (Scotland) Act 1973 (Commission for Local Authority Accounts in Scotland) shall be amended as follows–

(a) in subsection (6), omit the word “approved” where it first appears and the words from “and “approved auditor”” to the end; and

(b) for subsection (7) substitute–

“(7) A person shall not be appointed as auditor by the Commission under subsection (6) above unless–

(a) he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989; or

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(22) **1968 c. 73.** Section 14(2) of the Transport Act 1968 has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985. That amendment is superseded by these Regulations.

(23) **1973 c. 43.** Paragraph 19(2) of Schedule 4 to the Hallmarking Act 1973 has been amended by section 309 of and Schedule 2 to the Companies Consolidation (Consequential Amendments) Act 1985. That amendment is superseded by these Regulations.

(24) **1973 c. 65.**

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- (b) he is a member of the Chartered Institute of Public Finance and Accountancy or of any other body of accounts established in the United Kingdom and for the time being approved by the Secretary of State for the purposes of this subsection.”.

#### **Friendly Societies Act 1974(25)**

**24.** –

(1) The Friendly Societies Act 1974 shall be amended as follows.

(2) In section 36 (qualified auditors), in subsection (1) for the words from “he is either a member” to the end substitute “he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

(3) In section 37 (restrictions on appointment of auditors), omit sub-paragraph (c) of paragraph (1) and paragraph (2).

#### **Farriers (Registration) Act 1975(26)**

**25.** –

(1) Schedule 1 to the Farriers (Registration) Act 1975 (the Farriers Registration Council), shall be amended as follows.

(2) For sub-paragraph (2) of paragraph 12 substitute–

“(2) A person shall not be appointed an auditor of the Council unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

(2) In sub-paragraph (3) of paragraph 12, omit paragraph (c) and the words “but a Scottish firm may act as auditor of the Council if each partner of the firm is qualified so to act.”.

#### **Industry Act 1975(27)**

**26.** In sub-paragraph (2) of paragraph 7 of Schedule 2 to the Industry Act 1975 (accounts and audit of the National Enterprise Board), for the words from “and a person shall not be qualified” to the end substitute “and a person shall not be so appointed unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989 or is a member of a body of accountants established in the United Kingdom and for the time being listed in Article 397(2) of the Companies (Northern Ireland) Order 1986.”.

#### **Policyholders Protection Act 1975(28)**

**27.** In paragraph 14 of Schedule 1 to the Policyholders Protection Act 1975 (additional provisions with respect to the Policyholders Protection Board), for sub-paragraph (3) substitute–

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(25) **1974 c. 46.** Section 36 of the Friendly Societies Act 1974 has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Amendments) Act 1985. That amendment is superseded by these Regulations.

(26) **1975 c. 35.**

(27) **1975 c. 68.** Paragraph 7(2) of Schedule 2 to the Industry Act 1975 has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985 (c. 9), by article 153 of and Schedule 6 to the Companies (Northern Ireland) Order 1978 (S.I. 1978/1042) (N.I. 12) and by article 23 of and Schedule 1 to the Companies Consolidation (Consequential Provisions) (Northern Ireland) Order 1985 (S.I. 1986/1035 (N.I. 9)). The first amendment is superseded by these Regulations.

(28) **1975 c. 75.** Paragraph 14 of the Policyholders Protection Act 1975 has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985. That amendment is superseded by these Regulations.

“(3) A person shall not be appointed as auditor by the Board under sub-paragraph (2) above unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

#### **Theatres Trust Act 1976(29)**

**28.** In the Schedule to the Theatres Trust Act 1976 (appointment, constitution and functions of trustees), for the second paragraph of paragraph 14 substitute—

“No person shall be appointed under this paragraph unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

#### **Aircraft and Shipbuilding Industries Act 1977(30)**

**29.** In section 17 of the Aircraft and Shipbuilding Industries Act 1977 (accounts and audit), for subsection (8) substitute the following—

“(8) A person shall not be appointed under subsection (7) above unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

#### **Insurance Brokers (Registration) Act 1977(31)**

**30.** –

(1) The Insurance Brokers (Registration) Act 1977 shall be amended as follows.

(2) In section 11 (requirements for carrying on business)—

(a) in subsection (4), delete the reference to subsection 6 and for the words from “if he is a member” to the words “Companies Act 1985” substitute the words “if he is eligible for appointments as a company auditor under section 25 of the Companies Act 1989”;

(b) In subsection (5), for paragraph (b) substitute

“(b) in relation to an enrolled body corporate, if he is not eligible for appointment as auditor of the enrolled body corporate by virtue of section 27 of the Companies Act 1989.”; and

(c) omit subsection (6).

(3) In section 25 (Accounts of Council), for subsection (2) substitute—

“(2) The Council shall appoint an auditor to the Council who shall be a person eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

(4) In subsection (1) of section 29 (interpretation) omit the definition of “recognised body of accountants”.

#### **Sheffield Assay Office Order 1978(32)**

**31.** In article 10 of the Sheffield Assay Office Order 1978 (accounts, financial year and audit)—

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(29) 1976 c. 27.

(30) 1977 c. 3. Section 17(8) of the Aircraft and Shipbuilding Industries Act 1977 has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985. That amendment is superseded by these Regulations.

(31) 1977 c. 46. Sections 11(4) and 29 of the Insurance Brokers (Registration) Act 1977 have been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985. That amendment is superseded by these Regulations.

(32) S.I. 1978/639.

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- (a) for the words from “qualified to be appointed” to the end substitute “appointed as auditor under this article unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”; and
- (b) for paragraph (4) substitute—
  - “(4) Neither the auditor nor any partner in or director or officer of the auditor shall be capable of being a guardian or member of the Executive Committee and none of the following shall be capable of being the auditor—
  - (a) a guardian or member of the Executive Committee;
  - (b) any firm or any partner in a firm of which a guardian or member of that Committee is a partner; and
  - (c) any body corporate of which a guardian or member of that Committee is a director or officer or any fellow director or officer of such a body corporate.”.

### **Nurses, Midwives and Health Visitors Act 1979(33)**

**32.** In the Nurses, Midwives and Health Visitors Act 1979—

- (a) In subsection (2) of section 20 (accounts of Central Council and National Boards) delete “(qualified in accordance with Schedule 4)”;
- (b) after subsection (2) of section 20 insert—
  - “(2A) A person shall not be appointed as auditor under subsection (2) unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”; and
- (c) Schedule 4 shall cease to have effect except insofar as it applies in Northern Ireland.

### **Estate Agents Act 1979(34)**

**33.** In section 14 of the Estate Agents Act 1979 (keeping of client accounts), for subsections (6) and (7) substitute—

- “(6) Subject to subsection (7) below, “qualified auditor” in subsection (5)(a) above means a person who is—
  - (a) eligible for appointment as a company auditor under section 25 of the Companies Act 1989; or
  - (b) in Northern Ireland, is a member of one or more bodies recognised by the Department of Economic Development for Northern Ireland for the purposes of article 397(1)(a) of the Companies (Northern Ireland) Order 1986(35) or is for the time being recognised by that Department under paragraphs (5), (6) or (7) of article 397 of that Order.
- (7) A person is not a qualified auditor for the purposes of subsection (5)(a) above if, in the case of a client account maintained by a company, he is ineligible for appointment as auditor to the company by virtue of Part II of the Companies Act 1989.”.

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(33) **1979 c. 36.** Schedule 4 to the Nurses, Midwives and Health Visitors Act 1979 has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985. That amendment is superseded by these Regulations.

(34) **1979 c. 38.** Section 14 of the Estate Agents Act 1979 has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985 (c. 9) and article 23 of and Schedule 1 to the Companies Consolidation (Consequential Provisions) (Northern Ireland) Order 1986 (S.I. 1986/1035) (N.I. 9). The first amendment is superseded by these Regulations.

(35) S.I. 1986/1032 (N.I. 6).

### **Crown Agents Act 1979(36)**

34. In section 22 of the Crown Agents Act 1979 (accounts and audit), for subsection 6 substitute—
- “(6) A person shall not be appointed auditor under subsection (5) unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

### **Edinburgh Assay Office Order 1979(37)**

35. In article 12 of the Edinburgh Assay Office Order 1979 (accounts, financial year and audit)—
- (a) in paragraph (3) for the words from “shall be qualified to be appointed” to the end substitute “shall be appointed auditor under this article unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”; and
- (b) For paragraph (4) substitute—
- “(4) Neither the auditor nor any partner in or director or officer of the auditor shall be capable of being a member or warden and none of the following shall be capable of being the auditor—
- (a) a member or warden;
- (b) any firm, or any partner in a firm of which a member or warden is a partner; and
- (c) any body corporate of which a member or warden is a director or officer of any fellow director or officer of such a body corporate.”.

### **Education (Scotland Act 1980(38)**

36. In section 111 of the Education (Scotland) Act 1980 (accounts and audit of educational endowments), in subsection (3) for the words from “and no person shall be eligible” to the end substitute “and no person shall be appointed auditor as aforesaid unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

### **Local Government, Planning and Land Act 1980(39)**

37. In Schedule 31 to the Local Government, Planning and Land Act 1980 (urban development corporations), in paragraph 11 (audit)—
- (a) for sub-paragraph (2) substitute—
- “(2) A person shall not be appointed under sub-paragraph (1) unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”; and
- (b) in sub-paragraph (3)—
- (i) add “; or” at the end of paragraph (a); and
- (ii) for paragraph (c) substitute—
- “(c) a body corporate of which a member, officer or servant of the corporation is a director or officer.”.

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(36) **1979 c. 43.** Section 22 of the Crown Agents Act 1979 has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985. That amendment is superseded by these Regulations.

(37) **S.I. 1979/1587.**

(38) **1980 c. 44.** Section 111(3) of the Education (Scotland) Act 1980 has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985. That amendment is superseded by these Regulations.

(39) **1980 c. 65.** Paragraph 11 of Schedule 31 to the Local Government, Planning and Land Act 1980 has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985. That amendment is superseded by these Regulations.

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#### **English Industrial Estates Corporation Act 1981(40)**

**38.** In section 7 of the English Industrial Estates Corporation Act 1981 (accounts and reports of the Corporation), for subsection (3) substitute–

“(3) No person shall be appointed under subsection (2) above unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

#### **Licensing (Alcohol Education and Research) Act 1981(41)**

**39.** In section 10 of the Licensing (Alcohol Education and Research) Act 1981 (accounts and audit), for subsection (2) substitute–

“(2) A person is qualified to audit the accounts of the liquidator or council if, and only if, he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

#### **Fisheries Act 1981(42)**

**40.** In section 11 of the Fisheries Act 1981 (accounts and audit), for subsection (6) substitute–

“(6) No person shall be qualified to the appointed auditor under this section unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

#### **New Towns Act 1981(43)**

**41.** In section 68 of the New Towns Act 1981 (audit of accounts of Commission for New Towns and of development corporations), for subsection (2) substitute–

“(2) A person shall not be so appointed auditor unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

#### **Broadcasting Act 1981(44)**

**42.** In section 42(2A) of the Broadcasting Act 1981 (accounts, audit and annual reports), for the words from “shall not be qualified” to the end substitute “shall not be so appointed unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”-

#### **Agricultural Training Board Act 1982(45)**

**43.** In section 8 of the Agricultural Training Board Act 1982 (reports and accounts), in subsection (2) for the words from “shall be qualified” to the end substitute “shall be so appointed

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(40) **1981 c. 13.** Section 7 of the English Industrial Estates Act 1981 has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985. That amendment is superseded by these Regulations.

(41) **1981 c. 28.** Section 10 of the Licensing (Alcohol Education and Research) Act 1981 has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985. That amendment is superseded by these Regulations.

(42) **1981 c. 29.**

(43) **1981 c. 64.** Section 68 of the New Towns Act 1981 has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1981. That amendment is superseded by these Regulations.

(44) **1981 c. 68.** Section 42(2A) of section 42 of the Broadcasting Act 1981 was inserted by section 57 of and Schedule 5 to the Cable and Broadcasting Act 1984 (c. 46) and remains in force for certain purposes by virtue of article 3(3) of the Broadcasting Act 1990 (Commencement No. 1 and Transitional Provisions) Order 1990 (S.I. 1990/2347).

(45) **1982 c. 9.** Section 8(2) of the Agricultural Training Board Act 1982 has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985. That amendment has been superseded by these Regulations.

unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

#### **Industrial Training Act 1982(46)**

44. In section 8 of the Industrial Training Act 1982 (reports and accounts), in subsection (2) for the words from “shall be qualified” to the end substitute “shall be so appointed unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

#### **Civil Aviation Act 1982(47)**

45. In section 15 of the Civil Aviation Act 1982 (accounts and audit), in subsection (2)(a) for the words from “shall not be qualified” to the end substitute “shall not be so appointed unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

#### **Duchy of Cornwall Management Act 1982(48)**

46. In section 9 of the Duchy of Cornwall Management Act 1982 (accounts and audit), for subsection (2) substitute—

“(2) A person shall not be appointed as auditor of the Duchy unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

#### **Insurance Companies Act 1982(49)**

47. In section 21(1) of the Insurance Companies Act 1982 (audit of accounts), for “the provisions of the Companies Act relating to audit” substitute “the provisions relating to the audit of the accounts of companies under the Companies Acts”.

#### **Agricultural Marketing Act 1983(50)**

48. In section 5 of the Agricultural Marketing Act 1983 (accounts of Food from Britain), for subsection 5 substitute—

“(5) A person shall not be appointed auditor under this section unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

#### **National Heritage Act 1983(51)**

49. In Schedule 3 to the National Heritage Act 1983 (the Historic Buildings and Monuments Commission for England), in sub-paragraph (6) of paragraph 12 (accounts) for the words from “shall be qualified” to the end of paragraph (6)(a) substitute—

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(46) **1982 c. 10.** Section 8(2) of the Industrial Training Act 1982 has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985. That amendment has been superseded by these Regulations.

(47) **1982 c. 16.** Section 15(2) of the Civil Aviation Act 1982 was substituted by the Civil Aviation Authority (Auditing of Accounts) Order 1984 (S.I. 1984/65) and has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985. That amendment has been superseded by these Regulations.

(48) **1982 c. 47.** Section 9(2) of the Duchy of Cornwall Management Act 1982 has been amended by section 32 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985. That amendment has been superseded by these Regulations.

(49) **1982 c. 50.** Section 21(1) of the Insurance Companies Act 1982 has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985. That amendment is superseded by these Regulations.

(50) **1983 c. 3**

(51) **1983 c. 47.** Paragraph 12(6)(a) of Schedule 3 to the National Heritage Act 1983 has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985. That amendment is superseded by these Regulations.

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“shall be appointed auditor under this paragraph unless he is–

- (a) eligible for appointment as a company auditor under section 25 of the Companies Act 1989; or”

#### **Medical Act 1983(52)**

**50.** In Schedule 1 to the Medical Act 1983 (the General Medical Council), for sub-paragraph (3) of paragraph 18 (financial provisions) substitute–

“(3) No person shall be appointed auditor under this paragraph unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”

#### **London Regional Transport Act 1984(53)**

**51.** In section 23 of the London Regional Transport Act 1984 (accounts), for subsection (6) substitute–

“(6) A person shall not be appointed to audit the accounts of London Regional Transport unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

#### **Cable and Broadcasting Act 1984(54)**

**52.** In section 20 of the Cable and Broadcasting Act 1984 (accounts and audit), for subsection (3) substitute–

“(3) A person shall not be appointed as an auditor in pursuance of subsection (2) above unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

#### **Companies Act 1985(55)**

**53.** –

(1) The Companies Act 1985 is amended as follows.

(2) In section 685 (registration of joint stock company as public company), in subsection (6), in the definition of “accountant with appropriate qualifications” for the words from “a person” to “section 389(1)” substitute “a person who would be eligible”.

(3) In section 716(2) (partnerships exempt from limit of 20 members under subsection (1)), in paragraph (b) (firms of accountants) for “a partnership consisting of persons each of whom falls within either paragraph (a) or (b) of section 389(1) (qualifications of company auditors)” substitute “a partnership which is eligible for appointment as a company auditor under section 25 of the Companies Act 1989”.

(4) In section 717(1) (partnerships exempt from limit of 20 members under section 4(2) of the Limited partnerships Act 1907(**56**)), in paragraph (b) (firms of accountants) for “and consisting of persons each of whom falls within either paragraph (a) or (b) of section 389(1) of this Act (qualification of company auditors)” substitute “which is eligible for appointment as a company auditor under section 5 of the Companies Act 1989”.

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(52) **1983 c. 54.** Paragraph 18(3) of Schedule 1 to the Medical Act 1983 has been amended by section 30 of and Schedule 2 to the Companies Consolidation (Consequential Provisions) Act 1985 (c. 9). That amendment is superseded by these Regulations.

(53) **1984 c. 32.**

(54) **1984 c. 46.**

(55) **1985 c. 6.**

(56) **1907 c. 24**

### **Ports (Finance) Act 1985(57)**

**54.** In section 4 of the Ports (Finance) Act 1985 (audit of accounts of certain harbour authorities) for the words from “shall be qualified” to the end substitute “shall not be appointed as auditor of a relevant harbour authority unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

### **Administration of Justice Act 1985(58)**

**55.** –

(1) The Administration of Justice Act 1985 is amended as follows.

(2) In section 22 (rules as to keeping of accounts by licensed conveyancers), in subsection (4) for the words from “if he is a member” to the end substitute “only if he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

(3) In section 39(1) (interpretation of Part II), omit the definition of “relevant body of accountants”.

(4) In Schedule 3 (the Council for Licensed Conveyancers), in paragraph 11(2) (appointment of auditors) for “a member of one or more relevant bodies of accountants” substitute “eligible for appointment as a company auditor under section 25 of the Companies Act 1989”.

### **Oil and Pipelines Act 1985(59)**

**56.** In Schedule 3 to the Oil and Pipelines Act 1985 (provisions relating to Oil and Pipelines Agency), in paragraph 9 (accounts and audit), for sub-paragraph (5) substitute–

“(5) a person shall not be appointed under sub-paragraph (4) above unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”

### **Transport Act 1985(60)**

**57.** In sections 76(1) and 77(2) of the Transport Act 1985 (audit of accounts of public transport companies), for “qualified for appointment as such auditors in accordance with section 389 of the Companies Act 1985” substitute “eligible for such appointment in accordance with Part II of the Companies Act 1989”.

### **Housing Act 1985(61)**

**58.** In section 51 of the Housing Act 1985 (meaning of “qualified accountant”)–

(a) For subsections (2) and (3) substitute–

“(2) a person has the necessary qualification only if he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

(b) In subsection (4), for paragraph (a) substitute–

“(a) where the payee is a company, the payee or any associated company of the payee;” and

(c) In subsection (5), for the words “subsection (4)(b)” substitute “subsection (4)(a) and (b).”.

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(57) 1985 c. 30.

(58) 1985 c. 61.

(59) 1985 c. 62.

(60) 1985 c. 67.

(61) 1985 c. 68.

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### **Housing Associations Act 1985(62)**

**59.** –

(1) The Housing Associations Act 1985 is amended as follows.

(2) In section 97 of the Housing Associations Act 1985 (accounts and audit), for subsection (6) (definition of “qualified accountant”) substitute–

“(6) In this section “qualified accountant” means a person who is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

(3) In Schedule 3 (accounting requirements for charitable housing associations), in paragraph 3 (appointment of auditors)–

(a) for sub-paragraph (2) substitute–

“(2) A person is qualified for the purposes of this paragraph if he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”; and

(b) omit the words from “or” at the end of sub-paragraph (3) to the end.

### **Landlord and Tenant Act 1985(63)**

**60.** In section 28 of The Landlord and Tenant Act 1985 (meaning of “qualified accountant”)–

(a) for subsection (2) substitute–

“(2) A person has the necessary qualification if he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”;

(b) omit subsection (3); and

(c) in subsection (4), omit paragraph (a).

### **Insurance Companies (Winding-Up) Rules 1985(64)**

**61.** In paragraph 4 of rule 18 of the Insurance Companies (Winding-Up) Rules 1985 (accounts and audit) for the words “a person qualified under section 389 of the Act of 1985 to audit the accounts of companies” substitute “a person eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

### **Films (Certification) Regulations 1985(65)**

**62.** In regulation 5 of the Films (Certification) Regulations 1985 evidence) in paragraph (b), for the words from “an accountant being a member” to the end substitute “a person who is eligible for appointment as a company auditor under section 25 of the Companies Act 1989 who is not, and was not at any time while the film was being made, a partner of, nor in the employment of, the maker of the film or, where the maker of the film is a company, is not, and was not at any time while the film was being made a person, ineligible for such appointment by virtue of Part II of the Companies Act 1989.”.

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(62) [1985 c. 69](#).

(63) [1985 c. 70](#). Section 28 of the Landlord and Tenant Act 1985 has been amended by section 41 of and Schedule 2 to the Landlord and Tenant Act [1987 \(c. 31\)](#).

(64) S.I. [1985/95](#). Rule 18(4) of the Insurance Companies (Winding-Up) Rules 1985 has been amended by rule 11(2) of the Insurance Companies (Winding-Up) (Amendment) Rules 1986 (S.I. [1986/2002](#)). That amendment is superseded by these Regulations.

(65) S.I. [1985/994](#).

### **Airports Act 1986(66)**

**63.** –

(1) The Airports Act 1986 is amended as follows.

(2) In sections 22(5) and 23(2) (audit of accounts of public airport companies) for the words “qualified for appointment as such auditors in accordance with section 389 of the Companies Act 1985” substitute “eligible for such appointment in accordance with Part II of the Companies Act 1989”.

(3) In paragraph 7 of Schedule 5 (transitional provisions: final statement of accounts of British Airports Authority), in sub-paragraph (3) for the words from “shall not be qualified” to the end substitute “shall not be so appointed unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

### **Legal Aid (Scotland) Act 1986(67)**

**64.** In section 5 of the Legal Aid (Scotland) Act 1986 (accounts and audit), for subsection (4) substitute–

“(4) No person shall be appointed auditor under subsection (3) above unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

### **Building Societies Act 1986(68)**

**65.** –

(1) The Building Societies Act 1986 is amended as follows.

(2) In Schedule 5 (Building Societies Investor Protection Board), for paragraph 6(4) substitute–

“(4) A person shall not be appointed as auditor by the Board unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

(3) In paragraph 5(1) of Schedule 11 (qualification for appointment as auditor of a building society), for the words from “unless” to the end substitute–

“unless–

(a) he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989; or

(b) he is a member of a body of accountants, established in the United Kingdom or another member State, which is for the time being designated by order of the Commission made with the consent of the Treasury.”

(4) In paragraph 5(2) of that Schedule (persons disqualified for appointment as auditor), in paragraph (c) for the words from “disqualified” to the end substitute “ineligible by virtue of section 27 of the Companies Act 1989 for appointment as auditor of a company which is a subsidiary of the society.”.

### **Insurance Companies (Winding Up) (Scotland) Rules 1986(69)**

**66.** In rule 19(3) of the Insurance Companies (Winding Up) (Scotland) Rules 1986 (accounts and audit), for the words “a person qualified under section 389 of the Act of 1985 to audit the accounts of companies” substitute “a person eligible for appointment as company auditor under section 25 of the Companies Act 1989”.

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(66) 1986 c. 31.

(67) 1986 c. 47.

(68) 1986 c. 53.

(69) S.I. 1986/1918.

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### **Banking Act 1987(70)**

67. In Schedule 4 to the Banking Act 1987 (the Deposit Protection Board), in paragraph 5 (accounts and audit), for sub-paragraph (4) substitute—

“(4) A person shall not be appointed as auditor by the Board under sub-paragraph (3) above unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

### **Income and Corporation Taxes Act 1988(71)**

68. In section 184 of the Income and Corporation Taxes Act 1988 (Independent accountants)—

- (a) in subsection (1)(a), for the words “is within section 389(1)(a) or (b) of the Companies Act 1985” substitute “is eligible for appointment as a company auditor under section 25 of the Companies Act 1989”;
- (b) in subsection (1)(b) for “(5)” substitute “(4)”;
- (c) in subsection (2)(b) after the word “partner” the first time it appears insert “, or an officer”;
- (d) in subsection (2)(c) after the words “he is” insert “a partner or”;
- (e) in subsection (4)(a) after the words “as an” insert “officer or”; and
- (f) omit subsection (5).

### **Legal Aid Act 1988(72)**

69. In section 7 of the Legal Aid Act 1988 (accounts and audit), for subsection (4) substitute—

- “(4) No person shall be appointed auditor under subsection (3) above unless he is—
- (a) eligible for appointment as a company auditor under section 25 of the Companies Act 1989; or
  - (b) a member of the Chartered Institute of Public Finance and Accountancy.”.

### **Education Reform Act 1988(73)**

70. In paragraph 18(5) of Schedule 7 to Education Reform Act 1988 (accounts), for sub-paragraph (a) substitute—

- “(a) eligible for appointment as a company auditor under section 25 of the Companies Act 1989; or”.

### **Housing Act 1988(74)**

71. In Schedule 8 to the Housing Act 1988 (Housing Action Trusts: finance etc), in paragraph 11 (audit)—

- (a) for sub-paragraph (2) substitute—

“(2) A person shall not be appointed under sub-paragraph (1) above unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”; and
- (b) in sub-paragraph (3), omit from the final “or” to the end.

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(70) 1987 c. 22.  
(71) 1988 c. 1  
(72) 1988 c. 34.  
(73) 1988 c. 40.  
(74) 1988 c. 50.

### **Water Act 1989(75)**

72. In Schedule 1 to the Water Act 1989 (the National Rivers Authority), in paragraph 22 (audit) for sub-paragraph (2) substitute–

- “(2) A person shall not be appointed for the purposes of sub-paragraph (1) above unless he is–
- (a) eligible for appointment as a company auditor under section 25 of the Companies Act 1989, or
  - (b) a member of the Chartered Institute of Public Finance and Accountancy.”

### **Opticians Act 1989(76)**

73. In section 32 of the Opticians Act 1989 (expenses and accounts of the Council), for subsection (3) substitute–

- “(3) A person shall not be appointed auditor under subsection (2) unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

### **Birmingham Assay Office Order 1989(77)**

74. In article 10 of the Birmingham Assay Office Order 1989 (accounts, financial year and audit), for paragraphs (3) and (4) substitute–

“(3) The auditor of the Company shall be appointed by the Guardians and no person shall be appointed auditor under this article unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.

(4) None of the auditor or any partner in or director or officer of the auditor shall be capable of being a guardian or warden and none of the following shall be capable of being the auditor–

- (a) any guardian, warden or employee of the Company;
- (b) any firm, or any partner in a firm of which a guardian, warden or employee of the Company is a partner; and
- (c) any body corporate of which any guardian, warden or employee of the Company is a director or officer or any fellow director or officer of such a body corporate.”

### **Law Reform (Miscellaneous Provisions) (Scotland) Act 1990(78)**

75. In paragraph 13 of Schedule 1 to the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 (accounts of the Scottish Conveyancing and Executry Services Board), for sub-paragraph (3) substitute–

- “(3) No person shall be appointed auditor under this paragraph unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

### **Courts and Legal Services Act 1990(79)**

76. –

- (1) The Courts and Legal Services Act 1990 is amended as follows.

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(75) 1989 c. 15.

(76) 1989 c. 44.

(77) S.I. 1989/900.

(78) 1990 c. 40.

(79) 1990 c. 41.

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(2) In Schedule 1 (the Advisory Committee), for sub-paragraphs (5) and (6) of paragraph 9 (accounts and audit) substitute–

“(5) No person shall be appointed as auditor under this paragraph unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989 or is a member of the Chartered Institute of Public Finance and Accountancy.”.

(3) In Schedule 5 (the Authorised Conveyancing Practitioners Board), for sub-paragraphs (4) and (5) of paragraph 9 substitute–

“(4) No person shall be appointed as an auditor under this paragraph unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989 or is a member of the Chartered Institute of Public Finance and Accountancy.”.

### **Broadcasting act 1990(80)**

77. –

(1) The Broadcasting Act 1990 shall be amended as follows.

(2) In Schedule 1 (the Independent Television Commission) for sub-paragraph (3) of paragraph 14 (accounts and audit) substitute–

“(3) A person shall not be qualified to be as an auditor in pursuance of sub-paragraph (2) unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

(3) In Schedule 3 (The Channel Four Television Corporation) for sub-paragraph (3) of paragraph 12 (accounts and audit) substitute–

“(3) A person shall not be qualified to be appointed as a auditor in pursuance of sub-paragraph (2) unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

(4) In Schedule 6 (The Welsh Authority), for sub-paragraph (3) of paragraph 12 (accounts and audit) substitute–

“(3) A person shall not be qualified to be appointed in pursuance of sub-paragraph (2) unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

(5) In Schedule 8 (The Radio Authority), for sub-paragraph (3) of paragraph 14 (accounts and audit) substitute–

“(3) A person shall not be qualified to be appointed as an auditor in pursuance of sub-paragraph (2) unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

(6) In Schedule 13 (The Broadcasting Complaints Commission), for sub-paragraph (3) of paragraph 12 (accounts and audit) substitute–

“(3) A person shall not be qualified to be appointed as an auditor in pursuance of sub-paragraph (2) above unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

(7) In Schedule 19 (The Gaelic Television Committee), for sub-paragraph (3) of paragraph 11 (accounts and audit) substitute–

“(3) A person shall not be qualified to be appointed in pursuance of sub-paragraph (2) unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”.

### **National Bus Company (Dissolution) Order 1991(81)**

78. In paragraph (3) of article 4 (final accounts) of the National Bus Company (Dissolution) Order 1991, for the words from “and a person shall not be qualified” to the end substitute “and a person shall not be qualified to be so appointed unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.”

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### **EXPLANATORY NOTE**

*(This note is not part of the Regulations)*

Regulation 2 of the regulations and the Schedule to them make amendments to the enactments mentioned in the Schedule which are consequential upon the provisions of Part II of the Companies Act 1989 (eligibility for appointment as company auditor) having effect in place of section 389 of the Companies Act 1985 (qualification for appointment as auditor). Section 389 of the Companies Act 1985 is repealed on 1st October 1991.

Regulation 3 of the regulations makes provision as to what the effect is when a partnership which is not a legal person is appointed under an enactment amended by the regulations and regulation 4 of the regulations contains a transitional provision concerning the position of persons holding an appointment when the regulations come into force.