
STATUTORY INSTRUMENTS

2007 No. 3494

The Statutory Auditors and Third
Country Auditors Regulations 2007

PART 6

OTHER AMENDMENTS AND REVOCATIONS

Meaning of “appropriate audit authority” and “major audit”

41.—(1) Section 525(1) of the Companies Act 2006 (meaning of “appropriate audit authority”) is amended as follows.

(2) In paragraph (a) after “major audit” insert “(other than one conducted by an Auditor General)”.

(3) In paragraph (b) after “an audit” insert “(other than one conducted by an Auditor General)”.

(4) After paragraph (b) insert—

“(c) in the case of an audit conducted by an Auditor General, the Independent Supervisor.”.

(5) In the closing words—

(a) for ““Supervisory body” has the same meaning” substitute ““Supervisory body” and “Independent Supervisor” have the same meaning”;

(b) for “section 1217” substitute “sections 1217 and 1228”.

Grounds for petition by company member

42.—(1) In section 994 of the Companies Act 2006 (protection of members against unfair prejudice: petition by company member), after subsection (1) insert—

“(1A) For the purposes of subsection (1)(a), a removal of the company’s auditor from office—

(a) on grounds of divergence of opinions on accounting treatments or audit procedures, or

(b) on any other improper grounds,

shall be treated as being unfairly prejudicial to the interests of some part of the company’s members.”.

(2) This amendment does not apply in relation to auditors appointed for financial years beginning before 6th April 2008.

Exclusion of large debt securities issuer from definition of “UK-traded non-EEA company”

43.—(1) A large debt securities issuer is excluded from the definition of “UK-traded non-EEA company” for the purposes of Part 42 of the Companies Act 2006 (see section 1241(2)).

(2) In paragraph (1) “large debt securities issuer” means a body corporate whose only issued transferable securities admitted to trading on a regulated market are debt securities, the denomination per unit of which is not less than—

- (a) 50,000 euros, or
- (b) in the case of debt securities denominated in a currency other than euros, a sum equivalent at the date of issue to 50,000 euros.

(3) In paragraph (2)—

“debt securities” has the same meaning as in Article 2.1(b) of Directive [2004/109/EC](#) of the European Parliament and of the Council on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market and amending Directive [2001/34/EC](#)(1);

“transferable securities” and “regulated market” have the same meaning as in section 1241(3) of the Companies Act 2006.

Practical training

44. In paragraph 9(4)(b) of Schedule 11 to the Companies Act 2006(2) (practical training) for “a member State” in both places where it occurs substitute “an EEA State”.

Revocations and savings

45.—(1) The Company Auditors (Examinations) Regulations 1990(3) are revoked.

(2) The Company Auditors (Examinations) Regulations (Northern Ireland) 1990(4) are revoked.

(3) The Companies Act 1989 (Register of Auditors and Information About Audit Firms) Regulations 1991(5) are revoked.

(4) The Companies (1990 Order) (Register of Auditors and Information About Audit Firms) Regulations (Northern Ireland) 1991(6) are revoked.

(5) The European Communities (Recognition of Professional Qualifications) (First General System) Regulations 2005(7) are revoked for the purposes of their application to the profession of company auditor, except for the purposes of their application in relation to auditors appointed for financial years beginning before 6th April 2008.

(1) OJ L 390, 31.12.2004, p. 38.

(2) [2006 c.46](#).

(3) [S.I. 1990/1146](#).

(4) [S.R. 1990/309](#).

(5) [S.I. 1991/1566](#).

(6) [S.R. 1991/500](#).

(7) [S.I. 2005/18](#). The 2005 Regulations were revoked for all other purposes by regulation 39 of, and Schedule 6 to, the European Communities (Recognition of Professional Qualifications) Regulations 2007 ([S.I. 2007/2781](#)).