

---

STATUTORY INSTRUMENTS

---

**2007 No. 3494**

The Statutory Auditors and Third  
Country Auditors Regulations 2007

PART 4

RECOGNISED SUPERVISORY BODIES

**Transfer of papers to third countries**

**24.** After paragraph 16 of Schedule 10 to the Companies Act 2006 (independent investigation for disciplinary purposes of public interest cases) insert—

**“Transfer of papers to third countries**

**16A.**—(1) The body must have adequate rules and practices designed to ensure that persons eligible under its rules for appointment as a statutory auditor deliver audit working papers to a third country competent authority only if—

- (a) the authority has entered into arrangements with the Secretary of State in accordance with section 1253E (working arrangements); and
- (b) the following four conditions are met.

(2) The first condition is that the competent authority has requested the audit working papers for the purposes of an investigation.

(3) The second condition is that the competent authority has given to the Secretary of State notice of its request.

(4) The third condition is that the papers relate to the audit of a body which—

- (a) has issued securities in the country or territory in which the competent authority is established, or
- (b) forms part of a group issuing statutory consolidated accounts in that country or territory.

(5) The fourth condition is that no legal proceedings have been brought (whether continuing or not) in relation to the auditor or audit to which the working papers relate.

(6) The body must also have adequate rules and practices designed to ensure that a person eligible under its rules for appointment as a statutory auditor may refuse to deliver audit working papers to a third country competent authority if the Secretary of State certifies that the delivery of the papers would adversely affect the sovereignty, security or public order of the United Kingdom.”.