
STATUTORY INSTRUMENTS

2008 No. 373

**The Companies (Revision of Defective
Accounts and Reports) Regulations 2008**

PART 3

AUDITOR'S REPORTS

Auditor's report on revised accounts and revised report

7.—(1) Subject to paragraph (2), a company's current auditor shall make a report or (as the case may be) further report under section 495 of the 2006 Act (auditor's report on company's annual accounts), to the company's members under this regulation on any revised accounts prepared under section 454 of that Act and—

- (a) section 498 of that Act (duties of auditor) applies with any necessary modifications, and
- (b) section 495(1) does not apply with respect to the revised accounts.

(2) Where the auditor's report on the original annual accounts was not made by the company's current auditor, the directors of the company may resolve that the report required by paragraph (1) is to be made by the person or persons who made that report, provided that that person or those persons agree to do so and would be qualified for appointment as auditor of the company.

(3) Subject to regulation 19(1), an auditor's report under this regulation must state whether in the auditor's opinion the revised accounts have been properly prepared in accordance with the provisions of the 2006 Act and, where applicable, Article 4 of the IAS Regulation as they have effect under these Regulations, and in particular whether a true and fair view, seen as at the date the original annual accounts were approved, is given by the revised accounts with respect to the matters set out in section 495(3)(a) to (c) of that Act.

The report must also state whether in the auditor's opinion the original annual accounts failed to comply with the requirements of the 2006 Act and, where applicable, Article 4 of the IAS Regulation in the respects identified by the directors (in the case of a revision by replacement) in the statement required by regulation 4(2)(a)(iv) or (in the case of a revision by supplementary note) in the supplementary note.

(4) The auditor must also state whether the information contained in the directors' report for the financial year for which the annual accounts are prepared (which is, if the report has been revised under these Regulations, that revised report) is consistent with those accounts.

(5) Sections 503 to 506 of the 2006 Act (signature of auditor's report) apply to an auditor's report under this regulation as they apply to an auditor's report under section 495(1) of that Act, with any necessary modifications.

(6) An auditor's report under this regulation shall, upon being signed under section 503 of the 2006 Act as so applied, be, as from the date of signature, the auditor's report on the annual accounts of the company in place of the report on the original annual accounts.

Auditor's report where company ceases to be exempt from audit

8.—(1) Where as a result of the revisions to the accounts, the company is no longer entitled to exemption from audit under Chapter 1 of Part 16 of the 2006 Act, the company shall cause an auditor's report on the revised accounts to be prepared.

(2) The auditor's report must be delivered to the registrar within 28 days after the date of revision of the accounts.

(3) Sections 451 (default in filing accounts and reports: offences) and 452 (default in filing accounts: court order) of the 2006 Act apply with respect to a failure to comply with the requirements of this regulation as they apply with respect to a failure to comply with the requirements of section 441 of that Act but as if—

- (a) the references in section 451(1) and in section 452(1)(a) to “the period for filing those accounts and reports” were references to the period of 28 days referred to in paragraph (2); the reference in section 451(1) and (2) to “that period” are to be construed accordingly, and
- (b) the references in section 451(3) to “the documents in question” and “this Part” were, respectively, a reference to the auditor's report referred to in paragraph (2) and the provisions of Part 16 of the 2006 Act as applied by these Regulations.

Auditor's report on revised report alone

9.—(1) Subject to paragraph (2), a company's current auditor shall make a report or (as the case may be) further report under section 496 or 497 of the 2006 Act (as the case may be) to the company's members under this regulation on any revised report prepared under section 454 of that Act if the relevant annual accounts have not been revised at the same time.

(2) Where the auditor's report on the annual accounts for the financial year covered by the revised report was not made by the company's current auditor, the directors of the company may resolve that the report required by paragraph (1) is to be made by the person or persons who made that report, provided that that person or those persons agree to do so and would be qualified for appointment as auditor of the company.

(3) Where a revised directors' report is prepared under section 454 of the 2006 Act, the auditor's report must state whether in his opinion the information given in that revised report is consistent with the annual accounts for the relevant year (specifying it).

(4) Where a revised directors' remuneration report is prepared under section 454 of the 2006 Act, the auditor's report must state whether in his opinion any auditable part of that revised report has been properly prepared (“auditable part” being a part containing information required by Part 3 of Schedule 8 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008).

(5) Sections 503 to 506 of the 2006 Act apply to an auditor's report under this regulation as they apply to an auditor's report under section 495 of that Act, with any necessary modifications.