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STATUTORY INSTRUMENTS

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**2008 No. 569**

**The Partnerships (Accounts) Regulations 2008**

**PART 3**

**AUDITORS**

**Appointment of auditor**

**8.** An auditor may be appointed for the purposes of regulation 4(1)(b) only by the members of a qualifying partnership.

**Functions of auditor**

**9.—(1)** The following provisions of the Companies Act 2006 apply to the auditor of a qualifying partnership as they apply to an auditor of a company—

- (a) section 495 (auditor's report on company's annual accounts);
- (b) section 498 (duties of auditor);
- (c) section 499 (auditor's general right to information).

(2) The auditor of a qualifying partnership must supply the members of the qualifying partnership with such information as is necessary to enable any disclosure required by regulation 4(2) to be made.

**Signature of auditor's report**

**10.** Sections 503 to 506 of the Companies Act 2006 (signature of auditor's report) apply in relation to the auditor's report required by regulation 4(1)(b), subject to—

- (a) any necessary modifications to take account of the fact that the qualifying partnership is unincorporated, and
- (b) the modification set out in Part 2 of the Schedule to these Regulations.

**Removal of auditors on improper grounds**

**11.—(1)** Where the auditor of a qualifying partnership is removed from office an application may be made to the High Court under this regulation.

(2) The persons who may make such an application are—

- (a) any member of the qualifying partnership who was also a member at the time of the removal, and
- (b) the Secretary of State.

(3) If the court is satisfied that the removal was—

- (a) on grounds of divergence of opinion on accounting treatments or audit procedures, or
- (b) on any other improper grounds,

it may make such order as it thinks fit for giving relief in respect of the removal.

(4) The court may, in particular—

- (a) declare that any decision of the qualifying partnership removing an auditor, or appointing a new auditor in his place, is void;
- (b) require the members of the qualifying partnership to re-appoint the dismissed auditor;
- (c) give directions as to the conduct of the qualifying partnership's affairs in the future.

(5) In the application of this regulation to a qualifying partnership formed under the law of Scotland or Northern Ireland, references to the High Court are to be read as references to the Court of Session or, as the case may be, the High Court in Northern Ireland.

#### **Duty of auditor to notify supervisory body**

**12.**—(1) Where an auditor of a qualifying partnership ceases to hold office before the end of his term of office, he must notify the supervisory body of which he is a member.

(2) The notice must—

- (a) inform the supervisory body that he has ceased to hold office, and
- (b) be accompanied by a statement of any circumstances connected with his ceasing to hold office.

(3) The auditor must notify the supervisory body not more than 14 days after the date on which he ceases to hold office.

(4) In this regulation and regulation 13, “supervisory body” has the same meaning as in Part 42 of the Companies Act 2006 (statutory auditors) (see section 1217).

#### **Duty of members of qualifying partnership to notify supervisory body**

**13.**—(1) Where an auditor of a qualifying partnership ceases to hold office before the end of his term of office, the members of the partnership must notify the supervisory body of which the auditor is a member.

(2) The notice must—

- (a) inform the supervisory body that the auditor has ceased to hold office, and
- (b) be accompanied by a statement by the body of the reasons for his ceasing to hold office.

(3) The members of the qualifying partnership must notify the supervisory body not more than 14 days after the date on which the auditor ceases to hold office.

#### **Statutory auditors**

**14.** For the purposes of section 1210(1)(h) of the Companies Act 2006 (meaning of “statutory auditor”)—

- (a) a qualifying partnership is a prescribed person, and
- (b) regulation 4(1)(b) is a prescribed enactment,

and accordingly a person appointed as auditor of a qualifying partnership for the purposes of regulation 4(1)(b) is a statutory auditor.