
STATUTORY INSTRUMENTS

2020 No. 108

**The Statutory Auditors and Third Country Auditors
(Amendment) (EU Exit) Regulations 2020**

PART 4

Amendments made under section 2(2) of the European Communities Act 1972

Amendments to the Companies Act 2006

15.—(1) The Companies Act 2006 is amended as follows.

(2) In section 1253D(1)—

- (a) omit subsection (2)(k);
- (b) omit subsection (2)(o);
- (c) after subsection (2)(s) insert—

“(t) the Ministry of Finance of the People’s Republic of China;

(u) the Securities Regulatory Commission of the People’s Republic of China.”.

(3) In paragraph 20A(2) of Schedule 10, for the definition of “key audit partner” substitute—

““key audit partner” means—

- (a) an individual who is eligible for appointment as a statutory auditor and who is designated by an audit firm for a particular audit engagement as being primarily responsible for carrying out the statutory audit on behalf of the audit firm;
- (b) in the case of a group audit, any of the following—
 - (i) an individual who is eligible for appointment as a statutory auditor and who is designated by an audit firm as being primarily responsible for carrying out the statutory audit of the consolidated accounts of the group on behalf of the audit firm;
 - (ii) an individual who is eligible to conduct the audit of the accounts of any material subsidiary undertaking and who is designated as being primarily responsible for that audit; or
- (c) an individual who is eligible for appointment as a statutory auditor and who signs the audit report.”.

(1) Section 1253D was inserted by [S.I. 2007/3494](#), substituted by [S.I. 2010/2537](#) and amended by [S.I. 2016/649](#), [2017/516](#) and paragraph 126 of Schedule 19 to the Data Protection Act 2018 (c. 12). Subsection (2) of section 1253D is to be repealed by [S.I. 2019/177](#).

(2) Paragraph 20A was inserted by [S.I. 2007/3494](#), substituted by [S.I. 2016/649](#), amended by [S.I. 2017/701](#), and is to be amended by [S.I. 2019/177](#).

Amendments to the Insurance Accounts Directive (Lloyd’s Syndicate and Aggregate Accounts) Regulations 2008

16. Schedule 2 to the Insurance Accounts Directive (Lloyd’s Syndicate and Aggregate Accounts) Regulations 2008(3) is amended as follows—

- (a) in paragraph 2(6), for “paragraph 3(j)” substitute “paragraph 3(1)(h)”;
- (b) for paragraph 3(1) substitute—
 - “(1) The types of service in respect of which disclosure is required are—
 - (a) either—
 - (i) the auditing of accounts of associates of the managing agent responsible for managing the syndicate, in the case of the syndicate’s annual accounts; or
 - (ii) the auditing of accounts of associates of the Society of Lloyd’s, in the case of the aggregate accounts;
 - (b) audit-related assurance services;
 - (c) taxation compliance services;
 - (d) all taxation advisory services not falling within paragraph (c);
 - (e) internal audit services;
 - (f) all assurance services not falling within paragraphs (a) to (e);
 - (g) all services relating to corporate finance transactions entered into, or proposed to be entered into, by or on behalf of the managing agent or any of its associates, or the Society of Lloyd’s or any of its associates not falling within paragraphs (a) to (f);
 - (h) all non-audit services not falling within paragraphs (b) to (g).”.

Amendments to the Statutory Auditors and Third Country Auditors Regulations 2016

17.—(1) Schedule 1 to the Statutory Auditors and Third Country Auditors Regulations 2016 is amended as follows.

- (2) In paragraph 1, for the definition of “key audit partner” substitute—
 - ““key audit partner” means—
 - (a) an individual who is eligible for appointment as a statutory auditor and who is designated by an audit firm for a particular audit engagement as being primarily responsible for carrying out the statutory audit on behalf of the audit firm;
 - (b) in the case of a group audit, any of the following—
 - (i) an individual who is eligible for appointment as a statutory auditor and who is designated by an audit firm as being primarily responsible for carrying out the statutory audit of the consolidated accounts of the group on behalf of the audit firm;
 - (ii) an individual who is eligible to conduct the audit of the accounts of any material subsidiary undertaking and who is designated as being primarily responsible for that audit; or
 - (c) an individual who is eligible for appointment as a statutory auditor and who signs the audit report.”.
- (3) In paragraph 2(4)(a), for “period covered by the financial statements” substitute “financial year of the accounts”.

(4) In paragraph 6, for “period covered by the financial statements” substitute “financial year of the accounts”.

(5) In paragraph 15(1)(e)(i) and (2), for “financial statements” substitute “accounts”.