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STATUTORY INSTRUMENTS

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**2020 No. 523**

**EXITING THE EUROPEAN UNION  
COMPANIES  
AUDITORS  
FEES AND CHARGES  
LIMITED LIABILITY PARTNERSHIPS  
PARTNERSHIP**

The Companies and Statutory Auditors etc. (Consequential Amendments) (EU Exit) Regulations 2020

*Made - - - - 18th May 2020*  
*Laid before Parliament 21st May 2020*  
*Coming into force in accordance with regulation 1(2)*

The Secretary of State makes these Regulations in exercise of the powers conferred by section 41(1) of the European Union (Withdrawal Agreement) Act 2020(1).

**PART 1**

**Citation and commencement**

1.—(1) These Regulations may be cited as the Companies and Statutory Auditors etc. (Consequential Amendments) (EU Exit) Regulations 2020.

(2) These Regulations come into force immediately before IP completion day, except for this Part and Part 8 which come into force immediately before regulation 6 of the Statutory Auditors, Third Country Auditors and International Accounting Standards (Amendment) (EU Exit) Regulations 2019(2) comes into force.

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(1) 2020 c. 1.  
(2) S.I. 2019/1392.

## PART 2

### Amendments to the European Public Limited-Liability Company (Amendment etc.) (EU Exit) Regulations 2018

2. The European Public Limited-Liability Company (Amendment etc.) (EU Exit) Regulations 2018(3) are amended in accordance with this Part.

3. In Part 2—

- (a) in regulation 4(a), for “exit day”, in both places where it appears, substitute “IP completion day”;
- (b) in regulation 8, in inserted regulation 12A—
  - (i) in paragraph (1)—
    - (aa) in the opening words, for “exit day” substitute “IP completion day”;
    - (bb) in sub-paragraph (a), for “exit day”, in both places where it appears, substitute “IP completion day”;
    - (cc) in sub-paragraph (b), for “exit day”, in both places where it appears, substitute “IP completion day”;
  - (ii) in paragraph (2), for “exit day” substitute “IP completion day”;
  - (iii) in paragraph (3), for “exit day” substitute “IP completion day”;
  - (iv) in paragraph (4), for “exit day”, in both places where it appears, substitute “IP completion day”;
  - (v) in paragraph (6), for “exit day” substitute “IP completion day”;
- (c) in regulation 24(a), for “exit day” substitute “IP completion day”;
- (d) in regulation 36(b)(i), for “exit day” substitute “IP completion day”;
- (e) in regulation 49—
  - (i) in paragraph (a)—
    - (aa) in sub-paragraph (ii), for “exit day”, in each of the three places where it appears, substitute “IP completion day”;
    - (bb) in sub-paragraph (viii), for “exit day” substitute “IP completion day”;
    - (cc) in sub-paragraph (x), for “exit day”, in both places where it appears, substitute “IP completion day”;
  - (ii) in paragraph (c), for “exit day”, in both places where it appears, substitute “IP completion day”;
- (f) in regulation 56(b), for “exit day” substitute “IP completion day”;
- (g) in regulation 64(a)(iii), for “exit day” substitute “IP completion day”;
- (h) in regulation 67—
  - (i) in paragraph (a)—
    - (aa) in sub-paragraph (ii), for “exit day”, in each of the three places where it appears, substitute “IP completion day”;
    - (bb) in sub-paragraph (viii), for “exit day” substitute “IP completion day”;
    - (cc) in sub-paragraph (x), for “exit day”, in both places where it appears, substitute “IP completion day”;

- (ii) in paragraph (c), for “exit day”, in both places where it appears, substitute “IP completion day”;
  - (i) in regulation 74(b), for “exit day” substitute “IP completion day”;
  - (j) in regulation 81(a)(iii), for “exit day” substitute “IP completion day”;
  - (k) in regulation 84(c), for “exit day”, in both places where it appears, substitute “IP completion day”;
  - (l) in regulation 88—
    - (i) in paragraph (a), for “exit day” substitute “IP completion day”;
    - (ii) in paragraph (b), for “exit day” substitute “IP completion day”;
  - (m) in regulation 95(b), for “exit day” substitute “IP completion day”.
- 4.** In Part 3—
  - (a) in regulation 97—
    - (i) in inserted Article A1, in the definition of “SE”, for “exit day” substitute “IP completion day”;
    - (ii) in inserted Article AA1—
      - (aa) in paragraph 1, for “exit day”, in each of the three places where it appears, substitute “IP completion day”;
      - (bb) in the opening words of paragraph 2, for “exit day” substitute “IP completion day”;
      - (cc) in paragraph 5, for “exit day”, in each of the three places where it appears, substitute “IP completion day”;
  - (b) in regulation 106(c)(ii), for “exit day” substitute “IP completion day”.
- 5.** In Part 4—
  - (a) in regulation 140, for “exit day”, in both places where it appears, substitute “IP completion day”;
  - (b) in regulation 141, for “exit day”, in both places where it appears, substitute “IP completion day”;
  - (c) in regulation 142—
    - (i) in paragraph (1), for “exit day”, in both places where it appears, substitute “IP completion day”;
    - (ii) in paragraph (2), for “exit day”, in each of the three places where it appears, substitute “IP completion day”;
  - (d) in regulation 143—
    - (i) in paragraph (1), for “exit day” substitute “IP completion day”;
    - (ii) in paragraph (2), for “exit day” substitute “IP completion day”;
  - (e) in regulation 144, for “exit day”, in each of the three places where it appears, substitute “IP completion day”;
  - (f) in regulation 145, for “exit day”, in both places where it appears, substitute “IP completion day”;
  - (g) in regulation 146(1)—
    - (i) in the opening words, for “exit day” substitute “IP completion day”;

- (ii) in paragraph (a), for “exit day”, in both places where it appears, substitute “IP completion day”;
- (iii) in paragraph (b), for “exit day” substitute “IP completion day”;
- (iv) in paragraph (c), for “exit day” substitute “IP completion day”;
- (h) in regulation 147, for “exit day”, in both places where it appears, substitute “IP completion day”;
- (i) in regulation 148, for “exit day” substitute “IP completion day”;
- (j) in regulation 149(c)—
  - (i) in sub-paragraph (iv), for “exit day” substitute “IP completion day”;
  - (ii) in sub-paragraph (v), for “exit day”, in both places where it appears, substitute “IP completion day”;
- (k) in regulation 153(1)—
  - (i) in the opening words, for “exit day” substitute “IP completion day”;
  - (ii) in paragraph (a), for “exit day”, in both places where it appears, substitute “IP completion day”;
  - (iii) in paragraph (b), for “exit day” substitute “IP completion day”;
  - (iv) in paragraph (c), for “exit day” substitute “IP completion day”;
- (l) in regulation 154, for “exit day”, in both places where it appears, substitute “IP completion day”;
- (m) in regulation 155, for “exit day” substitute “IP completion day”;
- (n) in regulation 156(c)—
  - (i) in sub-paragraph (iii)(aa), for “exit day” substitute “IP completion day”;
  - (ii) in sub-paragraph (iv), for “exit day”, in both places where it appears, substitute “IP completion day”.

## PART 3

### Amendments to the European Economic Interest Grouping (Amendment) (EU Exit) Regulations 2018

6. The European Economic Interest Grouping (Amendment) (EU Exit) Regulations 2018(4) are amended in accordance with this Part.
7. In Part 2, in regulation 9, in substituted regulation 9—
- (a) in paragraph (1), for “exit day”, in both places where it appears, substitute “IP completion day”;
  - (b) in paragraph (2), for “exit day” substitute “IP completion day”;
  - (c) in paragraph (3), for “exit day” substitute “IP completion day”;
  - (d) in paragraph (4)(b), for “exit day” substitute “IP completion day”;
  - (e) in paragraph (6), for “exit day”, in both places where it appears, substitute “IP completion day”;
  - (f) in paragraph (7), for “exit day”, in both places where it appears, substitute “IP completion day”;

(g) in paragraph (9), for “exit day” substitute “IP completion day”.

**8.** In Part 3—

(a) in regulation 33, in substituted Article 1—

(i) in paragraph 1, for “exit day”, in each of the three places where it appears, substitute “IP completion day”;

(ii) in paragraph 2(b), for “exit day” substitute “IP completion day”;

(iii) in paragraph 4, for “exit day”, in both places where it appears, substitute “IP completion day”;

(iv) in paragraph 5, for “exit day” substitute “IP completion day”;

(b) in regulation 34, in paragraph 3(b) of inserted Article 1A, for “exit day” substitute “IP completion day”;

(c) in regulation 38(c), for “exit day”, in both places where it appears, substitute “IP completion day”;

(d) in regulation 46, in paragraph 2 of substituted Article 13, for “exit day” substitute “IP completion day”.

## PART 4

### Amendments to the Accounts and Reports (Amendment) (EU Exit) Regulations 2019

**9.** The Accounts and Reports (Amendment) (EU Exit) Regulations 2019<sup>(5)</sup> are amended in accordance with this Part.

**10.** In regulation 1(2)(b), for “exit day” substitute “IP completion day”.

**11.** In regulation 7—

(a) in paragraph (1), for “exit day” substitute “IP completion day”;

(b) in paragraph (3), for “exit day” substitute “IP completion day”.

**12.** In Schedule 3—

(a) in paragraph 31(b), for “exit day” substitute “IP completion day”;

(b) in paragraph 37, in paragraph (1) of inserted regulation 12ZA, for “exit day” substitute “IP completion day”.

## PART 5

### Amendments to the Statutory Auditors and Third Country Auditors (Amendment) (EU Exit) Regulations 2019

**13.** The Statutory Auditors and Third Country Auditors (Amendment) (EU Exit) Regulations 2019<sup>(6)</sup> are amended in accordance with this Part.

**14.** In Part 2—

(a) in regulation 5(c), for “exit day” substitute “IP completion day”;

(b) in regulation 6—

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<sup>(5)</sup> [S.I. 2019/145](#). This instrument is amended by [S.I. 2019/685](#), [2019/1392](#).

<sup>(6)</sup> [S.I. 2019/177](#). This instrument is amended by [S.I. 2019/1392](#), [2020/108](#), [2020/335](#).

- (i) in paragraph (a), in paragraph (a) of the substituted definition of “audit committee”, for “exit day” substitute “IP completion day”;
- (ii) in paragraph (c)(iii), for “exit day” substitute “IP completion day”;
- (c) in regulation 8(a)(iii), for “exit day” substitute “IP completion day”;
- (d) in regulation 11(b)(ii), for “exit day” substitute “IP completion day”;
- (e) in regulation 28(7)—
  - (i) before paragraph (a), insert—
    - “(za) in sub-paragraph (1)(a), for “an EEA auditor” substitute “a third country auditor”;
    - (zb) in sub-paragraph (1)(aa), for “an EEA auditor” substitute “a third country auditor”;
    - (zc) in sub-paragraph (1)(b), omit “which is not an EEA auditor”;
  - (ii) for paragraph (a), substitute—
    - “(a) omit sub-paragraph (1)(c);”;
  - (iii) after paragraph (d), insert—
    - “(da) in sub-paragraph (2C)(a), for “another EEA State” substitute “an EEA State”;
  - (iv) omit paragraph (e);
- (f) for regulation 29, substitute—
  - “**29.** In paragraph 7 (holding of appropriate qualification)—
    - (a) for sub-paragraph (2)(a), substitute—
      - “(a) in relation to an individual, to that individual’s—
        - (i) holding an appropriate qualification, or
        - (ii) being a third country auditor and meeting the requirements of paragraph 6(1)(aa)(ii) or 6(1A);”;
      - (b) omit sub-paragraph (2)(b)(ii) and the “or” before it.”;
- (g) in regulation 30(b), for “exit day” substitute “IP completion day”;
- (h) in regulation 32(d)(iii), for “exit day” substitute “IP completion day”;
- (i) in regulation 38, for “exit day” substitute “IP completion day”;
- (j) in regulation 40, for “exit day” substitute “IP completion day”.

**15.** In Part 3—

- (a) in regulation 51—
  - (i) in paragraph (a)(ii), for “exit day” substitute “IP completion day”;
  - (ii) in paragraph (b)(i), for “exit day” substitute “IP completion day”;
- (b) in regulation 61(c)(ii), for “exit day” substitute “IP completion day”;
- (c) in regulation 66(d)(iii), for “exit day” substitute “IP completion day”;
- (d) in regulation 68(a), for “exit day” substitute “IP completion day”;
- (e) in regulation 70(a), for “exit day” substitute “IP completion day”;
- (f) in regulation 71(d)(i), for “exit day” substitute “IP completion day”.

16. In Part 4, in regulation 100(f), for “exit day” substitute “IP completion day”.
17. In Schedule 1—
- (a) in paragraph 1(1), for “exit day”, in both places where it appears, substitute “IP completion day”;
  - (b) in paragraph 2(1), for “exit day” substitute “IP completion day”.
18. In Schedule 2, in paragraph 1(1), for “exit day”, in both places where it appears, substitute “IP completion day”.
19. In Schedule 4—
- (a) in the opening words of paragraph 1(8), for “exit day” substitute “IP completion day”;
  - (b) in paragraph 2—
    - (i) in the opening words, for “exit day”, substitute “IP completion day”;
    - (ii) in sub-paragraph (a), for “exit day”, substitute “IP completion day”;
  - (c) in paragraph 3, for “exit day” substitute “IP completion day”.

## PART 6

### Amendments to the Companies, Limited Liability Partnerships and Partnerships (Amendment etc.) (EU Exit) Regulations 2019

20. Schedule 4 of the Companies, Limited Liability Partnerships and Partnerships (Amendment etc.) (EU Exit) Regulations 2019(9) is amended as follows—
- (a) in paragraph 1—
    - (i) in the opening words, for “exit day” substitute “IP completion day”;
    - (ii) in sub-paragraph (a), for “exit day” substitute “IP completion day”;
    - (iii) in sub-paragraph (b), for “exit day” substitute “IP completion day”;
  - (b) in paragraph 2—
    - (i) in sub-paragraph (1), for “exit day” substitute “IP completion day”;
    - (ii) in sub-paragraph (2), for “exit day” substitute “IP completion day”;
    - (iii) in sub-paragraph (3), for “exit day” substitute “IP completion day”;
    - (iv) in sub-paragraph (4), for “exit day”, in both places where it appears, substitute “IP completion day”;
  - (c) in paragraph 3—
    - (i) in sub-paragraph (1), for “exit day” substitute “IP completion day”;
    - (ii) in sub-paragraph (2), for “exit day” substitute “IP completion day”;
  - (d) in paragraph 4—
    - (i) in sub-paragraph (1), for “exit day” substitute “IP completion day”;
    - (ii) in sub-paragraph (2), for “exit day” substitute “IP completion day”;
    - (iii) in sub-paragraph (4), for “exit day” substitute “IP completion day”;
    - (iv) in sub-paragraph (5), for “exit day” substitute “IP completion day”;

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(8) Paragraph 1 of Schedule 4 is amended by [S.I. 2020/108](#).

(9) [S.I. 2019/348](#).

- (e) in paragraph 5—
  - (i) in sub-paragraph (1), for “exit day” substitute “IP completion day”;
  - (ii) in sub-paragraph (2), for “exit day”, in both places where it appears, substitute “IP completion day”.

## PART 7

### Amendments to the International Accounting Standards and European Public Limited-Liability Company (Amendment etc.) (EU Exit) Regulations 2019

**21.** The International Accounting Standards and European Public Limited-Liability Company (Amendment etc.) (EU Exit) Regulations 2019<sup>(10)</sup> are amended in accordance with this Part.

**22.** In Part 1, in regulation 1—

- (a) in paragraph (3), for “exit day” substitute “IP completion day”;
- (b) in paragraph (4), for “exit day” substitute “IP completion day”.

**23.** In Part 2—

- (a) in the heading to Chapter 2, for “exit day” substitute “IP completion day”;
- (b) in regulation 4, for “exit day”, in the heading and the two other places where it appears, substitute “IP completion day”;
- (c) in regulation 20(2), for “exit day” substitute “IP completion day”.

**24.** In regulation 23(d), for “exit day” substitute “IP completion day”.

**25.** In Schedule 1—

- (a) in paragraph 63(2)<sup>(11)</sup>, in substituted point (3)(a) of Article 3—
  - (i) in point (i), for “exit day” substitute “IP completion day”;
  - (ii) in point (iii), for “exit day”, in both places where it appears, substitute “IP completion day”;
- (b) in paragraph 64—
  - (i) in sub-paragraph (2), for “exit day” substitute “IP completion day”;
  - (ii) in sub-paragraph (4), for “exit day” substitute “IP completion day”;
  - (iii) in sub-paragraph (5), for “exit day”, in both places where it appears, substitute “IP completion day”;
- (c) in paragraph 65—
  - (i) in sub-paragraph (2), for “exit day” substitute “IP completion day”;
  - (ii) in sub-paragraph (4) for “exit day” substitute “IP completion day”;
  - (iii) in sub-paragraph (5)(c), for “exit day”, in both places where it appears, substitute “IP completion day”;
- (d) in paragraph 66—
  - (i) in sub-paragraph (2), for “exit day” substitute “IP completion day”;
  - (ii) in sub-paragraph (4), for “exit day” substitute “IP completion day”;

<sup>(10)</sup> S.I. 2019/685. This instrument is amended by S.I. 2019/1392 and 2020/335.

<sup>(11)</sup> Paragraph 63 is amended by S.I. 2019/1416.



- (iii) in sub-paragraph (5), for “exit day”, in both places where it appears, substitute “IP completion day”;
- (e) in paragraph 67—
  - (i) in sub-paragraph (2), for “exit day” substitute “IP completion day”;
  - (ii) in sub-paragraph (4), for “exit day” substitute “IP completion day”;
  - (iii) in sub-paragraph (5), for “exit day”, in both places where it appears, substitute “IP completion day”.
- 26.** In Schedule 3—
  - (a) in paragraph 2, for “exit day” substitute “IP completion day”;
  - (b) in paragraph 11—
    - (i) in sub-paragraph (1), for “exit day”, in each of the three places where it appears, substitute “IP completion day”;
    - (ii) in sub-paragraph (3)(b), for “exit day” substitute “IP completion day”;
  - (c) in paragraph 15, in paragraph (1) of inserted regulation 152A, for “exit day” substitute “IP completion day”;
  - (d) in paragraph 17, in paragraph (1) of inserted regulation 159A, for “exit day” substitute “IP completion day”.

## PART 8

### Amendments to the Statutory Auditors, Third Country Auditors and International Accounting Standards (Amendment) (EU Exit) Regulations 2019

- 27.** Regulation 6 of the Statutory Auditors, Third Country Auditors and International Accounting Standards (Amendment) (EU Exit) Regulations 2019 is amended as follows—
  - (a) after the words “the individual” insert “is an EEA auditor who”;
  - (b) for “31 December 2020”, in both places where it appears, substitute “IP completion day”.

18th May 2020

*Callanan*  
Parliamentary Under Secretary of State  
Department for Business, Energy and Industrial  
Strategy

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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations make consequential provisions in exercise of the power in section 41(1) of the European Union (Withdrawal Agreement) Act 2020 (c. 1) (“the 2020 Act”).

Regulations 2 to 29 amend a number of references to exit day in legislation made as a consequence of exiting the European Union, which were related to the regulation of companies and other legal entities, and in particular auditing and accounts. Those provisions being amended here will come into force on IP completion day by operation of paragraph 1 of Schedule 5 to the 2020 Act. The amendments made by this instrument ensure that their effects begin from IP completion day rather than from exit day.

Paragraphs (e) and (f) of regulation 14 make amendments to the Statutory Auditors and Third Country Auditors (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/177), which amend Schedule 10 to the Companies Act 2006 (c. 46). The changes made by this instrument provide that from IP completion day, auditors from EEA States will cease to count automatically towards the requisite majority ownership of audit firms, and will be eligible for appointment as a statutory auditor under the same conditions as those of other countries.

A full impact assessment has not been produced for this instrument, as no, or no significant, impact on the private, voluntary or public sector is foreseen.