

*These notes refer to the Companies Act 2006 (c.46)  
which received Royal Assent on 8 November 2006*

# COMPANIES ACT 2006

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## EXPLANATORY NOTES

### COMMENTARY

#### **Part 16: Audit**

#### ***Chapter 4: Removal, Resignation, Etc of Auditors***

#### ***Section 524: Information to be given to accounting authorities***

803. This section sets out the duty of the audit authorities to give the accounting authorities information about auditors' departure, and the power, if they think it right to do so, to pass on the statements which they receive from departing auditors under the section 522 or from companies under section 523. The accounting authorities are the Secretary of State and anyone the Secretary of State has authorised under Part 15 to apply to the court in respect of the revision of defective accounts. At present this is the Financial Reporting Review Panel, part of the Financial Reporting Council organisation.
804. *Subsection (3)* deals with the situation where the same body is both an audit authority and an accounting authority. If an accounting authority receives a statement that the court has determined need not be circulated to members, then *subsection (4)* provides that it must treat the statement as confidential, in the same way that authorities have to treat information obtained under compulsory powers under Part 15.