



Companies Act 2006

2006 CHAPTER 46

PART 16

AUDIT

^{F1}CHAPTER 4

REMOVAL, RESIGNATION, ETC OF AUDITORS

Statement by auditor on ceasing to hold office

521 Copy of statement to be sent to registrar

[^{F1}(A1) This section applies where an auditor (“A”) of a company sends a statement to the company under section 519 except where—

- (a) the company is a non-public interest company, and
- (b) the statement includes a statement to the effect that A considers that none of the reasons for A's ceasing to hold office, and no matters (if any) connected with A's ceasing to hold office, need to be brought to the attention of members or creditors of the company (as required by section 519(3B)).]

- (1) [^{F2}Where this section applies, unless] within 21 days beginning with the day on which he [^{F3}sent] the statement under section 519 the auditor receives notice of an application to the court under section 520, he must within a further seven days send a copy of the statement to the registrar.
- (2) If an application to the court is made under section 520 and the auditor subsequently receives notice under subsection (5) of that section, he must within seven days of receiving the notice send a copy of the statement to the registrar.
- (3) An auditor who fails to comply with subsection (1) or (2) commits an offence.

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- (4) In proceedings for such an offence it is a defence for the person charged to show that he took all reasonable steps and exercised all due diligence to avoid the commission of the offence.
- (5) A person guilty of an offence under this section is liable—
- (a) on conviction on indictment, to a fine;
 - (b) on summary conviction, to a fine not exceeding the statutory maximum.
- [^{F4}(6) Where an offence under this section is committed by a body corporate, every officer of the body who is in default also commits the offence. For this purpose—
- (a) any person who purports to act as director, manager or secretary of the body is treated as an officer of the body, and
 - (b) if the body is a company, any shadow director is treated as an officer of the company.]

Textual Amendments

- F1** S. 521(A1) inserted (1.10.2015) by [Deregulation Act 2015 \(c. 20\)](#), s. 115(7), **Sch. 5 para. 8(2)**; S.I. 2015/1732, art. 2(d) (with arts. 46)
- F2** Words in s. 521(1) substituted (1.10.2015) by [Deregulation Act 2015 \(c. 20\)](#), s. 115(7), **Sch. 5 para. 8(3)**; S.I. 2015/1732, art. 2(d) (with arts. 46)
- F3** Word in s. 521(1) substituted (1.10.2015) by [Deregulation Act 2015 \(c. 20\)](#), s. 115(7), **Sch. 5 para. 20**; S.I. 2015/1732, art. 2(d) (with arts. 46)
- F4** S. 521(6) added (6.4.2008) by [The Companies Act 2006 \(Consequential Amendments etc\) Order 2008 \(S.I. 2008/948\)](#), art. 3(1), **Sch. 1 para. 248** (with arts. 6, 11, 12)

Modifications etc. (not altering text)

- C1** Ss. 484-539 applied (with modifications) (1.10.2009) by [The Unregistered Companies Regulations 2009 \(S.I. 2009/2436\)](#), regs. 3-5, **Sch. 1 para. 11** (with transitional provisions and savings in regs. 7, 9, Sch. 2)
- C2** Ss. 519-526 applied (with modifications) (1.10.2008) by [The Limited Liability Partnerships \(Accounts and Audit\) \(Application of Companies Act 2006\) Regulations 2008 \(S.I. 2008/1911\)](#), **reg. 46**; (as amended (with effect in accordance with reg. 2(5)(a) of the amending S.I.) by [The Statutory Auditors Regulations 2017 \(S.I. 2017/1164\)](#), reg. 1(2)(3), **Sch. 3 para. 19** (with reg. 2(6)(7)); (31.12.2020) by [The Statutory Auditors and Third Country Auditors \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/177\)](#), regs. 2, **53**; 2020 c. 1, **Sch. 5 para. 1(1)**); and (6.5.2021) by [The Supervision of Accounts and Reports \(Prescribed Body\) and Companies \(Defective Accounts and Reports\) \(Authorised Person\) Order 2021 \(S.I. 2021/465\)](#), arts. 1(2), **6(5)** (with art. 9))

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Act amendment to earlier affecting provision S.I. 1989/638, Sch. 4 by [S.I. 2024/410 Sch. 2 para. 1](#)
- Act amendment to earlier affecting provision S.I. 2008/373 reg. 11(1) by [S.I. 2013/1971 reg. 9\(a\)](#) (This amendment not applied to legislation.gov.uk. Amending Regulations revoked (1.10.2013) without ever being in force by S.I. 2013/2224, reg. 2)
- Act amendment to earlier affecting provision S.I. 2008/373 reg. 3(4) by [S.I. 2013/1971 reg. 4](#) (This amendment not applied to legislation.gov.uk. Amending Regulations revoked (1.10.2013) without ever being in force by S.I. 2013/2224, reg. 2)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 479A(2)(c)(zi) inserted by [S.I. 2019/177 reg. 4\(b\)\(i\)](#) (This amendment not applied to legislation.gov.uk. Reg. 4 substituted by regs. 4, 4A immediately before IP completion day by S.I. 2019/1392, regs. 1(2), 4)
- s. 479B(a)(iii) amendment to earlier affecting provision S.I.2008/1991 reg.34 by [S.R. 2024/78 reg. 31\(4\)](#)
- s. 479B(a)(iii) amendment to earlier affecting provision S.I.2008/1991 reg.34A by [S.R. 2024/78 reg. 31\(5\)](#)
- s. 1087A-1807C applied by S.I. 2009/2436, Sch. 1 para. 20(1)(ca) (as substituted) by [S.I. 2024/410 Sch. 2 para. 5\(d\)\(ii\)](#)
- Sch. 10 para. 6(2D) inserted by [S.I. 2019/177 reg. 28\(e\)](#) (This amendment not applied to legislation.gov.uk. Reg. 28(e) omitted immediately before IP completion day by virtue of S.I. 2020/523, regs. 1(2), 14(e)(iv))
- Sch. 10 para. 7(2A) inserted by [S.I. 2019/177 reg. 29\(b\)](#) (This amendment not applied to legislation.gov.uk. Reg. 29 substituted immediately before IP completion day by S.I. 2020/523, regs. 1(2), 14(f))