
STATUTORY INSTRUMENTS

2008 No. 1911

**The Limited Liability Partnerships (Accounts and Audit)
(Application of Companies Act 2006) Regulations 2008**

PART 12

FUNCTIONS OF AUDITOR

Duties and rights of auditors

40. Sections 498 to 502 ^{M1} apply to LLPs, modified so that they read as follows—

“Duties of auditor

498.—(1) An LLP's auditor, in preparing his report, must carry out such investigations as will enable him to form an opinion as to—

- (a) whether adequate accounting records have been kept by the LLP and returns adequate for their audit have been received from branches not visited by him, and
 - (b) whether the LLP's individual accounts are in agreement with the accounting records and returns.
- (2) If the auditor is of the opinion—
- (a) that adequate accounting records have not been kept, or that returns adequate for their audit have not been received from branches not visited by him, or
 - (b) that the LLP's individual accounts are not in agreement with the accounting records and returns,

the auditor shall state that fact in his report.

(3) If the auditor fails to obtain all the information and explanations which, to the best of his knowledge and belief, are necessary for the purposes of his audit, he shall state that fact in his report.

(4) If the members of the LLP have prepared accounts in accordance with the small LLPs regime and in the auditor's opinion they were not entitled so to do, the auditor shall state that fact in his report.

[^{F1}(5) Where more than one person is appointed as auditor, the report must include a statement as to whether all the persons appointed agree on the statements given under subsections (2) to (5) and, if they cannot agree on those statements, the report must include the opinions of each person appointed and give reasons for the disagreement.]

Auditor's general right to information

499.—(1) An auditor of an LLP—

- (a) has a right of access at all times to the LLP's books, accounts and vouchers (in whatever form they are held), and

- (b) may require any of the following persons to provide him with such information or explanations as he thinks necessary for the performance of his duties as auditor.
- (2) Those persons are—
 - (a) any member or employee of the LLP;
 - (b) any person holding or accountable for any of the LLP's books, accounts or vouchers;
 - (c) any subsidiary undertaking of the LLP which is a body corporate incorporated in the United Kingdom;
 - (d) any officer, employee or auditor of any such subsidiary undertaking or any person holding or accountable for any books, accounts or vouchers of any such subsidiary undertaking;
 - (e) any person who fell within any of paragraphs (a) to (d) at a time to which the information or explanations required by the auditor relates or relate.
- (3) A statement made by a person in response to a requirement under this section may not be used in evidence against him in criminal proceedings except proceedings for an offence under section 501.
- (4) Nothing in this section compels a person to disclose information in respect of which a claim to legal professional privilege (in Scotland, to confidentiality of communications) could be maintained in legal proceedings.

Auditor's right to information from overseas subsidiaries

- 500.**—(1) Where a parent LLP has a subsidiary undertaking that is not a body corporate incorporated in the United Kingdom, the auditor of the parent LLP may require it to obtain from any of the following persons such information or explanations as he may reasonably require for the purposes of his duties as auditor.
- (2) Those persons are—
 - (a) the undertaking;
 - (b) any officer, employee or auditor of the undertaking;
 - (c) any person holding or accountable for any of the undertaking's books, accounts or vouchers;
 - (d) any person who fell within paragraph (b) or (c) at a time to which the information or explanations relates or relate.
 - (3) If so required, the parent LLP must take all such steps as are reasonably open to it to obtain the information or explanations from the person concerned.
 - (4) A statement made by a person in response to a requirement under this section may not be used in evidence against him in criminal proceedings except proceedings for an offence under section 501.
 - (5) Nothing in this section compels a person to disclose information in respect of which a claim to legal professional privilege (in Scotland, to confidentiality of communications) could be maintained in legal proceedings.

Auditor's right to information: offences

- 501.**—(1) A person commits an offence who knowingly or recklessly makes to an auditor of an LLP a statement (oral or written) that—

- (a) conveys or purports to convey any information or explanations which the auditor requires, or is entitled to require, under section 499, and
 - (b) is misleading, false or deceptive in a material particular.
- (2) A person guilty of an offence under subsection (1) is liable—
- (a) on conviction on indictment, to imprisonment for a term not exceeding two years or a fine (or both);
 - (b) on summary conviction—
 - (i) in England and Wales, to imprisonment for a term not exceeding twelve months or to a fine not exceeding the statutory maximum (or both);
 - (ii) in Scotland or Northern Ireland, to imprisonment for a term not exceeding six months or to a fine not exceeding the statutory maximum (or both).
- (3) A person who fails to comply with a requirement under section 499 without delay commits an offence unless it was not reasonably practicable for him to provide the required information or explanations.
- (4) If a parent LLP fails to comply with section 500, an offence is committed by—
- (a) the LLP, and
 - (b) every member of the LLP who is in default.
- (5) A person guilty of an offence under subsection (3) or (4) is liable on summary conviction to a fine not exceeding level 3 on the standard scale.
- (6) Nothing in this section affects any right of an auditor to apply for an injunction (in Scotland, an interdict or an order for specific performance) to enforce any of his rights under section 499 or 500.

Auditor's rights in relation to meetings

- 502.**—(1) An LLP's auditor is entitled—
- (a) to receive all notices of, and other communications relating to, any meeting which a member of the LLP is entitled to receive, where any part of the business of the meeting concerns them as auditors,
 - (b) to attend any meeting of the LLP where any part of the business of the meeting concerns them as auditors, and
 - (c) to be heard at any meeting which he attends on any part of the business of the meeting which concerns him as auditor.
- (2) Where the auditor is a firm, the right to attend or be heard at a meeting is exercisable by an individual authorised by the firm in writing to act as its representative at the meeting.”

Textual Amendments

- F1** Words in reg. 40 inserted (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. 14** (with reg. 2(6)(7))

Marginal Citations

- M1** Section 498 was amended by regulation 6(10) of [S.I. 2008/393](#) in manner not relevant to these Regulations.

Changes to legislation:

There are currently no known outstanding effects for the The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, Section 40.