

SCHEDULE 1

AMENDMENTS COMING INTO FORCE ON 6TH APRIL 2008

PART 1

AMENDMENTS ABOUT ELIGIBILITY FOR APPOINTMENT AS AUDITOR AND RELATED MATTERS

References to eligibility under section 25 of the Companies Act 1989 or Article 28 of the Companies (Northern Ireland) Order 1990

1. In the following provisions⁽¹⁾, for “company auditor under section 25 of the Companies Act 1989” substitute “statutory auditor under Part 42 of the Companies Act 2006”—

- (a) section 7(2A) of the Industrial Organisation and Development Act 1947⁽²⁾ (accounts of development councils);
- (b) paragraph 66 of the British Wool Marketing Scheme 1950 (accounts of Wool Marketing Board)⁽³⁾;
- (c) section 24(2) of the Transport Act 1962⁽⁴⁾ (accounts of transport boards);
- (d) section 13(2) of the Hairdressers (Registration) Act 1964⁽⁵⁾ (accounts of Hairdressers Registration Council);
- (e) section 21(5)(b) of the Cereals Marketing Act 1965⁽⁶⁾ (accounts of Home-Grown Cereals Authority);
- (f) paragraph 13 of Schedule 1 to the Teaching Council (Scotland) Act 1965⁽⁷⁾ (accounts of Teaching Council);
- (g) section 12(2) of the Universities (Scotland) Act 1966⁽⁸⁾ (accounts of universities);
- (h) section 19(3) of the Agriculture Act 1967⁽⁹⁾ (accounts of Meat and Livestock Commission);
- (i) section 39(3) of the New Towns (Scotland) Act 1968⁽¹⁰⁾ (accounts of development corporation);
- (j) section 7(1) of the Friendly and Industrial and Provident Societies Act 1968⁽¹¹⁾ (qualified auditors);
- (k) section 14(2) of the Transport Act 1968⁽¹²⁾ (accounts of passenger transport executive), as it has effect in Scotland and Northern Ireland;

(1) The provisions referred to in sub-paragraphs (a) to (jj) and (ll) to (pp) of paragraph 1 have all been substituted or inserted, or had words substituted or inserted, by the Schedule to the Companies Act 1989 (Eligibility for Appointment as Company Auditor) (Consequential Amendments) Regulations 1991 (S.I. 1991/1997). Subsequent footnotes note where those provisions have also been amended by other legislation.

(2) 1947 c.40.

(3) S.I. 1950/1326.

(4) 1962 c.46; section 24(2) has been amended by the Scotland Act 1998 (Cross-Border Public Authorities) (Adaptation of Functions etc) (No. 2) Order 2000 (S.I. 2000/3251), Schedule 2, Part II, paragraphs 2(1) and (15).

(5) 1964 c.89.

(6) 1965 c.14.

(7) 1965 c.19.

(8) 1966 c.13.

(9) 1967 c.22.

(10) 1968 c.16.

(11) 1968 c.55; section 7(1) has been amended by the Financial Services and Markets Act 2000 (Mutual Societies) Order 2001 (S.I. 2001/2617), Schedule 3, paragraphs 246 and 250(a).

(12) 1968 c.73.

Status: This is the original version (as it was originally made).

- (l) paragraph 19(2) of Schedule 4 to the Hallmarking Act 1973**(13)** (accounts of British Hallmarking Council);
- (m) section 97(7)(a) of the Local Government (Scotland) Act 1973**(14)** (appointment by Accounts Commission for Scotland);
- (n) section 36(1) of the Friendly Societies Act 1974**(15)** (qualified auditors);
- (o) paragraph 12(2) of Schedule 1 to the Farriers (Registration) Act 1975**(16)** (accounts of Farriers Registration Council);
- (p) paragraph 14 of the Schedule to the Theatres Trust Act 1976**(17)** (accounts of Theatres Trust);
- (q) section 17(8) of the Aircraft and Shipbuilding Industries Act 1977**(18)** (accounts of British Shipbuilders);
- (r) article 10(3) of the Sheffield Assay Office Order 1978**(19)** (accounts of the Guardians of the Standard of Wrought Plate within the Town of Sheffield);
- (s) section 22(6) of the Crown Agents Act 1979**(20)** as applied by paragraph 20 of Schedule 5 to that Act (accounts of Crown Agents Holding and Realisation Board);
- (t) article 12(3) of the Edinburgh Assay Office Order 1979**(21)** (accounts of the Incorporation of Goldsmiths of the City of Edinburgh);
- (u) section 111(3) of the Education (Scotland) Act 1980**(22)** (accounts of educational endowments);
- (v) paragraph 11(2) of Schedule 31 to the Local Government, Planning and Land Act 1980**(23)** (accounts of urban development corporations);
- (w) section 10(2) of the Licensing (Alcohol Education and Research) Act 1981**(24)** (accounts of liquidator and of Alcohol Education and Research Council);
- (x) section 68(2) of the New Towns Act 1981**(25)** (accounts of Commission for New Towns);
- (y) section 8(2) of the Industrial Training Act 1982**(26)** (accounts of industrial training boards);
- (z) section 15(2)(a) of the Civil Aviation Act 1982**(27)** (accounts of Civil Aviation Authority);
- (aa) section 9(2) of the Duchy of Cornwall Management Act 1982**(28)** (accounts of the Duchy of Cornwall);
- (bb) section 5(5) of the Agricultural Marketing Act 1983**(29)** (accounts of Food from Britain);

(13) 1973 c.43.

(14) 1973 c.65.

(15) 1974 c.46; section 36(1) has been repealed in relation to registered friendly societies and registered branches of such societies by the Friendly Societies Act 1992 (c.40), Schedule 16, paragraph 12.

(16) 1975 c.35.

(17) 1976 c.27.

(18) 1977 c.3.

(19) S.I. 1978/639.

(20) 1979 c.43.

(21) S.I. 1979/1587.

(22) 1980 c.44; section 111(3) has been repealed in part by the Education (Scotland) Act 1981 (c.58), Schedule 9.

(23) 1980 c.65.

(24) 1981 c.28.

(25) 1981 c.64.

(26) 1982 c.10.

(27) 1982 c.16; section 15(2) was substituted by the Civil Aviation Authority (Auditing of Accounts) Order 1984 (S.I. 1984/65), article 3.

(28) 1982 c.47.

(29) 1983 c.3; section 5(5) has been amended by the Government Resources and Accounts Act 2000 (Audit of Public Bodies) Order 2003 (S.I. 2003/1326), article 13(1) and (4).

- (cc) paragraph 12(6)(a) of Schedule 3 to the National Heritage Act 1983**(30)** (accounts of the Historic Buildings and Monuments Commission for England);
- (dd) paragraph 18(3) of Schedule 1 to the Medical Act 1983**(31)** (accounts of the General Medical Council);
- (ee) section 4(2) of the Ports (Finance) Act 1985**(32)** (accounts of certain harbour authorities);
- (ff) in the Administration of Justice Act 1985**(33)**—
 - (i) section 22(4) (accounts kept by licensed conveyancers);
 - (ii) paragraph 11(2) of Schedule 3 (accounts kept by the Council of Licensed Conveyancers);
- (gg) paragraph 9(5) of Schedule 3 to the Oil and Pipelines Act 1985**(34)** (accounts of the Oil and Pipelines Agency);
- (hh) section 51(2) of the Housing Act 1985**(35)** (service charges: certification of information about costs);
 - (ii) section 97(6) of the Housing Associations Act 1985**(36)** (accounts of Housing Corporation);
- (jj) section 28(2) of the Landlord and Tenant Act 1985**(37)** (service charges: certification of information about costs);
- (kk) in the Education Reform Act 1988**(38)**—
 - (i) section 124B(6)(a)**(39)** (accounts of higher and further education corporations);
 - (ii) paragraph 18(5)(a) of Schedule 7**(40)** (accounts of higher education corporations);
- (ll) paragraph 11(2) of Schedule 8 to the Housing Act 1988**(41)** (accounts of Housing Action Trusts);
- (mm) section 32(3) of the Opticians Act 1989**(42)** (accounts of General Optical Council);
- (nn) article 10(3) of the Birmingham Assay Office Order 1989**(43)** (accounts of the Guardians of the Standard of Wrought Plate in Birmingham);
- (oo) paragraph 9(4) of Schedule 5 to the Courts and Legal Services Act 1990**(44)** (accounts of the Authorised Conveyancing Practitioners Board);
- (pp) in the Broadcasting Act 1990**(45)**—
 - (i) paragraph 12(3) of Schedule 3 (accounts of Channel Four Television Corporation);
 - (ii) paragraph 12(3) of Schedule 6 (accounts of Welsh Authority);

(30) 1983 c.47.

(31) 1983 c.54.

(32) 1985 c.30.

(33) 1985 c.61; section 22(4) has been substituted by the Legal Services Act 2007 (c.29), Schedule 17, paragraphs 1 and 11(b) with effect from a date to be appointed.

(34) 1985 c.62.

(35) 1985 c.68; section 51(2) has been repealed in relation to dwellings let on long leases by the Landlord and Tenant Act 1987 (c.31), section 41(2).

(36) 1985 c.69.

(37) 1985 c.70.

(38) 1988 c.40.

(39) Section 124B was inserted by the Further and Higher Education Act 1992 (c.13), section 71(1). Section 124B(6) has been amended by the Public Audit (Wales) Act 2004 (c.23), Schedule 2, paragraph 9(1) and (4).

(40) Paragraph 18(5) was substituted by the Further and Higher Education Act 1992 (c.13), Schedule 8, paragraph 59(b).

(41) 1988 c.50.

(42) 1989 c.44.

(43) S.I. 1989/900.

(44) 1990 c.41; Schedule 5 has been repealed by the Legal Services Act 2007 (c.29), Schedule 21, paragraphs 83 and 100(b) with effect from a date to be appointed.

(45) 1990 c.42.

Status: This is the original version (as it was originally made).

- (iii) paragraph 11(3) of Schedule 19 (accounts of Gaelic Media Service);
- (qq) in the Trade Union and Labour Relations (Consolidation) Act 1992~~(46)~~—
 - (i) section 30(4) (access to accounting records of trade union);
 - (ii) section 34(1) (eligibility for appointment as auditor of trade union);
- (rr) section 69(1) of the Charities Act 1993~~(47)~~ (investigation of charity accounts);
- (ss) section 46(2)(a) of the Environment Act 1995~~(48)~~ (accounts of Environment Agency);
- (tt) regulation 60(1)(b)(iv) of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001~~(49)~~ (conditions for excluded funeral plan contracts);
- (uu) section 14(4)(a) of the Public Audit (Wales) Act 2004~~(50)~~ (accounts of local government bodies in Wales);
- (vv) paragraph 14(2)(a) of Schedule 8 to the Government of Wales Act 2006~~(51)~~ (Auditor General for Wales).

2. In the following provisions~~(52)~~, for “company auditor under Article 28 of the Companies (Northern Ireland) Order 1990” substitute “statutory auditor under Part 42 of the Companies Act 2006”—

- (a) section 10(1) of the Pig Production Development Act (Northern Ireland) 1964~~(53)~~ (accounts of Pig Production Development Fund);
- (b) section 41(1) of the Industrial and Provident Societies Act (Northern Ireland) 1969~~(54)~~ (accounts of industrial and provident societies);
- (c) Article 20(3) of the Legal Aid, Advice and Assistance (Northern Ireland) Order 1981~~(55)~~ (accounts of legal aid fund);
- (d) Article 46(1) of the Credit Unions (Northern Ireland) Order 1985~~(56)~~ (accounts of credit unions);
- (e) the definition of “qualified accountant” in Article 2(2) of the Betting, Gaming, Lotteries and Amusements (Northern Ireland) Order 1985~~(57)~~;
- (f) Article 10(2) of the Horse Racing (Northern Ireland) Order 1990~~(58)~~ (accounts of Governor and Freemen of the Corporation of Horse Breeders, in the County of Down and of the Downpatrick Race Club);
- (g) paragraph 6 of Schedule 1 to the Industrial Relations (Northern Ireland) Order 1992~~(59)~~ (accounts of trade unions and employers’ associations).

3. In the following provisions, for “company auditor under section 25 of the Companies Act 1989 or Article 28 of the Companies (Northern Ireland) Order 1990” substitute “statutory auditor under Part 42 of the Companies Act 2006”—

~~(46)~~ 1992 c.52.

~~(47)~~ 1993 c.10; section 69(1) has been amended by the Charities Act 2006 (c.50), Schedule 8, paragraphs 96 and 154(1) and (2).

~~(48)~~ 1995 c.25; section 46 has been repealed so far as relating to the Scottish Environment Protection Agency by the Public Finance Accountability (Scotland) Act 2000 (asp 1), Schedule 4, paragraph 13(1) and (2).

~~(49)~~ S.I. 2001/544.

~~(50)~~ 2004 c.23.

~~(51)~~ 2006 c.32.

~~(52)~~ The provisions referred to in paragraph 2 have all been substituted, or had words substituted, by the Schedule to the Companies Act 1989 (Eligibility for Appointment as Company Auditor) (Consequential Amendments) Regulations 1991 (S.I. 1991/1997).

~~(53)~~ 1964 c.25 (N.I.).

~~(54)~~ 1969 c.24 (N.I.).

~~(55)~~ S.I. 1981/228 (N.I. 8).

~~(56)~~ S.I. 1985/1205 (N.I. 12).

~~(57)~~ S.I. 1985/1204 (N.I. 11).

~~(58)~~ S.I. 1990/1508 (N.I. 12).

~~(59)~~ S.I. 1992/807 (N.I. 5).

- (a) section 2C(3) of the Dentists Act 1984(60) (accounts of the General Dental Council);
- (b) section 40(3) of the Osteopaths Act 1993(61) (accounts of General Osteopathic Council);
- (c) section 41(3) of the Chiropractors Act 1994(62) (accounts of General Chiropractic Council).

Industrial and Provident Societies Act 1965 (c.12)

4. In Schedule 1 to the Industrial and Provident Societies Act 1965 (matters to be provided for in society’s rules), in paragraph 10(63) (appointment of auditors) after “requirements of” insert “Part 42 of the Companies Act 2006 or”.

Friendly and Industrial and Provident Societies Act 1968 (c.55)

5. In section 8(2)(b) of the Friendly and Industrial and Provident Societies Act 1968(64) (industrial and provident societies: restrictions on appointment of auditors), for “by virtue of section 27 of the Companies Act 1989 ineligible for appointment as auditor” substitute “prohibited by section 1214 of the Companies Act 2006 (independence requirement) from acting as statutory auditor”.

Industrial and Provident Societies Act (Northern Ireland) 1969 (c.24) (N.I.)

6. In section 42(1)(e) of the Industrial and Provident Societies Act (Northern Ireland) 1969(65) (industrial and provident societies: restrictions on appointment of auditors), for “by virtue of Article 30 of the Companies (Northern Ireland) Order 1990 ineligible for appointment as auditor” substitute “prohibited by section 1214 of the Companies Act 2006 (independence requirement) from acting as statutory auditor”.

National Trust Act 1971 (c.vi)

7. In section 22 of the National Trust Act 1971 (accounts of the National Trust), in the proviso, for the words from “shall not be qualified” to the end substitute “is not eligible for appointment under this section unless eligible for appointment as a statutory auditor under Part 42 of the Companies Act 2006”.

Estate Agents Act 1979 (c.38)

8.—(1) Section 14 of the Estate Agents Act 1979(66) (keeping of client accounts) is amended as follows.

(2) In subsection (6), for paragraphs (a) and (b) substitute “eligible for appointment as a statutory auditor under Part 42 of the Companies Act 2006”.

(3) In subsection (7), for “ineligible for appointment as auditor to the company by virtue of Part II of the Companies Act 1989 or Part III of the Companies (Northern Ireland) Order 1990”

(60) 1984 c.24; section 2C was inserted by the Dentists Act 1984 (Amendment) Order 2005 (S.I. 2005/2011), article 5.

(61) 1993 c.21.

(62) 1994 c.17.

(63) Paragraph 10 was amended by the Friendly and Industrial and Provident Societies Act 1968 (c.55), Schedule 1, paragraph 12.

(64) Section 8(2)(b) was substituted by the Schedule to the Companies Act 1989 (Eligibility for Appointment as Company Auditor) (Consequential Amendments) Regulations 1991 (S.I. 1991/1997), paragraph 20(3)(b).

(65) Section 42(1)(e) was inserted by the Schedule to the Companies (1990 Order) (Eligibility for Appointment as Company Auditor) (Consequential Amendments) Regulations (Northern Ireland) 1993 (S.R. (NI) 1993 No 67), paragraph 4.

(66) Section 14(6) and (7) were substituted by the Schedule to the Companies 1990 Order (Eligibility for Appointment as Company Auditor) (Consequential Amendments) Regulations 1991 (S.I. 1991/1997), paragraph 33: they have been amended by the Schedule to the Companies (1990 Order) (Eligibility for Appointment as Company Auditor) (Consequential Amendments) Regulations (Northern Ireland) 1993 (S.R. (NI) 1993 No 67), paragraph 9.

substitute “prohibited from acting as statutory auditor of the company by virtue of section 1214 of the Companies Act 2006 (independence requirement)”.

Civic Government (Scotland) Act 1982 (c.45)

9. In section 29(10) of the Civic Government (Scotland) Act 1982 (metal dealers’ exemption warrants: interpretation), in the definition of “auditor”, for “qualified under section 161 of the Companies Act 1948 for appointment as auditor of a company within the meaning of that Act” substitute “eligible for appointment as a statutory auditor under Part 42 of the Companies Act 2006”.

Administration of Justice Act 1985 (c.61)

10.—(1) In Schedule 6 to the Administration of Justice Act 1985(**67**) (bodies recognised under section 32), paragraph 15 (application of rules relating to accounts) is amended as follows.

(2) In sub-paragraph (1), for the words from “is a member” to the end substitute “is eligible for appointment as a statutory auditor under Part 42 of the Companies Act 2006”.

(3) In sub-paragraph (2), for “is not qualified to act as auditor” substitute “would be prohibited by section 1214 of that Act (independence requirement) from acting as statutory auditor”.

Transport Act 1985 (c.67)

11.—(1) The Transport Act 1985(**68**) is amended as follows.

(2) In section 76(1) (audit of accounts of public transport companies in England and Wales), for “being eligible for such appointment in accordance with Part II of the Companies Act 1989” substitute “meeting the requirements of Part 42 of the Companies Act 2006 (statutory auditors)”.

(3) In section 77(2) (audit of accounts of public transport companies in Scotland), for “being eligible for such appointment in accordance with Part II of the Companies Act 1989” substitute “meeting the requirements of Part 42 of the Companies Act 2006 (statutory auditors)”.

Airports Act 1986 (c.31)

12.—(1) The Airports Act 1986(**69**) is amended as follows.

(2) In section 22(5) (audit of accounts of public airport company in England and Wales), for “being eligible for such appointment in accordance with Part II of the Companies Act 1989” substitute “meeting the requirements of Part 42 of the Companies Act 2006 (statutory auditors)”.

(3) In section 23(2) (audit of accounts of public airport authority company in Scotland), for “being eligible for such appointment in accordance with Part II of the Companies Act 1989” substitute “meeting the requirements of Part 42 of the Companies Act 2006 (statutory auditors)”.

Building Societies Act 1986 (c.53)

13.—(1) Section 77 of the Building Societies Act 1986 (auditors) is amended as follows.

(2) In the heading, omit “, qualifications”.

(3) For subsection (2) substitute—

(67) Schedule 6 has been repealed by the Legal Services Act 2007 (c.29), Schedule 17, paragraph 32(1) and (17) with effect from a date to be appointed.

(68) Sections 76(1) and 77(2) have been amended by the Schedule to the Companies Act 1989 (Eligibility for Appointment as Company Auditor) (Consequential Amendments) Regulations 1991 (S.I. 1991/1997), paragraph 57.

(69) Sections 22(5) and 23(2) have been amended by the Schedule to the Companies Act 1989 (Eligibility for Appointment as Company Auditor) (Consequential Amendments) Regulations 1991 (S.I. 1991/1997), paragraph 63 and the Public Audit (Wales) Act 2004 (c.23), Schedule 2, paragraph 7.

“(2) Schedule 11 to this Act has effect as regards the appointment, resignation and removal of auditors.”.

(4) After that subsection insert—

“(3) Appointment as auditor of a building society is an appointment as a statutory auditor to which the provisions of Part 42 of the Companies Act 2006 apply.”.

14. In Schedule 11 to the Building Societies Act 1986 (auditors)—

- (a) in the heading, omit “, qualifications”;
- (b) omit paragraph 5(70).

Friendly Societies Act 1992 (c.40)

15.—(1) Section 78A of the Friendly Societies Act 1992(71) (interpretation of Part 6: accounts and audit) is amended as follows.

(2) In subsection (1), at the appropriate place insert—

““the Audit Directive” means Directive 2006/43/EC of the European Parliament and of the Council on statutory audits of annual accounts and consolidated accounts, amending Council Directives 78/660/EEC and 83/349/EEC and repealing Council Directive 84/253/EEC (as to friendly societies to which the Directive applies, see subsection (3) below);”;

(3) After subsection (2) insert—

“(3) References in this Part to a friendly society to which the Audit Directive applies are to a friendly society that is an insurance undertaking within the meaning given by Article 2.1 of Council Directive 1991/674/EEC on the annual accounts and consolidated accounts of insurance undertakings.”.

16.—(1) Schedule 14 to the Friendly Societies Act 1992 (auditors: appointment, tenure, qualifications and remuneration) is amended as follows.

(2) After paragraph 3 insert—

“Appointments to which the Audit Directive applies

3A.—(1) Appointment as auditor of a friendly society to which the Audit Directive applies is an appointment as a statutory auditor to which the provisions of Part 42 of the Companies Act 2006 apply.

(2) The following provisions of this Schedule do not apply in that case—

- (a) paragraphs 4 and 5 (eligibility for appointment),
- (b) paragraph 6 (appointment of partnership),
- (c) paragraph 7 (cases in which auditor need not be a member of a recognised supervisory body), and
- (d) paragraph 8 (effect of ineligibility).”.

(70) Paragraph 5 has been amended by the Schedule to the Companies Act 1989 (Eligibility for Appointment as Company Auditor) (Consequential Amendments) Regulations 1991 (S.I. 1991/1997), paragraph 65, the Companies Act 1989 Part II (Consequential Amendment) (No. 2) Regulations 1995 (S.I. 1995/2723), regulation 2, the Building Societies Act 1997 (c.32), Schedule 7, paragraph 61 and the Financial Services and Markets Act 2000 (Mutual Societies) Order 2001 (S.I. 2001/2617), Schedule 3, paragraphs 131 and 206.

(71) Section 78A was inserted by the Schedule to the Friendly Societies Act 1992 (International Accounting Standards and Other Accounting Amendments) Order 2005 (S.I. 2005/2211), paragraph 3; Schedule 14 has been amended in respects which are not relevant to this Order.

Status: This is the original version (as it was originally made).

(3) In paragraph 4(3), in the definition of “recognised supervisory body” for “Part II of the Companies Act 1989 or Part III of the Companies (Northern Ireland) Order 1990” substitute “Part 42 of the Companies Act 2006”.

(4) In paragraph 5(1), for “ineligible by virtue of section 27(1)(a) or (b) of the Companies Act 1989 or Article 20(1) of the Companies (Northern Ireland) Order 1990 for appointment as a company auditor” substitute “prohibited by section 1214(2) of the Companies Act 2006 (independence requirement) from acting as statutory auditor”.

Charities Act 1993 (c.10)

17. For section 43(2)(a) of the Charities Act 1993(72) (audit of charity accounts) substitute—

“(a) is eligible for appointment as a statutory auditor under Part 42 of the Companies Act 2006;”.

Leasehold Reform, Housing and Urban Development Act 1993 (c.28)

18.—(1) Schedule 18 to the Leasehold Reform, Housing and Urban Development Act 1993 (finances of Urban Regeneration Agency) is amended as follows.

(2) In paragraph 10(2) (qualification for appointment of auditor)—

(a) in paragraph (a), for “company auditor under Part II of the Companies Act 1989” substitute “statutory auditor under Part 42 of the Companies Act 2006”;

(b) for paragraph (b)(73), substitute—

“(b) if the appointment were an appointment as a statutory auditor, he would not be prohibited from acting by section 1214 of that Act (independence requirement).”.

Environment Act 1995 (c.25)

19. For section 46(2)(b) of the Environment Act 1995(74) (appointment to audit accounts of Environment Agency), substitute—

“(b) if the appointment were an appointment as a statutory auditor, he would not be prohibited from acting by virtue of section 1214 of that Act (independence requirement).”.

Housing Act 1996 (c.52)

20. In Schedule 1 to the Housing Act 1996 (registered social landlords), for paragraph 18(4B)(75) substitute—

“(4B) In sub-paragraphs (4) and (4A) “qualified auditor” means a person who—

(a) is eligible for appointment as a statutory auditor under Part 42 of the Companies Act 2006, and

(b) if the appointment were an appointment as a statutory auditor, would not be prohibited from acting by virtue of section 1214 of that Act (independence requirement).”.

(72) Section 43(2)(a) was substituted by the Charities Act 2006 (c.50), section 28(1) and (3).

(73) Paragraph 10(2)(b) has been amended by the Companies Act 2006 (Commencement No. 3, Consequential Amendments, Transitional Provisions and Savings) Order 2007 (S.I. 2007/2194 (C. 84)), Schedule 4, paragraph 83.

(74) Section 46 has been repealed so far as relating to the Scottish Environment Protection Agency by the Public Finance Accountability (Scotland) Act 2000 (asp 1), Schedule 4, paragraph 13(1) and (2); subsection (2)(b) has been amended by the Companies Act 2006 (Commencement No. 3, Consequential Amendments, Transitional Provisions and Savings) Order 2007 (S.I. 2007/2194 (C. 84)), Schedule 4, paragraph 87.

(75) Paragraph 18(4B) was inserted by the Housing Act 2004 (c.34), Schedule 11, paragraphs 7 and 20.

Occupational Pension Schemes (Scheme Administration) Regulations 1996 (S.I. 1996/1715)

21. In regulation 4 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 (qualifications for appointment as auditor etc)—

(a) for paragraph (1)(a)(i) substitute—

“(i) eligibility for appointment as a statutory auditor under Part 42 of the Companies Act 2006; or”;

(b) in paragraph (2)(d), for “section 27 of the Companies Act 1989, ineligible to audit the accounts” substitute “section 1214 of the Companies Act 2006, prohibited from acting as statutory auditor”.

Occupational Pension Schemes (Scheme Administration) Regulations (Northern Ireland) 1997 (S.R. (NI) 1997 No 94)

22. In regulation 4 of the Occupational Pension Schemes (Scheme Administration) Regulations (Northern Ireland) 1997 (qualifications for appointment as auditor etc)—

(a) for paragraph (1)(a)(i) substitute—

“(i) eligibility for appointment as a statutory auditor under Part 42 of the Companies Act 2006; or”;

(b) in paragraph (2)(d), for “Article 30 of the Companies (Northern Ireland) Order 1990, ineligible to audit the accounts” substitute “section 1214 of the Companies Act 2006, prohibited from acting as statutory auditor”.

Audit Commission Act 1998 (c.18)

23. In section 31(1)(b) of the Audit Commission Act 1998 (auditors of subsidiary of Passenger Transport Executive), for “qualified for the appointment under section 25 of the Companies Act 1989” substitute “eligible for the appointment under Part 42 of the Companies Act 2006”.

Greater London Authority Act 1999 (c.29)

24.—(1) Paragraph 8(5) of Schedule 18 to the Greater London Authority Act 1999 (accounts of London Transport Users’ Committee) is amended as follows.

(2) In paragraph (a), for “company auditor under Part II of the Companies Act 1989” substitute “statutory auditor under Part 42 of the Companies Act 2006”.

(3) For paragraph (b)(76), substitute—

“(b) if the appointment were an appointment as a statutory auditor, he would not be prohibited from acting by section 1214 of that Act (independence requirement).”.

Terrorism Act 2000 (c.11)

25.—(1) Paragraph 1 of Schedule 3A to the Terrorism Act 2000(77) (definition of business in the regulated sector) is amended as follows.

(2) For sub-paragraph (1)(j) substitute—

(76) Paragraph 8(5)(b) was amended by the Companies Act 2006 (Commencement No. 3, Consequential Amendments, Transitional Provisions and Savings) Order 2007 (S.I. 2007/2194 (C. 84)), Schedule 4, paragraph 91.

(77) Schedule 3A was inserted by the Anti-terrorism, Crime and Security Act 2001 (c.24), Schedule 2, paragraph 5(1); Part 1 of that Schedule was substituted by the Terrorism Act 2000 (Business in the Regulated Sector and Supervisory Authorities) Order 2007 (S.I. 2007/3288), article 2.

“(j) the carrying on of statutory audit work within the meaning of section 1210 of the Companies Act 2006 (meaning of “statutory auditor” etc) by any firm or individual who is a statutory auditor within the meaning of Part 42 of that Act (statutory auditors);”.

Political Parties, Elections and Referendums Act 2000 (c.41)

26. In section 160(1) of the Political Parties, Elections and Referendums Act 2000⁽⁷⁸⁾ (general interpretation), in the definition of “qualified auditor”, for paragraph (a) substitute—

“(a) a person who is eligible for appointment as a statutory auditor under Part 42 of the Companies Act 2006;”.

Public Finance and Accountability (Scotland) Act 2000 (asp 1)

27. In section 21 of the Public Finance and Accountability (Scotland) Act 2000 (audit), in subsection (5)(a), for “eligible for appointment as a company auditor under section 25 of the Companies Act 1989” substitute “eligible for appointment as a statutory auditor under Chapter 2 of Part 42 of the Companies Act 2006”.

Open-Ended Investment Companies Regulations 2001 (S.I. 2001/1228)

28.—(1) Schedule 5 to the Open-Ended Investment Companies Regulations 2001 (auditors) is amended as follows.

(2) In paragraph 1, for “also eligible under section 25 of the Companies Act 1989 for appointment as a company auditor” substitute “eligible for appointment as a statutory auditor under Part 42 of the Companies Act 2006”.

(3) For paragraph 2(3) substitute—

“(3) A person is also ineligible for appointment if there exists between that person, or any associate of that person, and the company a connection of any such description as may be specified by regulations made by the Secretary of State under section 1214(4) of the Companies Act 2006.

(4) In sub-paragraph (3) “associate” has the same meaning as in Part 42 of that Act (see section 1260 of that Act).

(5) The power of the Secretary of State to make regulations under section 1214(4) of that Act for the purposes of subsection (1) of that section in relation to statutory auditors is exercisable, subject to the same conditions, for the purposes of sub-paragraph (3) above in relation to auditors of open-ended investment companies.”.

Education (QCA Levy) Regulations 2002 (S.I. 2002/435)

29. In regulation 8(4) of the Education (QCA Levy) Regulations 2002 (submission of auditor’s certificate), in the closing words, for “eligible by virtue of section 25 of the Companies Act 1989 for appointment as a company auditor” substitute “eligible for appointment as a statutory auditor under Part 42 of the Companies Act 2006”.

Communications Act 2003 (c.21)

30.—(1) The Communications Act 2003 is amended as follows.

(2) In section 67 (subject matter of universal services conditions), for subsection (9) substitute—

⁽⁷⁸⁾ Section 160(1) has been amended by the Schedule to the European Parliamentary Elections (Combined Region and Campaign Expenditure) (United Kingdom and Gibraltar) Order 2004 (S.I. 2004/366), paragraph 31(a).

“(9) In this section “qualified auditor” means a person who—

- (a) is eligible for appointment as a statutory auditor under Part 42 of the Companies Act 2006, and
- (b) if the appointment to carry out such auditing as is mentioned in subsection (5) were an appointment as a statutory auditor, would not be prohibited from acting by section 1214 of that Act (independence requirement).”

(3) In section 77 (imposition of privileged supplier conditions), in subsection (9) for the definition of “qualified auditor” substitute—

““qualified auditor” means a person who—

- (a) is eligible for appointment as a statutory auditor under Part 42 of the Companies Act 2006, and
- (b) if the appointment to carry out such auditing as is mentioned in subsection (3)(b) were an appointment as a statutory auditor, would not be prohibited from acting by section 1214 of that Act (independence requirement);”

(4) In section 91 (conditions about regulation of services etc for end-users), for subsection (8) substitute—

“(8) In this section “qualified auditor” means a person who—

- (a) is eligible for appointment as a statutory auditor under Part 42 of the Companies Act 2006, and
- (b) if the appointment to carry out such auditing as is mentioned in subsection (6)(b) were an appointment as a statutory auditor, would not be prohibited from acting by section 1214 of that Act (independence requirement).”

Companies (Audit, Investigations and Community Enterprise) Act 2004 (c.27)

31. In section 43(2) of the Companies (Audit, Investigations and Community Enterprise) Act 2004(79) (qualification of auditor), for the words from “as a company auditor” to the end substitute “as a statutory auditor under Part 42 of the Companies Act 2006”.

Open-Ended Investment Companies Regulations (Northern Ireland) 2004 (S.R. (NI) 2004 No 335)

32.—(1) Schedule 5 to the Open-Ended Investment Companies Regulations (Northern Ireland) 2004 (auditors) is amended as follows.

(2) In paragraph 1, for “also eligible under Article 28 of the Companies (Northern Ireland) Order 1990 for appointment as a company auditor” substitute “eligible for appointment as a statutory auditor under Part 42 of the Companies Act 2006”.

(3) For paragraph 2(3) substitute—

“(3) A person is also ineligible for appointment if there exists between that person, or any associate of that person, and the company a connection of any such description as may be specified by regulations made by the Secretary of State under section 1214(4) of the Companies Act 2006.

(4) In sub-paragraph (3) “associate” has the same meaning as in Part 42 of that Act (see section 1260 of that Act).

(79) Section 43(2) has been amended by the Companies Act 2006 (Commencement No. 2, Consequential Amendments, Transitional Provisions and Savings) Order 2007 (S.I. 2007/1093 (C. 49)), Schedule 4, paragraph 12(a).

Status: This is the original version (as it was originally made).

(5) The power of the Secretary of State to make regulations under section 1214(4) of that Act for the purposes of subsection (1) of that section in relation to statutory auditors is exercisable, subject to the same conditions, for the purposes of sub-paragraph (3) above in relation to auditors of open-ended investment companies.”.

Registered Pension Schemes (Audited Accounts) (Specified Persons) Regulations 2005 (S.I. 2005/3456)

33. For regulation 2(a) of the Registered Pension Schemes (Audited Accounts) (Specified Persons) Regulations 2005 (specified descriptions of persons in relation to the audit of registered pension scheme accounts) substitute—

“(a) a person eligible for appointment as a statutory auditor under Part 42 of the Companies Act 2006; and”.

Government of Wales Act 2006 (c.32)

34. In paragraph 21(6) of Schedule 8 to the Government of Wales Act 2006, in paragraph (a) of the definition of “accountancy body”, for “Part 2 of the Companies Act 1989” substitute “Part 42 of the Companies Act 2006”.

Charities Accounts (Scotland) Regulations 2006 (S.S.I. 2006/218)

35. In regulation 10(2) of the Charities Accounts (Scotland) Regulations (annual accounts of charity), for “eligible to act as an auditor in terms of section 25 of the Companies Act 1989” substitute “eligible for appointment as a statutory auditor under Part 42 of the Companies Act 2006”.

European Grouping of Territorial Co-operation Regulations 2007 (S.I. 2007/1949)

36. For regulation 6(5) of the European Grouping of Territorial Co-operation Regulations 2007 substitute—

“(5) The auditor of a UK EGTC must be a person who—

- (a) is eligible for appointment as a statutory auditor under Part 42 of the Companies Act 2006, and
- (b) if the appointment were an appointment as a statutory auditor, would not be prohibited from acting by section 1214 of that Act (independence requirement).”.