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STATUTORY INSTRUMENTS

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**1990 No. 1504**

**The Companies (No. 2) (Northern Ireland) Order 1990**

**PART IV**

**OTHER AMENDMENTS OF COMPANY LAW**

*Appointment and removal of auditors and related matters*

**Remuneration of auditors**

**56.** The following Articles are inserted in Chapter V of Part XII of the Companies Order (auditors)—

*“Remuneration of auditors*

**Remuneration of auditors**

**398A.**—(1) The remuneration of auditors appointed by the company in general meeting shall be fixed by the company in general meeting or in such manner as the company in general meeting may determine.

(2) The remuneration of auditors appointed by the directors or the Department shall be fixed by the directors or the Department, as the case may be.

(3) There shall be stated in a note to the company’s annual accounts the amount of the remuneration of the company’s auditors in their capacity as such.

(4) For the purposes of this Article “remuneration” includes sums paid in respect of expenses.

(5) This Article applies in relation to benefits in kind as to payments in cash, and in relation to any such benefit references to its amount are to its estimated money value.

The nature of any such benefit shall also be disclosed.

**Remuneration of auditors or their associates for non-audit work**

**398B.**—(1) The Department may make provision by regulations for securing the disclosure of the amount of any remuneration received or receivable by a company’s auditors or their associates in respect of services other than those of auditors in their capacity as such.

(2) The regulations may—

- (a) provide that “remuneration” includes sums paid in respect of expenses,
- (b) apply in relation to benefits in kind as to payments in cash, and in relation to any such benefit require disclosure of its nature and its estimated money value,
- (c) define “associate” in relation to an auditor,

- (d) require the disclosure of remuneration in respect of services rendered to associated undertakings of the company, and
  - (e) define “associated undertaking” for that purpose.
- (3) The regulations may require the auditors to disclose the relevant information in their report or require the relevant information to be disclosed in a note to the company’s accounts and require the auditors to supply the directors of the company with such information as is necessary to enable that disclosure to be made.”