
DRAFT STATUTORY INSTRUMENTS

2018 No.

**The Statutory Auditors and Third Country Auditors
(Amendment) (EU Exit) Regulations 2018**

PART 2

Amendment of primary legislation

CHAPTER 4

Amendment of other primary legislation

Amendment of the Companies (Audit, Investigations and Community Enterprise) Act 2004

43. In section 16 (grants to bodies concerned with accounting standards etc)—

(a) after subsection (2)(ea)(1), insert—

“(eb) assessing, and reporting to the Secretary of State on, the comparability of the audit regulatory regimes of third countries to the audit regulatory regime of the United Kingdom;

(ec) assessing, and reporting to the Secretary of State on, the adequacy of third country competent authorities, in relation to their ability to co-operate with the competent authority on the exchange of audit working papers and investigation reports;”;

(b) in subsection (5)—

(i) after the definition of “accountancy functions” insert—

““audit regulatory regime” in relation to a country or territory, means the system of public oversight, quality assurance, investigations and sanctions for auditors in that country or territory;”;

(ii) after the definition of “company”(2) insert—

““the competent authority” means the Financial Reporting Council Limited(3);”;

(iii) after the definition of “subsidiary”(4) insert—

““third country” means a country or territory other than the United Kingdom;
“third country competent authority” means a body established in a third country exercising functions related to the regulation or oversight of auditors.”.

(1) Sub-section (2)(ea) was inserted by paragraph 1(3) of Schedule 5 to [S.I. 2016/649](#).

(2) The definition of “company” was amended by paragraph 222(2) of Schedule 1 to [S.I. 2009/1941](#).

(3) A company registered in England and Wales with number 02486368.

(4) The definition of “subsidiary” was amended by paragraph 222(3) of Schedule 1 to [S.I. 2009/1941](#).