
DRAFT STATUTORY INSTRUMENTS

2018 No.

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

PART 3

Amendment of subordinate legislation

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

51. In Part 11 (appointment of auditors)—

- (a) in regulation 38A (the maximum engagement period)(1), in the modified section 494ZA—
 - (i) in subsection (5)(a)(ii), for “Article 16(3) and (4) of the Audit Regulation” substitute “section 485B(4)”;
 - (ii) in subsection (5)(b), after “Audit Regulation” insert “as it had effect immediately before exit day”;
- (b) in regulation 38B (interpretation)(2), in the modified section 494A—
 - (i) for the definition of “audit committee” substitute—

““audit committee” means a body which performs—

 - (a) the functions referred to in—
 - (i) rule 7.1.3 of the Disclosure Guidance and Transparency Rules sourcebook made by the Financial Conduct Authority(3) (audit committees and their functions) under the Financial Services and Markets Act 2000(4), or
 - (ii) rule 2.4 of the Audit Committee Part of the Rulebook made by the Prudential Regulation Authority(5) under that Act,
 - as they have effect on exit day, or
 - (b) equivalent functions.”;
 - (ii) in the definition of “public interest entity”—
 - (aa) in paragraph (a), for “regulated market” substitute “UK regulated market”;
 - (bb) in paragraph (b), for “other than one listed in Article 2 of [Directive 2013/36/EU](#) of the European Parliament and of the Council on access to the activity

(1) Regulation 38A was inserted by paragraph 12 of Schedule 3 to the Statutory Auditors Regulations 2017 (S.I. 2017/1164).
(2) Regulation 38B was inserted by paragraph 12 of Schedule 3 to the Statutory Auditors Regulations 2017 (S.I. 2017/1164).
(3) Sourcebooks made by the Financial Conduct Authority are available on <https://www.handbook.fca.org.uk/handbook> and copies of the rules referred to can be obtained from the Financial Conduct Authority, 12 Endeavour Square, London E20 1JN, where it is also available for inspection.
(4) 2000 c. 8. Part 9A was inserted by section 24(1) of the Financial Services Act 2012 (c. 21).
(5) The Rulebook is available on <http://www.prerulebook.co.uk> and copies of the rules referred to can be obtained from the Prudential Regulation Authority, 20 Moorgate, London EC2R 6DA, where it is also available for inspection.

of credit institutions and investment firms” substitute “which is a CRR firm within the meaning of Article 4(1)(2A) of that Regulation⁽⁶⁾”;
(iii) omit the definitions of “regulated market” and “transferable securities”.

(6) Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012, OJ No. L 176, 27.6.2013, p. 1.