
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 the Statutory Auditors and Third Country Auditors Regulations 2016

- 68.** In regulation 4 (general requirements of auditors)—
- (a) in paragraph (2)(b), after “European Commission” insert “, before exit day.”;
 - (b) after paragraph (2)(b), insert—
 - “(ba) any UK-adopted international standards adopted and imposed by the competent authority in accordance with paragraph (3)(za).”;
 - (c) in paragraph (3), after “The competent authority may—” insert—
 - “(za) adopt and impose international auditing standards (“UK-adopted international standards”) where those standards—
 - (i) have been developed with proper due process, public oversight and transparency;
 - (ii) are generally accepted internationally;
 - (iii) contribute a high level of credibility and quality to accounts of audited persons;
 - (iv) contribute to the public good; and
 - (v) are consistent with the relevant requirements listed in regulation 5(11).”;
 - (d) in paragraphs (3)(a) and (b), for “Commission-adopted international standards” substitute “Commission-adopted or UK-adopted international standards”;
 - (e) in paragraph (3)(b)(ii), for “financial statements” substitute “accounts”;
 - (f) after paragraph (3), insert—
 - “(3A) The Secretary of State may by regulations amend the requirements set out in Articles 7, 8 and 18 of the Audit Regulation and in paragraphs 1 to 15 of Schedule 1 to these Regulations, for the purpose of ensuring that, where the competent authority wishes to adopt international auditing standards under regulation 4(3)(za), those requirements are consistent with the standards that the competent authority wishes to adopt.
 - (3B) Regulations made under paragraph (3A) must not be made unless a draft of the statutory instrument containing them has been laid before Parliament and approved by a resolution of each House of Parliament.”.