



Companies Act 1989

1989 CHAPTER 40

PART II

ELIGIBILITY FOR APPOINTMENT AS COMPANY AUDITOR

Eligibility for appointment

27 Ineligibility on ground of lack of independence.

- (1) A person is ineligible for appointment as company auditor of a company if he is—
- (a) an officer or employee of the company, or
 - (b) a partner or employee of such a person, or a partnership of which such a person is a partner,

or if he is ineligible by virtue of paragraph (a) or (b) for appointment as company auditor of any associated undertaking of the company.

For this purpose an auditor of a company shall not be regarded as an officer or employee of the company.

- (2) A person is also ineligible for appointment as company auditor of a company if there exists between him or any associate of his and the company or any associated undertaking a connection of any such description as may be specified by regulations made by the Secretary of State.

The regulations may make different provisions for different cases.

- (3) In this section “associated undertaking”, in relation to a company, means—
- (a) a parent undertaking or subsidiary undertaking of the company, or
 - (b) a subsidiary undertaking of any parent undertaking of the company.
- (4) Regulations under this section shall be made by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.

Status: Point in time view as at 01/10/1991. This version of this provision has been superseded.

Changes to legislation: There are currently no known outstanding effects for the Companies Act 1989, Section 27. (See end of Document for details)

Modifications etc. (not altering text)

- C1** S. 27 amended (6.1.1997) by S.I. 1996/2827, reg. 63, **Sch. 6 para. 2(3)**
- C2** S. 27 applied (temp. from 15.12.2007) by The Companies (Cross-Border Mergers) Regulations 2007 (S.I. 2007/2974), regs. 4(6), 9, **Sch. 1 para. 4(3)**

Commencement Information

- I1** S. 27 wholly in force at 1.10.1991 see s. 215 and S.I. 1991/1996, **art. 2(1)(a)**

Status:

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Changes to legislation:

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