



Companies Act 1989

1989 CHAPTER 40

PART II

ELIGIBILITY FOR APPOINTMENT AS COMPANY AUDITOR

Recognition of supervisory bodies and professional qualifications

31 Meaning of “appropriate qualification”

- (1) A person holds an appropriate qualification for the purposes of this Part if—
- (a) he was, by virtue of membership of a body recognised for the purposes of section 389(1)(a) of the Companies Act 1985, qualified for appointment as auditor of a company under that section immediately before 1st January 1990 and immediately before the commencement of section 25 above,
 - (b) he holds a recognised professional qualification obtained in the United Kingdom, or
 - (c) he holds an approved overseas qualification and satisfies any additional educational requirements applicable in accordance with section 33(4).
- (2) A person who, immediately before 1st January 1990 and immediately before the commencement of section 25 above, was qualified for appointment as auditor of a company under section 389 of the Companies Act 1985 otherwise than by virtue of membership of a body recognised for the purposes of section 389(1)(a)—
- (a) shall be treated as holding an appropriate qualification for twelve months from the day on which section 25 comes into force, and
 - (b) shall continue to be so treated if within that period he notifies the Secretary of State that he wishes to retain the benefit of his qualification.
- The notice shall be in writing and shall contain such information as the Secretary of State may require.
- (3) If a person fails to give such notice within the time allowed he may apply to the Secretary of State, giving such information as would have been required in connection with a notice, and the Secretary of State may, if he is satisfied—

Status: This is the original version (as it was originally enacted).

- (a) that there was good reason why the applicant did not give notice in time, and
 - (b) that the applicant genuinely intends to practise as an auditor in Great Britain,
- direct that he shall be treated as holding an appropriate qualification for the purposes of this Part.
- (4) A person who—
- (a) began before 1st January 1990 a course of study or practical training leading to a professional qualification in accountancy offered by a body established in the United Kingdom, and
 - (b) obtained that qualification on or after that date and before 1st January 1996,
- shall be treated as holding an appropriate qualification if the qualification is approved by the Secretary of State for the purposes of this subsection.
- (5) Approval shall not be given unless the Secretary of State is satisfied that the body concerned has or, as the case may be, had at the relevant time adequate arrangements to ensure that the qualification is, or was, awarded only to persons educated and trained to a standard equivalent to that required in the case of a recognised professional qualification.
- (6) A person shall not be regarded as holding an appropriate qualification for the purposes of this Part except in the above cases.