



Companies Act 2006

2006 CHAPTER 46

PART 42

STATUTORY AUDITORS

CHAPTER 6

SUPPLEMENTARY AND GENERAL

Interpretation

1261 Minor definitions

(1) In this Part, unless a contrary intention appears—

“address” means—

- (a) in relation to an individual, his usual residential or business address;
- (b) in relation to a firm, its registered or principal office in the United Kingdom;

[^{F1}“the Audit Directive” means Directive [2006/43/EC](#) of the European Parliament and of the Council on statutory audits of annual accounts and consolidated accounts, amending Council Directives [78/660/EEC](#) and [83/349/EEC](#) and repealing Council Directive [84/253/EEC](#), as amended at any time before 1st January 2009;]

[^{F2}“audit working papers” means any documents which—

- (a) are or have been held by a statutory auditor or a third country auditor, and
- (b) are related to the conduct of an audit conducted by that auditor;]

“company” means any company or other body the accounts of which must be audited in accordance with Part 16;

“director”, in relation to a body corporate, includes any person occupying in relation to it the position of a director (by whatever name called) and any person in accordance with whose directions or instructions (not being advice

Status: Point in time view as at 29/06/2008. This version of this provision has been superseded.

Changes to legislation: Companies Act 2006, Section 1261 is up to date with all changes known to be in force on or before 31 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

given in a professional capacity) the directors of the body are accustomed to act;

[^{F3}“EEA auditor” means an individual who is approved in accordance with the Audit Directive by an EEA competent authority to carry out audits of annual accounts or consolidated accounts required by Community law;]

[^{F4}“EEA competent authority” means a competent authority within the meaning of Article 2.10 of the Audit Directive of an EEA State other than the United Kingdom;]

“firm” means any entity, whether or not a legal person, which is not an individual and includes a body corporate, a corporation sole and a partnership or other unincorporated association;

“group”, in relation to a body corporate, means the body corporate, any other body corporate which is its holding company or subsidiary and any other body corporate which is a subsidiary of that holding company;

“holding company” and “subsidiary” are to be read in accordance with section 1159 and Schedule 6;

“officer”, in relation to a body corporate, includes a director, a manager, a secretary or, where the affairs of the body are managed by its members, a member;

“parent undertaking” and “subsidiary undertaking” are to be read in accordance with section 1162 and Schedule 7.

[^{F5}“third country” means a country or territory that is not an EEA State or part of an EEA State;]

[^{F6}“third country auditor” means a person, other than a person eligible for appointment as a statutory auditor, who is eligible to conduct audits of the accounts of bodies corporate incorporated or formed under the law of a third country in accordance with the law of that country;]

[^{F7}“third country competent authority” means a body established in a third country exercising functions related to the regulation or oversight of auditors;]

(2) For the purposes of this Part a body is to be regarded as “established in the United Kingdom” if and only if—

(a) it is incorporated or formed under the law of the United Kingdom or a part of the United Kingdom, or

(b) its central management and control are exercised in the United Kingdom;

and any reference to a qualification “obtained in the United Kingdom” is to a qualification obtained from such a body.

[^{F8}(2A) For the purposes of this Part, Gibraltar shall be treated as if it were an EEA State.]

(3) The Secretary of State may by regulations make such modifications of this Part as appear to him to be necessary or appropriate for the purposes of its application in relation to any firm, or description of firm, which is not a body corporate or a partnership.

(4) Regulations under subsection (3) are subject to negative resolution procedure.

Textual Amendments

F1 S. 1261(1): definition inserted (6.4.2008) by [The Statutory Auditors and Third Country Auditors Regulations 2007 \(S.I. 2007/3494\)](#), [reg. 2\(2\)](#)

Status: Point in time view as at 29/06/2008. This version of this provision has been superseded.

Changes to legislation: Companies Act 2006, Section 1261 is up to date with all changes known to be in force on or before 31 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- F2** S. 1261(1): definition inserted (6.4.2008) by The Statutory Auditors and Third Country Auditors Regulations 2007 (S.I. 2007/3494), **reg. 2(2)**
- F3** S. 1261(1): definition inserted (6.4.2008) by The Statutory Auditors and Third Country Auditors Regulations 2007 (S.I. 2007/3494), **reg. 2(2)**
- F4** S. 1261(1): definition inserted (6.4.2008) by The Statutory Auditors and Third Country Auditors Regulations 2007 (S.I. 2007/3494), **reg. 2(2)**
- F5** S. 1261(1): definition inserted (6.4.2008) by The Statutory Auditors and Third Country Auditors Regulations 2007 (S.I. 2007/3494), **reg. 2(2)**
- F6** S. 1261(1): definition inserted (6.4.2008) by The Statutory Auditors and Third Country Auditors Regulations 2007 (S.I. 2007/3494), **reg. 2(2)**
- F7** S. 1261(1): definition inserted (6.4.2008) by The Statutory Auditors and Third Country Auditors Regulations 2007 (S.I. 2007/3494), **reg. 2(2)**
- F8** S. 1261(2A) inserted (6.4.2008) by The Statutory Auditors and Third Country Auditors Regulations 2007 (S.I. 2007/3494), **reg. 2(3)**

Commencement Information

- I1** S. 1261 wholly in force at 6.4.2008; s. 1261 not in force at Royal Assent, see s. 1300; s. 1261 in force for specified purposes at 20.1.2007 by S.I. 2006/3428, **art. 3(3)** (subject to **art. 5**, **Sch. 1** and with **arts. 6, 8**, **Sch. 5**); s. 1261 in force at 6.4.2008 by S.I. 2007/3495, **art. 3(1)(u)** (with savings in **arts. 7, 12**, **Sch. 4 paras. 37-42**)

Status:

Point in time view as at 29/06/2008. This version of this provision has been superseded.

Changes to legislation:

Companies Act 2006, Section 1261 is up to date with all changes known to be in force on or before 31 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.