
STATUTORY INSTRUMENTS

2007 No. 3494

**The Statutory Auditors and Third
Country Auditors Regulations 2007**

PART 4

RECOGNISED SUPERVISORY BODIES

Professional integrity and independence

19.—(1) Paragraph 9 of Schedule 10 to the Companies Act 2006 (professional integrity and independence) is amended as follows.

(2) In sub-paragraph (1)(a), after “integrity” omit “and”.

(3) After sub-paragraph (1)(b) insert—

“(c) persons appointed as statutory auditors take steps to safeguard their independence from any significant threats to it,

(d) persons appointed as statutory auditors record any such threats and the steps taken to safeguard the proper conduct of the audit from them, and

(e) remuneration received or receivable by a statutory auditor in respect of statutory audit work is not—

(i) influenced or determined by the statutory auditor providing other services to the audited person, or

(ii) on a contingent fee basis.”.

(4) For sub-paragraph (3) substitute—

“(3) The body must also have adequate rules and practices designed to ensure that—

(a) no firm is eligible under its rules for appointment as a statutory auditor unless the firm has arrangements to prevent any person from being able to exert any influence over the way in which a statutory audit is conducted in circumstances in which that influence would be likely to affect the independence or integrity of the audit;

(b) any rule of law relating to the confidentiality of information received in the course of statutory audit work by persons appointed as statutory auditors is complied with; and

(c) a person ceasing to hold office as a statutory auditor makes available to his successor in that office all relevant information which he holds in relation to that office.”.

(5) For sub-paragraph (4) substitute—

“(4) The rules referred to in sub-paragraph (3)(b) (confidentiality of information) must apply to persons who are no longer members of the body as they apply to members and any

fine imposed in the enforcement of those rules shall be recoverable by the body as a debt due to it from the person obliged to pay it.”