These Regulations have been made in consequence of defects in S.I. 2007/3494 and are being issued free of charge to all known recipients of those Regulations.

STATUTORY INSTRUMENTS

2008 No. 499

COMPANIES

AUDITORS

The Statutory Auditors and Third Country Auditors (Amendment) Regulations 2008

Made - - - -	*26th February 2008*
Laid before Parliament	*3rd March 2008*
Coming into force - -	*5th April 2008*

The Secretary of State is a Minister designated(**1**) for the purposes of section 2(2) of the European Communities Act 1972(**2**) in relation to auditors and the audit of accounts.

In exercise of the powers conferred by section 2(2) of the European Communities Act 1972 and section 1239 of the Companies Act 2006(**3**), the Secretary of State makes the following Regulations.

1. These Regulations may be cited as the Statutory Auditors and Third Country Auditors (Amendment) Regulations 2008 and come into force on 5th April 2008.

2.—(1) The Statutory Auditors and Third Country Auditors Regulations 2007(**4**) are amended as follows.

(2) For regulation 1(3) substitute—

"(3) Regulations 32, 33 and 40(2)(b) to (d) come into force on 29th June 2008.".

(3) Omit regulation 7(2).

(4) For regulation 15(2) substitute—

"(2) Sections 1253D and 1253E of the Companies Act 2006 only apply to working papers for audits conducted by auditors appointed for financial years beginning on or after 6th April 2008.".

(**1**) S.I. 2007/1679.
(**2**) 1972 c.68.
(**3**) 2006 c.46; Part 42 is amended by S.I. 2007/3494.
(**4**) S.I. 2007/3494.

(5) In regulation 34, for "in relation to each third country auditor" in each of paragraphs (2) and (3) substitute "in relation to each registered third country auditor".

(6) In regulation 36(**5**), for "application under regulation 33" substitute "application under regulation 35".

Gareth Thomas
Parliamentary Under Secretary of State for Trade
and Consumer Affairs,
Department for Business, Enterprise and
Regulatory Reform

26th February 2008

(**5**) Regulation 36 consists of only one paragraph but is incorrectly designated "36(1)".

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations correct errors in the Statutory Auditors and Third Country Auditors Regulations 2007 ("SATCAR").

Regulation 1(3) of SATCAR purports to bring regulation 38(2)(b) to (d) of SATCAR into force on 29th June 2008. There is no paragraph (2)(b) to (d) of regulation 38: and it is paragraph (2)(b) to (d) of regulation 40 which should have been brought into force on 29th June 2008. Regulation 2(2) of these Regulations corrects that error.

Regulation 7(2) of SATCAR provides that new section 1223A of the Companies Act 2006, inserted by regulation 7(1) of SATCAR, applies only to "EEA auditors" (ie, auditors qualified elsewhere in the European Economic Area) appointed as statutory auditors for financial years beginning on or after 6th April 2008. Regulation 2(3) of these Regulations deletes regulation 7(2) of SATCAR, so that new section 1223A also applies to EEA auditors who have not been appointed as statutory auditors at all.

Regulation 15(1) of SATCAR introduces three new sections into the Companies Act 2006, about the transfer of audit working papers to countries outside the European Econimic Area. Regulation 15(2) provides that one of those new sections, 1253E, applies only to working papers for audits for financial years beginning on or after 6th April 2008. Regulation 2(4) of these Regulations provides that another of those new sections, 1253D, also applies only to working papers for audits for financial years beginning on or after 6th April 2008.

The opening words of regulation 34(2) and (3) of SATCAR are expressed so as to make provision for information in relation to third country auditors. Regulation 2(5) of these Regulations limits that provision to information in relation to registered third country auditors (ie, third country auditors registered under regulation 34 of SATCAR).

Regulation 36 of SATCAR incorrectly refers to application for registration as a third country auditor under regulation 33. The reference should have been to application under regulation 35. Regulation 2(6) of these Regulations corrects that error.