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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations delegate the responsibility for the adoption of international accounting standards for use within the United Kingdom from the Secretary of State to the UK Accounting Standards Endorsement Board (“the UK Endorsement Board”).

The UK Endorsement Board is defined in regulation 1(2). The Board’s full name is the UK Accounting Standards Endorsement Board, and it was established on 26th March 2021.

The responsibility for the adoption international accounting standards for use within the United Kingdom, and other related functions, was conferred on the Secretary of State by Chapter 3 of Part 2 of the International Accounting Standards and European Public Limited-Liability Company (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/685) (“the principal Regulations”). The principal Regulations enable the Secretary of State to delegate those functions to another body.

The responsibility for the adoption of international accounting standards for use within the United Kingdom is delegated to the UK Endorsement Board by regulation 2. Regulation 2 transfers the majority of the responsibilities and functions in Chapter 3 of Part 2 of the principal Regulations from the Secretary of State to the UK Endorsement Board. The functions in regulations 7(3) and 12 of the principal Regulations are not transferred. Regulation 2 also has the effect of designating the UK Endorsement Board under section 5 of the Freedom of Information Act 2000 (c. 36) (see regulation 13(3) of the principal Regulations).

Regulation 3 requires the UK Endorsement Board to keep proper records of any decisions it makes when exercising the functions which are transferred to that body by regulation 2. Regulation 4 exempts the UK Endorsement Board from liability in damages for anything done or omitted to be done in connection with the function of issuing accounting standards.

A full impact assessment has not been produced for this instrument as no, or no significant, impact on the private, voluntary or public sector is foreseen.