



GUERNSEY STATUTORY INSTRUMENT

2017 No. 103

**The Companies (Recognition of Auditors)
(Amendment) Regulations, 2017**

<i>Made</i>	<i>2nd November, 2017</i>
<i>Coming into operation</i>	<i>1st January, 2018</i>
<i>Laid before the States</i>	<i>, 2017</i>

THE COMMITTEE FOR ECONOMIC DEVELOPMENT, in exercise of the powers conferred on it by sections 274B(5), 274D(2), 274V, 535 and 538 of the Companies (Guernsey) Law, 2008^a ("**the Law**") and all other powers enabling it in that behalf, hereby makes the following Regulations:-

Amendment of the Law.

1. In section 274B(1) of the Law –

(a) for paragraph (a) substitute the following –

"(a) who under section 274E are auditors
eligible to be entered on the Register,

^a Order in Council No. VIII of 2008; amended by Ordinance No. XI of 2010, G.S.I. No. 39 of 2014, G.S.I. No. 84 of 2014; there are other amendments which are not material to these regulations.

- (ab) who under section 274EA are individuals eligible to be entered on the Register as responsible individuals, and,".
- (b) for the final paragraph of subsection (1) substitute the following "Persons entered on the Register of Recognised Auditors under paragraph (a) are **"recognised auditors"** for the purposes of this Part and accordingly eligible for appointment as auditor of a market traded company. Persons entered on the Register of Recognised Auditors under paragraph (ab) are **"responsible individuals"** for the purposes of this Part and are accordingly eligible for appointment as such."
- (c) after section 274E insert the following section –

"Individuals eligible to be responsible individuals.

274EA. An individual is eligible to be entered on the Register of Recognised Auditors as a responsible individual if that individual meets the requirements of 274G(2)."

- (d) after subsection 274F(2) insert the following subsection –

" (2A) With effect from 1 January 2018 an individual must not act as a responsible individual if that

individual is not registered as such on the Register of Recognised Auditors."

- (e) at the end of subsection 274G(1) insert the following words immediately before the full stop "and who is registered as such on the Register of Recognised Auditors",
- (f) in subsections 274P(1) and 274P(2) insert the following words after "the auditor", "or responsible individual, as the case may be,"
- (g) in paragraph 274P(1)(b) the word "auditor's" is deleted, and
- (h) in subsection 274Q(3) after the word "auditors", insert "or responsible individuals."

Amendment of Regulations.

2. The Companies (Recognition of Auditors) Regulations, 2010^b are amended as follows –

- (a) in regulation 3, for the sum "£1,000" substitute "£1,170", and
- (b) in regulation 4, for the sum "£750" substitute "£880".

^b G.S.I No. 34 of 2010 as amended by G.S.I No. 45 of 2010, G.S.I No. 39 of 2014 and G.S.I No. 18 of 2016.

Fee for registration of responsible individuals.

3. A responsible individual who applies to be entered on the Register of Recognised Auditors in accordance with section 274B(1) of the Law must pay an initial registration fee of £100.

Interpretation.

4. In these regulations -

"the Law" means the Companies (Guernsey) Law, 2008, as amended,

and all other words and phrases have the same meaning as given the Law unless the context otherwise requires.

Citation.

5. These regulations may be cited as the Companies (Recognition of Auditors) (Amendment) Regulations, 2017.

Commencement.

6. These regulations shall come into force on the 1st January, 2018.

Dated this 2nd day of November, 2017



DEPUTY P.T.R. FERBRACHE

President of the Committee for Economic Development

For and on behalf of the Committee

EXPLANATORY NOTE

(This note is not part of the regulations)

These regulations amend the Companies (Guernsey) Law, 2008 (as amended) to require individuals acting as 'responsible individuals' under section 274G of the Law to register as such on the Register of Recognised Auditors and make such additional ancillary amendments as are necessary to give effect to this change; these also amend Companies (Recognition of Auditors) Regulations to increase the fees payable by recognised auditors; the regulations also introduce a new fee for registration as a 'responsible individual'.

