

Disclosure of remuneration for audit, audit-related and non-audit work

322. (1) In this section—

“group auditor” means the statutory auditor carrying out the audit of group financial statements;

“remuneration” includes benefits in kind, reimbursement of expenses and other payments in cash.

(2) Subject to subsection (5), a company shall disclose in the notes to its entity financial statements relating to each financial year the following information:

(a) the remuneration for all work in each category specified in subsection (3) that was carried out—

(i) for the company,

(ii) in respect of that financial year,

by the statutory auditors of the company;

(b) the remuneration for all work in each category specified in subsection (3) that was carried out—

(i) for the company,

(ii) in respect of the preceding financial year,

by the statutory auditors of the company;

(c) where all or part of the remuneration referred to in paragraph (a) or (b) is in the form of a benefit in kind, the nature and estimated monetary value of the benefit.

(3) Remuneration shall be disclosed under subsection (2) for each of the following categories of work:

(a) the audit of entity financial statements;

(b) other assurance services;

(c) tax advisory services;

(d) other non-audit services.

(4) Where the statutory auditors of a company are a statutory audit firm (within the meaning of the European Communities (Statutory Audits) (Directive 2006/43/EC) Regulations 2010), any work carried out by a partner in the firm or a statutory auditor on its behalf is considered for the purposes of this section to

have been carried out by the audit firm.

(5) A company need not make the disclosure required by subsection (2) where—

(a) the company is to be treated as a small company in accordance with section 350, or

(b) the company is to be treated as a medium company in accordance with section 350, or

(c) the company is a subsidiary undertaking, the holding company of which is required to prepare and does prepare group financial statements, provided that—

(i) the subsidiary undertaking is included in the group financial statements, and

(ii) the information specified in subsection (8) is disclosed in the notes to the group financial statements.

(6) Where a company that is to be treated as a medium company in accordance with section 350 does not make the disclosure of information required by subsection (2) it shall provide such information to the Supervisory Authority when requested so to do.

(7) A holding company that prepares group financial statements shall disclose in the notes to those statements relating to each financial year the following information:

(a) the remuneration for all work in each category specified in subsection (8) that was carried out in respect of that financial year by the group auditor for the holding company and the subsidiary undertakings included in the consolidation;

(b) the remuneration for all work in each category specified in subsection (8) that was carried out in respect of the preceding financial year by the group auditor for the holding company and those undertakings;

(c) where all or part of the remuneration referred to in paragraph (a) or (b) is in the form of a benefit in kind, the nature and estimated monetary value of the benefit.

(8) Remuneration shall be disclosed under subsection (7) for each of the following categories of work:

(a) the audit of the group financial statements;

(b) other assurance services;

(c) tax advisory services;

(d) other non-audit services.

(9) Where more than one statutory auditor (whether a statutory auditor or a statutory audit firm) has been appointed as the statutory auditors of a company in a single financial year, separate disclosure in

respect of the remuneration of each of them shall be provided in the notes to the company's entity financial statements.