

Appointment of statutory auditors: failure to appoint

385. (1) Where at an annual general meeting of a company no statutory auditors are appointed by the members and the company is not entitled to avail itself of the audit exemption, the Director of Corporate Enforcement may appoint one or more persons to fill the position of statutory auditors of the company.

(2) A company shall—

(a) within one week after the date on which the Director of Corporate Enforcement's power under subsection (1) becomes exercisable in relation to the company, give the Director of Corporate Enforcement notice in writing of that fact, and

(b) where a resolution removing the statutory auditors is passed, give notice of that fact in the prescribed form to the Registrar within 14 days after the date of the meeting at which the resolution removing the statutory auditors was passed.

(3) If a company fails to give notice as required by subsection (2)(a) or (b), the company and any officer of it who is in default shall be guilty of a category 3 offence.

(4) Statutory auditors appointed pursuant to subsection (1) shall hold office until the conclusion of the next annual general meeting of the company held after their appointment.