

Company law: statutory audit of annual and consolidated accounts (amend. Directives 78/660/EEC and 83/349/EEC, repeal. Directive 84/253/EEC)

2004/0065(COD) - 17/05/2006 - Final act

PURPOSE: to modernise EU provisions on the control of statutory audits of annual accounts and consolidated accounts.

LEGISLATIVE ACT: [Directive 2006/43/EC of the European Parliament and of the Council on statutory audits of annual accounts and consolidated accounts, amending Council Directives 78/660/EEC and 83/349/EEC and repealing Council Directive 84/253/EEC.](#)

CONTENT: the Council adopted a Directive updating and introducing additional EU rules on the audit of company accounts aimed at reinforcing the reliability of company financial statements through the establishment of minimum requirements for statutory audit of annual accounts and consolidated accounts. The Council accepted all Parliamentary amendments tabled at first reading.

The Directive broadens the scope of application of existing EU legislation (Directive 84/253/EEC) by specifying the duties of statutory auditors, their independence and ethics, introducing requirements for external quality assurance, with a view to ensuring better public oversight of the audit profession and improving co-operation between oversight bodies in the EU. At the same time it amends Directive 78/660/EEC and 83/349/EEC on accounting.

The new measures are intended to help improve quality audits within the EU and hence underpin confidence in the functioning of EU capital markets. They will also provide a basis for co-operation with oversight bodies of third countries to take account of globally interconnected capital markets.

ENTRY INTO FORCE: 29 June 2006.

TRANSPOSITION: 29 June 2008.