

DECLARATION UNDER SECTION 1221(1)(A) COMPANIES ACT 2006 APPROVING A THIRD COUNTRY QUALIFICATION (NEW ZEALAND)

INTERPRETATION

1. In this document:

- a) “accredited body” means CAANZ and CPAA, being bodies granted accreditation by the FMA to issue audit licences under sub-part 5 of Part 2 of The Auditor Regulation Act 2011 of New Zealand;
- b) “CAANZ” means Chartered Accountants Australia and New Zealand, an Australian registered body corporate that is governed by its Royal Charter and Byelaws;
- c) “CPAA” means CPA Australia Limited, an Australian registered body corporate that is a professional accounting body;
- d) “FMA” means the Financial Markets Authority of New Zealand, a body established by the Financial Markets Authority Act 2011 in New Zealand;
- e) “FMC audit” means the audit of the financial statements of a reporting entity that are prepared under the Financial Markets Conduct Act 2013 of New Zealand;
- f) “FRC” means the Financial Reporting Council Limited, being a company limited by guarantee registered in England under number 2486368.
- g) “recognised professional qualification” means a professional qualification under sections 1219 and 1220 of, and Schedule 11 to, the Act;
- h) “Public Practice Certificate” is a certificate issued by an accredited body in accordance with The Auditor Regulation Act 2011 of New Zealand and the Prescribed Minimum Standards and Conditions issued by the FMA;
- i) “the Act” is the Companies Act 2006;

POWERS EXERCISED

2. The FRC is exercising the power in section 1221(1)(a) of the Act, when it makes the declaration at paragraph 3. The power to make a declaration under section 1221(1)(a) of the Act was transferred to the FRC by regulation 7(1) of the Statutory Auditors (Amendment of Companies Act 2006 and Delegation of Functions etc.) Order 2012.

DECLARATION

3. The FRC declares a person is not to be regarded as holding an approved third country qualification for the purposes of Chapter 2 of Part 42 of the Act unless they:

- a. hold an audit licence to conduct a FMC audit which is not an audit licence issued by the FMA or an accredited body by recognising qualifications under the Trans-Tasman Mutual Recognition Act 1967; and
- b. hold a Public Practice Certificate; and

- c. have satisfied the condition in section 1221(1A)(b) of the Act by successfully completing an aptitude test that complies with section 1221 (7A) of the Act; and
- d. are an auditor registered and domiciled in a country other than Australia.

4. In making this declaration:

- a. The FRC is satisfied, for the purposes of section 1221(3)(a) of the Act, that holding an audit licence to conduct FMC audits together with successful completion of an aptitude test, affords an assurance of professional competence equivalent to that afforded by a recognised professional qualification.
- b. The FRC is satisfied, for the purposes of section 1221(4)(a) of the Act, that the treatment those persons who are the subject of this declaration will receive as a result of it is comparable to the treatment which is, or is likely to be, afforded in New Zealand (or any part thereof) to some or all persons who are eligible to be appointed as a statutory auditor.

5. This declaration is effective from 26 September 2023.

By order of the Board

Signed: 

Name: Sarah Rapson

Position: Acting CEO and Executive Director of Supervision

Date: 26 September 2023