

**2021 No.**

**EXITING THE EUROPEAN UNION**

**LIMITED LIABILITY PARTNERSHIPS**

**COMPANIES**

**The European Grouping of Territorial Cooperation and Limited Liability Partnerships etc. (Revocations and Amendments) (EU Exit) Regulations 2021**

*Sift requirements satisfied* \*\*\*

*Made* - - - - - \*\*\*

*Laid before Parliament* \*\*\*

*Coming into force in accordance with regulation 1*

The Secretary of State makes the following Regulations in exercise of the powers conferred by sections 15(a) and 17 of the Limited Liability Partnerships Act 2000<sup>(a)</sup> and sections 8(1) and 23 of, and paragraph 21 of Schedule 7 to, the European Union (Withdrawal) Act 2018<sup>(b)</sup> (“the 2018 Act”).

The requirements of paragraph 3(2) of Schedule 7 to the 2018 Act (relating to the appropriate Parliamentary procedure for these Regulations) have been satisfied.

**PART 1**

**Introductory**

**Citation, commencement and application**

**1.**—(1) These Regulations may be cited as the European Grouping of Territorial Cooperation and Limited Liability Partnerships etc. (Revocations and Amendments) (EU Exit) Regulations 2021 and come into force 21 days after the day on which these Regulations are laid.

(2) Regulations 4 to 18 have effect for financial years beginning on or after 6th April 2021.

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<sup>(a)</sup> 2000 c. 12. Section 17 is relevantly amended by S.I. 2009/1804.

<sup>(b)</sup> 2018 c. 16. Sections 8 and 23 are amended by S.I. 2020/75.

## PART 2

### Revocations

#### Revocations

2.—(1) The instruments listed in Table 1 of the Schedule are revoked to the extent shown in that Table.

(2) The instruments listed in Table 2 of the Schedule are revoked, subject to paragraph (3).

(3) The instruments listed in Table 2 of the Schedule are subject to regulation 20(2) of the International Accounting Standards and European Public Limited-Liability Company (Amendment etc.) (EU Exit) Regulations 2019(a) as if they were instruments listed in Schedule 2 of those Regulations.

## PART 3

### Amendments

#### Interpretation

3. In this Part, “the 2006 Act” means the Companies Act 2006(b).

#### Amendments to the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008

4. The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008(c) are amended in accordance with this Part.

5. In Part 6, in the heading, for “accounts, auditor’s report and energy and carbon report”, substitute “accounts and reports”.

6.—(1) Regulation 13 is amended as follows.

(2) In the heading of regulation 13, for “accounts, auditor’s report and energy and carbon report”, substitute “annual accounts and reports”.

(3) In the modified version of section 423 of the 2006 Act—

- (a) in the heading, for “annual accounts and auditor’s report and energy and carbon report” substitute “annual accounts and reports”;
- (b) in the opening words of subsection (1), for “annual accounts and auditor’s report and energy and carbon report (if any)” substitute “annual accounts and reports”;
- (c) in the closing words of subsection (1)—
  - (i) after the first and second instances of “accounts”, insert “, the strategic report (if any)”;
  - (ii) after “those accounts” insert “and that strategic report”.

7.—(1) Regulation 14 is amended as follows.

(2) In the heading of regulation 14, for “accounts, auditor’s report and energy and carbon report” substitute “accounts and reports”.

(3) In the modified version of section 425 of the 2006 Act, in the heading, for “accounts, auditor’s report and energy and carbon report” substitute “accounts and reports”.

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(a) S.I. 2019/685. This instrument is amended by S.I. 2019/1392, 2020/335 and 2020/523.

(b) 2006 c. 46. Part 15 of this Act is relevantly amended by S.I. 2013/1970.

(c) S.I. 2008/1911 is relevantly amended by S.I. 2017/1164 and 2018/1155.

**8.—(1)** Regulation 15 is amended as follows.

(2) In the heading of regulation 15, for “accounts, auditor’s report and energy and carbon report” substitute “accounts and reports”.

(3) In the modified version of section 431 of the 2006 Act—

- (a) in the heading, for “accounts, auditor’s report and energy and carbon report” substitute “accounts and reports”;
- (b) in subsection (1), after paragraph (a), insert—  
“*(aa)* the last strategic report (if any),”;
- (c) in subsection (1)(b), after “accounts” insert “(including the statement (where applicable) on that strategic report)”.

**9.—(1)** Regulation 16 is amended as follows.

(2) In the heading of regulation 16, for “accounts, auditor’s report and energy and carbon report” substitute “accounts and reports”.

(3) In the modified version of section 433 of the 2006 Act—

- (a) in the heading, for “accounts and energy and carbon report” substitute “accounts and reports”;
- (b) in subsection (1), after “balance sheet” insert “, strategic report”.

(4) In the modified version of section 436 of the 2006 Act—

- (a) in the heading, for “accounts, auditor’s report and energy and carbon report” substitute “accounts and reports”;
- (b) in subsection (1) for “accounts and energy and carbon report” substitute “accounts and reports”.

**10.** In Part 7, in the heading, for “accounts, auditor’s report and energy and carbon report” substitute “accounts and reports”.

**11.—(1)** Regulation 17 is amended as follows.

(2) In the modified version of section 441 of the 2006 Act—

- (a) before subsection (1) insert the heading “Duty to file accounts and reports with the registrar”;
- (b) in subsection (1) for “accounts and auditor’s report and energy and carbon report” substitute “accounts, auditor’s report, strategic report and energy and carbon report”.

(3) In the modified version of section 442 of the 2006 Act, after “auditor’s report” insert “, strategic report”.

(4) In the modified version of section 443 of the 2006 Act, after “auditor’s report” insert “, strategic report”.

**12.** In regulation 19, in the modified version of section 446 of the 2006 Act, after subsection (2A) insert—

“(2B) The designated members must also deliver to the registrar a copy of the strategic report for each financial year of the LLP if the members of the LLP are under a duty to prepare a strategic report by virtue of section 414A.”.

**13.—(1)** Regulation 22 is amended as follows.

(2) In the heading of regulation 22, for “accounts, auditor’s report and energy and carbon report” substitute “accounts and reports”.

(3) In the modified version of section 451 of the 2006 Act—

- (a) in the heading, for “accounts, auditor’s report and energy and carbon report” substitute “accounts and reports”;
- (b) in subsection (1)—

- (i) for “section 441 (duty to file accounts and auditor’s report)” substitute “section 441 (duty to file accounts and reports with the registrar)”;
  - (ii) for “accounts for a financial year, the auditor’s report on those accounts and the energy and carbon report” substitute “accounts and reports for a financial year”.
- (4) In the modified version of section 452 of the 2006 Act—
- (a) in the heading, for “accounts, auditor’s report and energy and carbon report” substitute “accounts and reports”;
  - (b) in subsection (1)(a)—
    - (i) for “section 441 (duty to file accounts and auditor’s report and energy and carbon report)” substitute “section 441 (duty to file accounts and reports with the registrar)”;
    - (ii) for “accounts for a financial year, the auditor’s report on those accounts and the energy and carbon report” substitute “accounts and reports for a financial year”.
- (5) In the modified version of section 453 of the 2006 Act—
- (a) in the heading, after “accounts,” insert “strategic report,”;
  - (b) for “accounts for a financial year, the auditor’s report on those accounts and the energy and carbon report” substitute “accounts and reports for a financial year”.
- 14.** In Part 8, in the heading, for “accounts or energy and carbon report” substitute “accounts and reports”.
- 15.**—(1) Regulation 23 is amended as follows.
- (2) In the heading of regulation 23, after “accounts” insert “, strategic report”.
- (3) In the modified version of section 454 of the 2006 Act—
- (a) before subsection (1), insert the heading “Voluntary revision of accounts etc”;
  - (b) in subsection (1), after “LLP’s annual accounts” insert “, the LLP’s strategic report”;
  - (c) in subsection (1), after “revised accounts” insert “, a revised strategic report”;
  - (d) in subsection (2), in the opening words, after “accounts” insert “, strategic report”;
  - (e) in subsection (2)(a), after “accounts” insert “, strategic report”.
- (4) In the modified version of section 455 of the 2006 Act—
- (a) in the heading, after “accounts” insert “, strategic report”;
  - (b) in subsection (1), after “annual accounts” insert “, strategic report”;
  - (c) in subsection (3), after “accounts” insert “, strategic report”;
  - (d) in subsection (3), after “revised accounts” insert “, a revised strategic report”;
  - (e) in subsection (4), for “report”, in both places it occurs, substitute “reports”;
  - (f) in subsection (5), after “revised annual accounts” insert “, revised strategic reports”.
- (5) In the modified version of section 456 of the 2006 Act—
- (a) in the heading, after “accounts” insert “, strategic report”;
  - (b) in the closing words of subsection (1), after “annual accounts of an LLP do not comply,” insert “a strategic report does not comply”;
  - (c) in subsection (3)(aa), after “revision of any” insert “strategic report or”;
  - (d) in the opening words of subsection (3A), after “preparation of a” insert “revised strategic report or”;
  - (e) in subsection (7), after “revised annual accounts” insert “, revised strategic reports”.
- 16.**—(1) Regulation 24 is amended as follows.
- (2) In the modified version of section 458(1)(a) of the 2006 Act, for “defective accounts” substitute “defective accounts, strategic report or energy and carbon report”.

(3) In the modified version of section 459(1) of the 2006 Act, after “annual accounts” insert “, strategic report”.

17. In regulation 29, in the modified version of section 471 of the 2006 Act, for subsection (2) substitute—

“(2) In this Part an LLP’s “annual accounts and reports” for a financial year are—

- (a) its annual accounts,
- (b) the strategic report (if any),
- (c) the energy and carbon report (if any),
- (d) the auditor’s report on those accounts and the strategic report (where this is covered by the auditor’s report), unless the LLP is exempt from audit.”.

18. In regulation 36, in the modified version of section 485(2) of the 2006 Act, for “annual accounts and auditor’s report”, in each place it appears, substitute “annual accounts and reports”.

#### Amendment to Regulation 537/2014

19.—(1) Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC is amended in accordance with this regulation.

(2) In paragraph 3 of Article 16(a), omit “referred to in paragraph 2 of this Article”.

Date \_\_\_\_\_  
 Name  
 Parliamentary Under Secretary of State  
 Department for Business, Energy and Industrial Strategy

## SCHEDULE Revocations

Regulation 2

**Table 1**

| <i>Instrument</i>   | <i>Reference</i> | <i>Extent of revocation</i> |
|---|------------------|-----------------------------|
| 1. Regulation (EC) No 1082/2006 of the European Parliament and of the Council on a European grouping of territorial cooperation (EGTC), as it applies in the United Kingdom   |                  | The whole Regulation        |
| 2. Regulation (EU) No 1302/2013 of the European Parliament and of the Council of 17 December 2013 amending Regulation (EC) No 1082/2006 on a European grouping of territorial cooperation (EGTC) as regards the clarification, simplification and improvement of the establishment and functioning of such groupings, as it applies in the United Kingdom |                  | The whole Regulation        |

(a) Paragraph (3) is amended by S.I. 2019/177.

|    |   |                |  |
|----|---|----------------|--|
| 3. | Commission Implementing Regulation (EU) 2018/1212 of 3 September 2018 laying down minimum requirements implementing the provisions of Directive 2007/36/EC of the European Parliament and of the Council as regards shareholder identification, the transmission of information and the facilitation of the exercise of shareholders rights |                | The whole Implementing Regulation                        |
| 4. | Commission Implementing Decision (EU) 2020/589 of 23 April 2020 on the adequacy of the competent authority of the Republic of South Africa pursuant to Directive 2006/43/EC of the European Parliament and of the Council   |                | The whole Implementing Decision                          |
| 5. | The European Grouping of Territorial Cooperation Regulations 2007(a)  | S.I. 2007/1949 | Parts 2 and 3 of the Schedule                            |
| 6. | The Companies Act 2006 (Consequential Amendments etc) Order 2008(b)   | S.I. 2008/948  | Paragraph 36 of Schedule 1                               |
| 7. | The European Grouping of Territorial Cooperation Regulations 2015   | S.I. 2015/1493 | The whole Regulations                                    |
| 8. | The Insolvency (England and Wales) Rules 2016 (Consequential Amendments and Savings) Rules 2017   | S.I. 2017/369  | The last entry in the table in paragraph 1 of Schedule 2 |
| 9. | The Insolvency (England and Wales) and Insolvency (Scotland) (Miscellaneous and Consequential Amendments) Rules 2017(c)   | S.I. 2017/1115 | Rules 31 and 32  |

**Table 2**

| <i>Instrument revoked</i> |  |
|---------------------------|--|
| 1.                        | Commission Regulation (EU) 2019/2075 of 29 November 2019 amending Regulation (EC) No 1126/2008 adopting certain international accounting standards in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council as regards International Accounting Standards 1, 8, 34, 37 and 38, International Financial Reporting Standards 2, 3 and 6, Interpretations 12, 19, 20 and 22 of the International Financial Reporting Interpretations Committee and Interpretation 32 of the Standing Interpretations Committee |
| 2.                        | Commission Regulation (EU) 2019/2104 of 29 November 2019 amending Regulation (EC) No 1126/2008 adopting certain international accounting standards in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council as regards International Accounting Standards 1 and 8   |
| 3.                        | Commission Regulation (EU) 2020/34 of 15 January 2020 amending Regulation (EC) No 1126/2008 adopting certain international accounting standards in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council as regards International Accounting Standard 39, International Financial Reporting Standards 7 and 9   |
| 4.                        | Commission Regulation (EU) 2020/551 of 21 April 2020 amending Regulation (EC) No 1126/2008 adopting certain international accounting standards in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council as regards  |

- (a) S.I. 2007/1949, partially revoked by S.I. 2015/1493 and amended by S.I. 2017/1115.  
(b) S.I. 2008/948, to which there are amendments but none is relevant to this instrument.  
(c) S.I. 2017/1115.

- International Financial Reporting Standard 3
5. Commission Regulation (EU) 2020/1434 of 9 October 2020 amending Regulation (EC) No 1126/2008 adopting certain international accounting standards in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council as regards International Financial Reporting Standard 16.
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### **EXPLANATORY NOTE**

*(This note is not part of the Regulations)*

Part 2 of these Regulations is made in exercise of the powers conferred by section 8(1) of, and paragraph 21 of Schedule 7 to, the European Union (Withdrawal) Act 2018 (c. 16) in order to address failures of retained EU law to operate effectively and other deficiencies (in particular arising under paragraphs (a) and (d) of section 8(2) of the Act) arising from the withdrawal of the United Kingdom from the European Union. Regulation 19 also makes an amendment under section 23 of that Act in consequence of it.

Part 3 of these Regulations make amendments under sections 15 and 17 of the Limited Liability Partnerships Act 2000 (c.12).

Regulation 2(1) of and Table 1 of the Schedule to these Regulations revoke retained EU law and secondary legislation which, prior to the UK's withdrawal from the European Union, enabled public authorities in the UK to become members of European Groupings of Territorial Cooperation. They also revoke various instruments of retained EU law related to company law which no longer have any practical effect.

Regulation 2(2) and Table 2 of the Schedule to these Regulations revoke European Commission Regulations adopting certain international accounting standards which are listed in that Table. Regulation 2(3) applies to those European Commission Regulations the transitional provision set out in regulation 20(2) of the International Accounting Standards and European Public Limited-Liability Company (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/685). This is to ensure that the provisions of these European Commission Regulations apply in the same way to UK-adopted international accounting standards as they applied to the international accounting standards adopted by the Commission.

Part 3 of these Regulations makes amendments to the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (S.I. 2008/1911). These are amendments in consequence of the introduction of the requirement for Limited Liability Partnerships to produce a strategic report. This requirement was introduced for Limited Liability Partnerships in the Statutory Auditors Regulations 2017 (S.I. 2017/1164).

Regulation 19 amends Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC, to remove a reference to EU legislation that is no longer needed.

An impact assessment has not been produced for this instrument as no, or no significant, impact on the private, voluntary or public sector is foreseen.