

NB: Unofficial translation, legally binding only in Finnish and Swedish.

Ministry of Trade and Industry, Finland

Government Decree on Auditing (735/2007)

Chapter 1

The contents of the register of auditors and the keeping of the register

Section 1 §

Information on KHT auditors and HTM auditors

As regards KHT auditors and HTM auditors, the following information shall be entered into the register of auditors:

- 1) name and date of birth;
- 2) date of registration and identification number;
- 3) postal address and, if applicable, website address;
- 4) whether the person in question is a KHT auditor or a HTM auditor;
- 5) if the auditor works at an audit firm, the name of the audit firm and its postal address, identification number, and, if applicable, website address;
- 6) if the auditor is registered in the register of auditors in another country, the identification number, and information on the oversight authority in that country.

Section 2

Information on a KHT firm and a HTM-firm

As regards audit firms, the following information shall be entered into the register of auditors:

- 1) trade name;
- 2) date of registration and identification number;
- 3) postal address and, if applicable, website address;
- 4) legal form;
- 5) whether the audit firm is a KHT firm or a HTM firm;

- 6) the name and postal address of the contact person;
- 7) the postal address of each office situated in Finland;
- 8) the auditors working at the audit firm and their identification numbers;
- 9) the names and postal addresses of the owners of the audit firm;
- 10) the names and postal addresses of the members of the Board of Directors or a corresponding governing body, as well as of the Managing Director and his or her deputy;
- 11) if the audit firm belongs to a network of audit firms, the names and postal addresses of the enterprises belonging to the network, or information on where their names and postal addresses are available to the public;
- 12) if the audit firm is registered in the register of auditors in another country, the identification number, and information on the oversight authority in that country.

3 §

Registration of information on non-EEA state auditors

The preconditions for the registration of an auditor approved and registered in a non-EEA state, as referred to in section 37(2) of the Auditing Act (459/2007; *tilintarkastuslaki*), are as follows:

- 1) a natural person appointed as an auditor, or an auditor with principal responsibility designated by an audit firm meets the requirements for approval equivalent to those provided in section 30 or section 31 of the Auditing Act;
- 2) a majority of the members of the Board of Directors or a corresponding governing body of the audit firm meet the requirements for approval equivalent to those provided in section 30 or section 31 of the Auditing Act;
- 3) the auditor complies with independence requirements equivalent to those provided in sections 17, 24 and 25 of the Auditing Act,
- 4) the auditor complies with international auditing standards referred to in section 13 of the Auditing Act or equivalent standards;
- 5) the audit firm publishes information on its administration and operations in accordance with section 29 of the Auditing Act;

Information on auditors approved and registered in a non-EEA state shall be entered into the register so that the information can be distinguished from information on auditors approved and registered in EEA states.

Section 4

Other information to be entered into the register

The name and address of the oversight body referred to in section 40 of the Auditing Act exercising oversight on the auditor in question shall be entered into the register of auditors.

5 §

Register notification and entry into the register

The register notification shall be signed.

An entry into the register shall be made without delay after the Auditing Board of the Central Chamber of

Commerce has received the register notification or the decision, having gained legal force, required for the entry to be made into the register.

Chapter 2

Procedure followed by the oversight bodies

Section 6

Work plan

The Auditing Board of the State, the Auditing Board of the Central Chamber of Commerce and the Auditing Committee of a local Chamber of Commerce (*oversight bodies*) shall publish a work plan for the coming year by the end of November.

Section 7

Annual report

The oversight bodies shall publish a report on their operations annually by the end of June.

The annual report of the Auditing Board of the Central Chamber of Commerce and the Auditing Committee of a local Chamber of Commerce shall include a description of the functioning of the system of quality assurance and the quality assurance reviews conducted, as well as the results of the quality assurance reviews and measures taken on the basis of the reviews.

Section 8

Working order

The work arrangements for the oversight bodies shall be provided in more detail in working orders confirmed by the oversight bodies themselves.

Chapter 3

Special provisions regarding an auditor of an entity subject to public trading

Section 9

Disclosure of information on administration and operations

An audit firm appointed as an auditor of an entity subject to public trading shall publish on its web site within three months from the end of its financial year:

- 1) a description of the legal and ownership structure of the audit firm;
- 2) a description of the administrative structure of the audit firm;
- 3) if the audit firm belongs to a network of audit firms, a description of the network and the legal and structural arrangements in the network;
- 4) a description of the internal quality assurance system of the audit firm;
- 5) an indication of when the last quality assurance review referred to in section 40(2) of the Auditing Act

took place;

6) a list of entities subject to public trading as well as of credit and insurance institutions for which the audit firm has carried out audits during the preceding financial year;

7) a description of the audit firm's independence guidance and on the oversight of compliance with it;

8) the policy followed by the audit firm concerning the maintenance and development of the professional competence of the auditors;

9) financial information showing the extent of the operations of the audit firm, including, in any case, information on net sales analysed as indicated in chapter 2, section 7a(1) of the Accounting Ordinance (1339/1997; *kirjanpitoasetus*);

10) information concerning the basis for the remuneration of the partners of the audit firm.

A natural person appointed as an auditor of an entity subject to public trading shall publish on his or her web site the information referred to in subsection 1(5) above.

Information referred to in subsections 1 and 2 shall be signed.

Chapter 4

Entry into force and transitional provisions

Section 10

Entry into force

This Decree shall enter into force on 1 July 2007. Section 9 of the Decree shall, however, be first applied for the audit firm's financial year during which the Decree enters into force.

This Decree shall revoke the Auditing Ordinance of 22 December 1994 (1379/1994).

Actions required for the implementation of this Decree may be taken before the Decree enters into force.