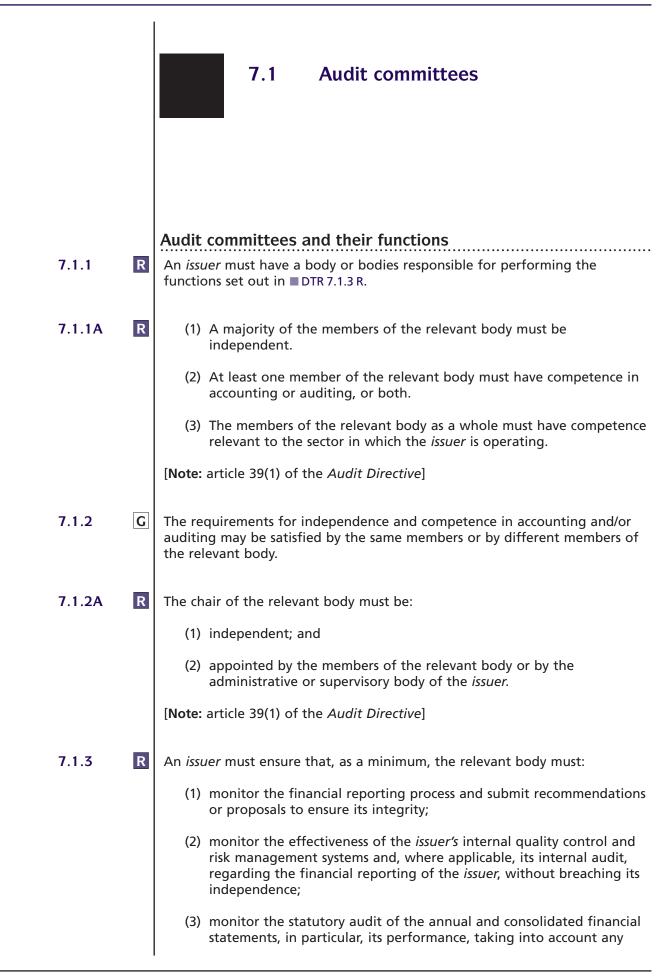
Disclosure Guidance and Transparency Rules sourcebook

Chapter 7

Corporate governance



findings and conclusions by the Financial Reporting Council under article 26(6) of the <i>Audit Regulation</i> ;
(4) review and monitor the independence of the statutory auditor in accordance with paragraphs 2(3), 2(4), 3 to 8 and 10 to 12 of Schedule 1 to the Statutory Auditors and Third Country Auditors Regulations 2016 (SI 2016/649) and article 6 of the Audit Regulation, and in particular the appropriateness of the provision of non-audit services to the issuer in accordance with article 5 of the Audit Regulation;
(5) inform the administrative or supervisory body of the <i>issuer</i> of the outcome of the statutory audit and explain how the statutory audit contributed to the integrity of financial reporting and what the role of the relevant body was in that process; and
(6) be responsible for the procedure for the selection of statutory auditor(s) and recommend the statutory auditor(s) to be appointed in accordance with article 16 of the Audit Regulation.
[Note: article 39(6) of the Audit Directive]
[deleted]
An <i>issuer</i> must make a statement available to the public disclosing which body carries out the functions required by DTR 7.1.3 R and how it is composed.
[Note: article 39(4) (part) of the Audit Directive]
An <i>issuer</i> may include the statement required by DTR 7.1.5 R in any statement it is required to make under DTR 7.2 (Corporate governance statements).
In the FCA's view, compliance with Provisions 14, 24, 25 and 26 of the UK Corporate Governance Code and following the statement of good practice set out in paragraph 63 of the 'Guidance on Board Effectiveness' published by the Financial Reporting Council in July 2018 will result in compliance with DTR 7.1.1 R to DTR 7.1.3R and with DTR 7.1.5R except as regards disclosing how the body which carries out the functions required by DTR 7.1.3R is composed.

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