

Statutory Document No. 2019/0115

*Audit Act 2006*

ACCOUNTS AND AUDIT (AMENDMENT) REGULATIONS 2019

Approved by Tynwald: 20th March 2019
Coming into Operation: 1st April 2019

The Treasury, having consulted in accordance with section 19(3) and (4) of the Audit Act 2006, makes the following Regulations under section 12 of that Act.

1 Title

These Regulations are the Accounts and Audit (Amendment) Regulations 2019.

2 Commencement

If approved by Tynwald¹, these Regulations come into operation on 1st April 2019.

3 Interpretation and application

- (1) In these Regulations “the principal Regulations” means the Accounts and Audit Regulations 2018².
- (2) These Regulations apply to the accounts of a body in respect of any period commencing on or after 1st April 2019.

4 Amendments

- (1) In regulation 7(1) of the principal Regulations (consolidated accounts of central Government), omit paragraphs (c), (d) and (g).
- (2) In regulation 8(1)(c) of the principal Regulations (group accounts), immediately after “beneficially owned by”, insert “**66**one or more Departments or by **69**”.

¹ Tynwald approval is required under section 19(1)(b) of the Audit Act 2006.

² SD2018/0053

MADE 15 FEBRUARY 2019

A L CANNAN
Minister for the Treasury

EXPLANATORY NOTE

(This note is not part of the Order)

This amends the Accounts and Audit Regulations 2018 in relation to the accounting treatment of ‘subsidiary companies’ owned by Government Departments and Statutory Boards, that may be required to be inspected in accordance with the Audit Act 2006.

In relation to those subsidiary companies the amendments clarify that they are required to produce their own independent financial statements in accordance with the Act. These will be required to be prepared in accordance with Regulation 10(4) “proper practices”, defined within the regulations as being UK GAAP (Generally Accepted Accounting Principles).

Such companies would still be consolidated within the Isle of Man Government Group Accounts in accordance with Regulation 8.

The amendments also remove the Manx Museum and National Trust (MMNT) from regulation 7 in order to reflect the proposed changes to their funding structure. In future MMNT will be required to produce their own independent financial statements in accordance with Regulation 10(4) “proper practices”.