

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

Ministry of Trade and Industry, Finland

Auditing Act

(459/2007; tilintarkastuslaki)

Chapter 1

General Provisions

Section 1

Scope of Application

- (1) This Act shall apply, unless otherwise provided elsewhere in the law:
 - 1) to the audit of a corporation or a foundation referred to in the Accounting Act (1336/1997; *kirjanpitolaki*) having an obligation to keep accounting records; and
 - 2) to any other action which is prescribed by law or decree to be carried out by an auditor or on the basis of which an auditor gives a written statement to be used by a public authority or a court.
- (2) Activity carried out by an auditor in the capacity of an auditor falling outside the scope of subsection 1 shall be governed by sections 20 to 22, 26, 39 to 46, 49 to 50, and 53 to 54.
- (3) The provisions of this Act regarding the audit of the accounting records and the financial statements of a corporation or a foundation shall also apply to a foreign enterprise's branch that is registered in Finland whose financial statements are not prepared, audited and published in accordance with the regulations of the European Community or in a similar manner. This Act is, however, not applied to the audit of a branch of a foreign credit or financing institution. This Act applies to the audit of a representative office of a foreign insurance company as provided in the Act on Foreign Insurance Companies (398/1995; *laki ulkomaisista vakuutusyhtiöistä*).

Section 2

Definitions

For the purposes of this Act:

- 1) '*auditor*' shall mean a natural person approved in accordance with section 30 or section 31 of this Act, or a firm approved in accordance with section 33 or section 34 of this Act;
- 2) '*KHT auditor*' shall mean an auditor approved by the Auditing Board of the Central Chamber of Commerce, and a *KHT firm* shall mean an audit firm approved by the same;
- 3) '*HTM auditor*' shall mean an auditor approved by the Auditing Committee of a local Chamber of Commerce, and an *HTM firm* shall mean an audit firm approved by the same;
- 4) '*group*' shall mean a group referred to in section 6 of chapter 1 of the Accounting Act; and
- 5) '*entity subject to public trading*' shall mean an entity whose securities are subject to public trading referred to in section 3 of chapter 1 of the Securities Markets Act (495/1989; *arvopaperimarkkinalaki*) or to similar trading in a country in the European Economic Area (*EEA State*).

Chapter 2

Obligation to have an audit conducted

Section 3

General qualifications of auditors

- (1) Only a person who is not under guardianship, who is not in bankruptcy, who has not been barred from conducting business, and whose legal capacity has not been restricted can act as an auditor.
- (2) If one or several natural persons are appointed as auditors, at least one of them has to be resident in an EEA state.

Section 4

Obligation to carry out an audit

- (1) An auditor shall be appointed for a corporation or a foundation and an audit shall be carried out in accordance with the provisions laid down in this Act and elsewhere in the law.
- (2) Unless otherwise provided elsewhere in the law, there is no obligation to appoint an auditor for a corporation where not more than one of the following conditions were met in both the past completed financial year and the financial year immediately preceding it:
 - 1) the balance sheet total exceeds 100 000 euros;
 - 2) net sales or comparable revenue exceeds 200 000 euros; or
 - 3) the average number of employees exceeds three.
- (3) An auditor shall, however, always be appointed for a corporation whose principal activities consist of the owning and holding of securities and which exercises significant influence, as described in section 8 of chapter 1 of the Accounting Act, over the operating and financial policies of another entity that is obliged to keep accounting records.
- (4) If a corporation has no obligation to appoint an auditor pursuant to subsection 1 or subsection 2, the articles of association, the deed of partnership or the rules may include provisions regarding an audit or the appointment of one or more auditors.
- (5) If only one auditor has been appointed for a corporation and this auditor is not an audit firm referred to in section 33 or section 34, at least one deputy auditor shall be appointed. The provisions on auditors laid down in this Act and other laws shall also apply to a deputy auditor.
- (6) If the financial statements shall be adopted in a meeting of a governing body of a corporation or a foundation, the financial statements and the annual report shall be made available to the auditor no later than one month before that meeting.

Section 5

Obligation to appoint a KHT auditor or a KHT firm

At least one of the auditors appointed by the partners, by the shareholders' meeting or by an equivalent governing body has to be a KHT auditor or a KHT firm if the corporation is subject to public trading

or if at least two of the following conditions were met by the corporation or the foundation in the past completed financial year:

- 1) the balance sheet total exceeds 25 000 000 euros;
- 2) net sales or comparable revenue exceeds 50 000 000 euros; or
- 3) the average number of employees exceeds 300.

Section 6

Obligation to carry out an audit in a group

- (1) What is provided in sections 4 and 5 shall apply correspondingly to a corporation which is the parent entity in a group if at least two of the three conditions referred to in the sections mentioned above are met by the group.
- (2) At least one of the auditors appointed for a subsidiary must be an auditor of the parent entity. The aforementioned rule may be departed from only where there are proper grounds for doing so.

Section 7

Appointing a JHTT auditor

Notwithstanding the provisions of sections 4 to 6, a JHTT auditor or a JHTT firm referred to in the Act on Chartered Public Finance Auditors (467/1997; *laki julkishallinnon ja -talouden tilintarkastajista*) may be appointed, in addition to a KHT auditor, an HTM auditor, a KHT firm, or an HTM firm, as an auditor for a corporation or a foundation in which a controlling interest is held by a municipality or a joint municipal board. The provisions of this Act, except for the provisions of sections 30 to 38, 49 and 50, shall apply to a JHTT auditor and a JHTT firm acting in this capacity.

Section 8

Auditor with principal responsibility

- (1) If an audit firm has been appointed as auditor, the firm must inform the corporation or foundation subject to the audit who within the audit firm will have principal responsibility for the conduct of the audit. The auditor with principal responsibility must have at least the same qualifications as the audit firm has.
- (2) The provisions on auditors laid down in this Act shall apply accordingly to the auditor with principal responsibility.

Section 9

State Provincial Office's obligation to designate an auditor

- (1) The State Provincial Office shall, upon notification, designate a qualified auditor for a corporation or a foundation if:
 - 1) an auditor has not been appointed in accordance with this Act or other laws;
 - 2) the auditor is not qualified in the manner referred to in section 3, or is not independent in the manner referred to in section 24 or section 25; or
 - 3) a provision in the articles of association, rules, or deed of partnership regarding the number or the qualifications of auditors has been violated.
- (2) In independence matters referred to in subsection 1(2) above, the State Provincial Office shall request a statement from the Auditing Board of the Central Chamber of Commerce before deciding upon the matter.

- (3) In the cases referred to above in this section, the notification may be given by anyone. The Board of Directors, an equivalent governing body, or a partner shall have the obligation to give the notification when the one responsible for appointing an auditor does not appoint a qualified auditor without delay. The obligation to give a notification shall, however, not apply to a silent partner in a limited partnership.
- (4) Before the designation referred to in this section is made, the Board of Directors, an equivalent governing body, or the partners of the corporation or foundation shall be heard. The designation may be enforced even if it has not gained legal force. The designation is valid until an auditor to replace the one designated by the State Provincial Office has been duly appointed for the corporation or foundation. The designation cannot be made after the financial statements for the financial period in question have been adopted and the decision on their adoption has gained legal force.

Section 10

Dismissal and resignation of an auditor

- (1) An auditor may be dismissed during the term by the one who has appointed, designated or assigned the auditor. An auditor can be dismissed during the term only on proper grounds. If an auditor is dismissed during the term, the one that dismissed the auditor must report to the Auditing Board of the Central Chamber of Commerce on the dismissal and on the reasons therefor.
- (2) An auditor may resign during the term by notifying the corporation or foundation. The auditor shall file his or her resignation for registration within two weeks after his or her notification. An auditor shall also report to the Auditing Board of the Central Chamber of Commerce on the resignation and the reasons therefor.
- (3) If an HTM auditor or an HTM firm is dismissed or resigns, the reporting referred to in subsections 1 and 2 above shall be made to the Auditing Committee of the local Chamber of Commerce.
- (4) If an auditor's position becomes vacant during the term or if an auditor becomes disqualified for the position and there is no deputy auditor, the partners, the Board of Directors, or an equivalent governing body participating in the appointment of an auditor shall ensure that a new auditor will be appointed for the remaining term.
- (5) If an auditor resigns or is dismissed or if an auditor's term is otherwise terminated, the auditor must, upon request, provide his or her successor with the information necessary for the conduct of the audit.

Chapter 3

Contents of an audit

Section 11

Subject of an audit

- (1) An audit covers the audit of the accounting records, the financial statements, the annual report and the administration of a corporation or a foundation.
- (2) Where an audit is otherwise required by law, the provisions of this Act on the audit for a financial period and on its contents shall apply.

Section 12

Group audit

The auditor of the parent entity shall also audit the consolidated financial statements and ensure that the auditors of group corporations have conducted the audit appropriately.

Section 13

International auditing standards

In addition to the provisions laid down in this Act and any statutes issued by virtue thereof, anyone acting in a duty referred to in section 1(1)(1) shall comply with the auditing standards adopted for application in the European Community (*international auditing standards*), which are referred to in article 26 of Directive 2006/43/EY of the European Parliament and of the Council on statutory audits of annual accounts and consolidated accounts, amending Council Directives 78/660/EEC and 83/349/EEC and repealing Council Directive 84/253/EEC.

Section 14

Auditor's note

After an audit has been conducted, the auditor must make a note thereof in the financial statements, with a reference to the auditor's report.

Section 15

Auditor's report

- (1) An auditor must issue, for each financial period, an auditor's report, which shall be dated and signed. The auditor's report shall include the identification of the financial statements subject to the audit and refer to the financial reporting framework according to which the financial statements have been prepared. The auditor's report shall state whether international auditing standards have been complied with.
- (2) The auditor's report shall contain an opinion on:
 - 1) whether the financial statements and the annual report give a true and fair view, in accordance with the applicable financial reporting framework, of the result of operations and the financial position of the corporation or foundation; and
 - 2) whether the information included in the annual report is consistent with the information included in the financial statements.
- (3) The opinion referred to in subsection 2 above shall be unqualified, qualified or adverse. If the auditor cannot express an opinion, a disclaimer of opinion shall be expressed in the auditor's report. The auditor's report shall include any further information considered necessary.
- (4) The auditor shall make a remark in the auditor's report if a partner, a member or the Chairperson or the deputy Chairperson of the Board of Directors or of the Supervisory Board or of an equivalent governing body, or the Managing Director or any other accountable person in the corporation or foundation:
 - 1) is guilty of an act or negligence which may result in liability in damages towards the corporation or foundation; or
 - 2) has violated a law applicable to the corporation or foundation, or the articles of association, deed of partnership, or bylaws of the corporation or foundation.
- (5) The auditor of a corporation or a foundation which is a parent entity shall also issue a particular report regarding the group, in accordance with the provisions laid down in subsections 1 to 4 where

applicable.

- (6) The auditor's report shall be submitted to the Board of Directors or equivalent governing body of the corporation or foundation no later than two weeks before the meeting where the financial statements are to be presented for adoption.

Section 16

Audit memorandum

An auditor may make remarks to the Board of Directors, the Supervisory Board, the Managing Director or other accountable party about matters not covered in the auditor's report. These matters shall be entered into the audit memorandum. The audit memorandum shall be submitted to the governing body responsible for the administration of the corporation or foundation and for the proper conduct of its operations. This body shall process the audit memorandum without delay and retain it in a reliable manner.

Section 17

Determination of audit fee

The fee payable to an auditor for the conduct of an audit shall not be determined in a manner that may endanger the auditor's independence.

Section 18

Obligation of the governing bodies of a corporation or a foundation to assist an auditor

The partners or the Board of Directors and the Managing Director or equivalent governing bodies must provide an auditor with an opportunity to conduct an audit in the scope considered necessary by the auditor, and they shall provide any explanations and assistance requested by the auditor. A partner, the Board of Directors and the Managing Director, or an equivalent governing body of a subsidiary has the same obligation towards the auditor of the parent entity.

Section 19

Auditor's presence in the general meeting of the corporation or foundation

- (1) The auditor has the right to be present and to speak in the meeting of the governing body of a corporation or a foundation where matters relating to his or her duties are dealt with.
- (2) The auditor must be present in the meeting where the matters to be dealt with require his or her presence.
- (3) Upon request by the shareholders' meeting or by an equivalent governing body, the auditor shall disclose further information on matters that may have an effect on the consideration of a matter being dealt with in the meeting. Information shall, however, not be disclosed where its disclosure would result in material damage to the corporation.

Chapter 4

Other provisions regarding an auditor

Section 20

Principles of professional ethics

An auditor shall perform the duties referred to in this Act with professional competence, integrity, objectivity and due care, having regard to the public interest.

Section 21

Maintaining and developing professional competence

An auditor is obliged to maintain and develop his or her professional competence.

Section 22

Obligation to observe good auditing practice

- (1) In carrying out the duties referred to in this Act, an auditor shall comply with good auditing practice.
- (2) An auditor shall observe any particular instructions given by the partners or by the general meeting or equivalent governing body, insofar as these instructions are not in conflict with the law, the articles of association, the rules, the deed of partnership, international auditing standards, good auditing practice, or the principles of professional ethics.

Section 23

Quality assurance

An auditor shall see to the quality of his or her audit work and cooperate in carrying out a quality assurance review referred to in section 40(2)(1).

Section 24

Auditor's independence

- (1) The auditor shall be independent when carrying out an engagement referred to in section 1(1) and arrange his or her activities in a manner that ensures independence.
- (2) Where the qualifications for independent activity do not exist, an auditor shall refuse to accept an engagement or he or she must withdraw from it. However, an auditor need not refuse to accept an engagement or withdraw from an engagement if:
 - 1) the threats to independence, assessed as a whole, are considered insignificant; or
 - 2) the auditor has taken measures to safeguard his or her independence.
- (3) Measures shall be taken to safeguard independence at least in cases where:
 - 1) the auditor has financial or other interests in the corporation or foundation or where a business relationship, other than an ordinary one, exists between the auditor and the corporation or foundation;
 - 2) the auditor's own activities are subject to the audit;
 - 3) the auditor acts for or against the corporation or foundation in legal proceedings or other matters;
 - 4) the auditor has a close personal relationship with a member of the management of the corporation or foundation, or with a person who is, as an employee of the corporation or foundation, involved with a matter being the subject of the engagement; or
 - 5) the auditor is being pressured.

- (4) The threats to independence and the measures taken to safeguard independence referred to in subsections 2 and 3 shall be recorded in the engagement documentation.
- (5) The provisions laid down in subsection 3 regarding a corporation or a foundation shall also apply to entities over which it exercises control in accordance with section 5 of chapter 1 of the Accounting Act, as well as to a corporation or a foundation which exercises direct control over it.
- (6) When making the assessment referred to in subsection 2 above, consideration shall be given to threats to auditor's independence relating to:
 - 1) the KHT firm or HTM firm where the auditor works;
 - 2) any person significantly involved with the performance of the engagement under the supervision of the auditor;
 - 3) any person who has direct management or supervisory responsibility over the activities of the auditor; or
 - 4) an owner or a member of the management of the KHT firm or HTM firm referred to in paragraph 1 above who is significantly involved with the performance of the engagement.

Section 25

Disqualification of an auditor

- (1) An auditor is in any case not independent in the manner referred to in section 24 if:
 - 1) the auditor is a partner, a member of the Board of Directors or the Supervisory Board, the Managing Director or one in an equivalent position in the corporation or foundation or in a corporation belonging to the same group, or in an associate referred to in section 8 of chapter 1 of the Accounting Act;
 - 2) the auditor is responsible for the preparation of the accounting records or for the management of assets or for the supervision of either activity in the corporation or foundation;
 - 3) the auditor is employed by the corporation or foundation or by a person referred to in paragraphs 1 and 2;
 - 4) the auditor has a direct or indirect ownership interest in or other right to the shares of a profit-seeking entity;
 - 5) the auditor has accepted a loan, a guarantee or similar benefit from or has given such benefit to the corporation or foundation or a member of its management;
 - 6) a person referred to in paragraph 1 or paragraph 2 is the auditor's spouse, brother or sister or the auditor's relative in the direct line of ascent or descent;
 - 7) the auditor's spouse or a relative in a direct line of descent has an ownership interest or other right referred to in paragraph 4 and this right is not insignificant; or
 - 8) a natural person appointed as the auditor of an entity subject to public trading or the person with principal responsibility within an audit firm appointed for the conduct of the audit of an entity subject to public trading has accepted a position referred to in paragraph 1 or paragraph 2 in the entity in question and the period of time passed since the acceptance of the position is shorter than two years.
- (2) The provisions laid down in subsection 1(4) do not apply to a corporation whose membership is required in order to have access to essential utility services provided by it. In such a corporation, an auditor is permitted to hold an ownership interest only to the extent that is needed for entitlement to the services; however, the interest shall not exceed one per cent.
- (3) If an auditor receives a right referred to in subsection 1(4) after the appointment, he or she shall dispose of the right or resign from the engagement within a reasonable period of time after he or she was informed of the right and he or she was entitled to dispose of it.
- (4) The provisions laid down above in this section regarding a corporation or a foundation shall also apply to entities over which it exercises control in accordance with section 5 of chapter 1 of the Accounting Act, as well as to a corporation or a foundation which exercises direct control over it.

Section 26

Confidentiality obligation of an auditor

- (1) An auditor or his or her assistant is not permitted to disclose to an outsider any information received while carrying out the duties referred to in this Act, unless it is otherwise provided in subsection 2.
- (2) However, the obligation of confidentiality does not apply to information which:
 - 1) an auditor has a legal obligation to disclose or to report on;
 - 2) the one for whose benefit the obligation of confidentiality has been enacted gives his or her permission to reveal;
 - 3) a public authority, a court, an oversight body referred to in this Act, or another person has a legal right to have access to; or
 - 4) is publicly available.

Chapter 5

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

Section 27

Limitations to the duration of appointments

- (1) The total duration of the consecutive appointments of an auditor of an entity subject to public trading shall not exceed seven years.
- (2) After the end of the maximum length of time referred to in subsection 1, the auditor is not permitted to be involved with the audit of the entity in question until a period of at least two years has passed after the end of the audit engagement.
- (3) If an audit firm has been appointed as an auditor, the provisions laid down above in this section do not apply to the firm but merely to the auditor with principal responsibility for the engagement.

Section 28

Information to be communicated to the Board of Directors of the entity

The auditor of an entity subject to public trading shall submit annually to the entity's Board of Directors:

- 1) a written confirmation of his or her independence and a notification regarding threats to independence, other than those considered insignificant, as well as measures taken to safeguard independence, referred to in section 24; and
- 2) a notification regarding engagements, other than the statutory audit, performed for the entity.

Section 29

Disclosure of information on administration and operations

The auditor of an entity subject to public trading shall publish, on an annual basis, information regarding the legal and ownership structure, financial position and audit clients of the audit firm, its administration and quality assurance system as well as the guidance given on independence. Detailed provisions on the information to be published shall be given by a Government decree.

Chapter 6

Approval and registration of auditors

Section 30

KHT auditor

- (1) Upon application, the Auditing Board of the Central Chamber of Commerce shall approve as an auditor a natural person who:
 - 1) has not shown through his or her actions to be unfit as an auditor;
 - 2) is not in bankruptcy, whose legal capacity has not been restricted, who is not under guardianship and is not barred from conducting business;
 - 3) does not carry out any activity, together with audit activity, which is likely to endanger the performance of an audit;
 - 4) holds a higher university degree;
 - 5) has completed studies necessary for the performance of the duties of an auditor in accounting, law and other subjects in the field of business and economics;
 - 6) has obtained a minimum of three years' practical experience in demanding activities in the field of auditing and accounting; and
 - 7) has proven his or her professional competence by passing the professional examination for KHT auditors (*KHT examination*).
- (2) Before the registration referred to in section 37, a person approved as an auditor shall give an auditor's affirmation before the court.
- (3) Detailed provisions on the studies, the practical experience, and the requirements for the KHT examination referred to in subsections 1(5) to 1(7) above, as well as on the contents of the affirmation referred to in subsection 2 shall be given by a decree of the Ministry of Trade and Industry.
- (4) The requirements referred to in subsections 1(4) and 1(5) above may be departed from if the applicant has practiced professionally as an HTM auditor for a period of at least five years and has, in connection with the KHT examination, passed a set of additional exercises in the subjects referred to in subsection 1(5). The requirements referred to in subsections 1(4) and 1(5) above may be departed from if the applicant has a minimum of seven years' experience in demanding activities in the field of accounting, finance and law and has, in connection with the KHT examination, passed a set of additional exercises in the subjects referred to in subsection 1(5). The requirements referred to in subsections 1(4), 1(5) and 1(6) above may be departed from if the applicant has a minimum of fifteen years' experience of demanding activities in the field of accounting, finance and law and has, in connection with the KHT examination, passed a set of additional exercises in the subjects referred to in subsection 1(5). Detailed provisions shall be given by a decree of the Ministry of Trade and Industry regarding the additional exercises to be passed in connection with the KHT examination, and as to which activities, positions or offices provide the experience referred to in this subsection.
- (5) Notwithstanding the provisions laid down in subsections 1(1) and 1(4) to 1(7), an auditor approved in an EEA state may be approved as a KHT auditor. Prior to the approval, the applicant must pass a qualifying examination organised by the Auditing Board of the Central Chamber of Commerce. The provisions laid down in this subsection shall also apply to a person who is professionally qualified to practice auditing in a country with which the European Community and its member states have made an agreement of mutual recognition of professional qualification.

Section 31

HTM auditor

- (1) Upon application, the Auditing Committee of a local Chamber of Commerce shall approve as an auditor a natural person who:
 - 1) has not shown through his or her activities to be unfit as an auditor;
 - 2) is not in bankruptcy, whose legal capacity has not been restricted, who is not under guardianship and is not barred from conducting business;
 - 3) does not carry out any activity, together with audit activity, which is likely to endanger the performance of an audit;
 - 4) holds a university degree or a polytechnic degree;
 - 5) has completed studies necessary for the performance of the duties of an auditor in accounting, law and other subjects in the field of business and economics;
 - 6) has obtained a minimum of three years' practical experience in professional auditing and accounting activities; and
 - 7) has proven his or her professional competence by passing the professional examination for HTM auditors (*HTM examination*).
- (2) Before the registration referred to in section 37, a person approved as an auditor shall give an auditor's affirmation before the court.
- (3) Detailed provisions shall be given by a decree of the Ministry of Trade and Industry regarding the studies, the practical experience, and the requirements for the HTM examination referred to in subsections 1(5) to 1(7) above, as well as the contents of the affirmation referred to in subsection 2.
- (4) The requirements referred to in subsections 1(4) and 1(5) above may be departed from if the applicant has a minimum of seven years' experience in professional activities in the field of accounting, finance and law and has, in connection with the HTM examination, passed a set of additional exercises in the subjects referred to in subsection 1(5). The requirements referred to in subsections 1(4), 1(5) and 1(6) above may be departed from if the applicant has a minimum of fifteen years' experience in professional activities in the field of accounting, finance and law and has, in connection with the HTM examination, passed a set of additional exercises in the subjects referred to in subsection 1(5). Detailed provisions shall be given by a decree of the Ministry of Trade and Industry regarding the additional exercises to be passed in connection with the HTM examination, and as to which activities, positions or offices provide the experience referred to above in this subsection.
- (5) Notwithstanding the provisions laid down in subsections 1(4) to 1(7), an auditor approved in an EEA state may be approved as a HTM auditor. Prior to the approval, the applicant shall pass a qualifying examination organised by the Auditing Board of the Central Chamber of Commerce. The provisions of this subsection shall also apply to a person who is professionally qualified to practice auditing in a country with which the European Community and its member states have made an agreement of mutual recognition of professional qualification.
- (6) The application for approval as an HTM auditor shall be processed by the Auditing Committee of the local Chamber or Commerce of the region in which the applicant's domicile is situated. If the applicant is not domiciled in Finland, the application shall be processed by the Auditing Committee of the Helsinki Region Chamber of Commerce.

Section 32

KHT examination and HTM examination and admittance to the examinations

- (1) A natural person meeting the requirements laid down in section 30(1)(1), 30(1)(2) and 30(1)(4 to 6) or in section 30(4) can be admitted to the KHT examination. The decision regarding the admission to the examination shall be made by the Auditing Board of the Central Chamber of Commerce.

- (2) A natural person meeting the requirements laid down in section 31(1)(1), 30(1)(2) and 30(1)(4 to 6) or in section 31(4) can be admitted to the HTM examination. The decision regarding the admission to the examination shall be made by the Auditing Committee of the local Chamber of Commerce.
- (3) The KHT examinations and HTM examinations shall be arranged by the Auditing Board of the Central Chamber of Commerce referred to in section 42.

Section 33

KHT firm

- (1) Upon application, the Auditing Board of the Central Chamber of Commerce shall approve as a KHT firm a limited liability company, a limited partnership or a general partnership which practices auditing and:
 - 1) which is qualified to act as an independent audit firm in accordance with this Act;
 - 2) where a majority of partners in a general partnership or personally liable partners in a limited partnership are KHT auditors working at the firm or are KHT firms or HTM firms or are auditors or audit firms approved in an EEA state, or where a majority of voting rights in a limited liability company is held by auditors or audit firms referred to above; and
 - 3) where at least two thirds of the members and deputy members, and the Chairperson and the deputy Chairperson of the Board of Directors of a limited liability company are KHT auditors or auditors approved in an EEA state working at the firm.
- (2) The above provisions regarding a limited liability company, a limited partnership, and a general partnership shall also apply to a comparable foreign entity.

Section 34

HTM firm

- (1) Upon application, the Auditing Committee of a local Chamber of Commerce shall approve as a HTM firm a limited liability company, a limited partnership, or a general partnership which practices auditing and:
 - 1) which is qualified to act as an independent audit firm in accordance with this Act;
 - 2) where a majority of partners in a general partnership or personally liable partners in a limited partnership are KHT auditors or HTM auditors working at the firm or are KHT firms or HTM firms or are auditors or audit firms approved in an EEA state, or where a majority of voting rights in a limited liability company is held by auditors or audit firms referred to above; and
 - 3) where at least two thirds of the members and deputy members, and the Chairperson and the deputy Chairperson of the Board of Directors of a limited liability company are KHT auditors, HTM auditors or auditors approved in an EEA state working at the firm.
- (2) The above provisions regarding a limited liability company, a limited partnership and a general partnership shall also apply to a comparable foreign entity.
- (3) The application for approval as an HTM firm shall be processed by the Auditing Committee of the local Chamber of Commerce of the region in which the applicant's domicile is situated. Where the applicant is not domiciled in Finland, the application shall be processed by the Auditing Committee of the Helsinki Region Chamber of Commerce.

Section 35

Expiration of approval

- (1) The approval shall expire at the end of the calendar year during which a natural person practicing as an auditor reaches the age of 70 years. An extension until the end of the following calendar year may be

granted upon application for the purpose of completing the engagements already accepted.

- (2) A decision regarding the extension for a KHT auditor shall be made by the Auditing Board of the Central Chamber of Commerce. A decision regarding the extension for an HTM auditor shall be made by the Auditing Committee of a local Chamber of Commerce.

Section 36

Cancellation and restoration of approval

- (1) Upon application by an auditor, the approval shall be cancelled for a fixed period of time or until further notice. The approval of an auditor can be restored upon application if the auditor still qualifies for approval and meets the requirement laid down in section 21 regarding the maintenance and development of professional competence.
- (2) An application for the cancellation or restoration of the approval of a KHT auditor or a KHT firm shall be addressed to the Auditing Board of the Central Chamber of Commerce. An application for the cancellation or restoration of the approval of an HTM auditor or an HTM firm shall be addressed to the competent Auditing Committee of a local Chamber of Commerce.

Section 37

Register of auditors

- (1) A register of auditors shall be held by the Auditing Board by the Central Chamber of Commerce. The register shall include the information identifying an auditor, and other necessary information regarding the practice of the profession and the conduct of business. If a remark or warning referred to in section 49 has been given to an auditor, this information shall also be entered into the register. Detailed provisions regarding the information to be entered into the register as well as the keeping of the register shall be given by a Government decree.
- (2) The register of auditors shall also include information regarding an auditor who is approved and registered in a non-EEA state and issues an auditor's report on the financial statements or consolidated financial statements, as well as on the annual report of a corporation registered in a non-EEA state, when the securities of the corporation in question are subject to public trading referred to in section 3 of chapter 1 of the Securities Markets Act. An auditor to be registered shall also meet the requirements, which will be detailed in a Government decree, relating to professional competence, the administration of the audit firm, the conduct of an audit and the information to be published. The registration referred to above does not apply to an auditor of a corporation whose securities subject to public trading only include other than equity securities whose nominal value per unit or book value is at least 50 000 euros or an equivalent amount in another currency.
- (3) Information regarding an auditor shall be entered into the register of auditors on notification by the auditor in question or by the oversight body referred to in chapter 7. Those referred to above having an obligation to make a notification shall without delay report to the Auditing Board of the Central Chamber of Commerce any changes in the information included in the register.
- (4) Only a registered auditor has the right to use the title of KHT auditor, HTM auditor, KHT firm, or HTM firm or any abbreviations referring thereto.
- (5) Notwithstanding the provisions in section 16(3) of the Act on the Openness of Government Activities (621/1999; *laki viranomaisten toiminnan julkisuudesta*), anyone is entitled to receive information, extracts and certificates of data entered into the register of auditors.

Section 38

Removal of information from the register of auditors

- (1) If the approval of a registered auditor has expired, been cancelled, or been withdrawn pursuant to section 50, the Auditing Board of the Central Chamber of Commerce must remove from the register the information relating to that auditor. The notification for removal from the register can also be made by the party that has withdrawn the auditor's approval if the decision has gained legal force. Upon receipt of the notification, the Auditing Board of the Central Chamber of Commerce shall without delay report the withdrawal to the authorities keeping the register of auditors in the relevant EEA states.
- (2) Information regarding a warning shall be removed from the register six years after, and information regarding a remark three years after the decision thereupon has gained legal force.

Chapter 7

Direction, development and oversight

Section 39

Direction, development and oversight of auditing

- (1) The Auditing Board of the State, referred to in section 41, shall be responsible for the general direction, development and oversight of auditing.
- (2) The Auditing Board of the Central Chamber of Commerce shall be responsible for the approval of auditors and for the direction and development relating to the oversight of the activities of approved auditors.

Section 40

Oversight of auditors and quality assurance review

- (1) The Auditing Board of the Central Chamber of Commerce shall oversee, and take the appropriate measures to ensure that auditors maintain their professional competence and other qualifications required for approval and operate in accordance with this Act and any provisions given by virtue thereof.
- (2) The Auditing Board of the Central Chamber of Commerce shall oversee the quality assurance of KHT auditors and KHT firms. While overseeing the quality assurance of auditors, the Board:
 - 1) orders an auditor to a quality assurance review at least every six years or, in the case of an auditor who audits an entity subject to public trading, at least every three years;
 - 2) designates one or more independent reviewers to conduct quality assurance reviews;
 - 3) determines the contents and the manner of implementation of the quality assurance review; and
 - 4) processes the results of a quality assurance review and decides on measures to be taken on the basis of the review.
- (3) The provisions in subsections 1 and 2 apply correspondingly to the responsibility of the Auditing Committee of a local Chamber of Commerce to oversee HTM auditors and HTM firms whose domicile is situated in its region. If an HTM auditor or an HTM firm is not domiciled in Finland, the Helsinki Region Chamber of Commerce shall be responsible for the oversight.
- (4) A quality assurance reviewer shall have a thorough knowledge of auditing, together with specific training qualifying him or her for quality assurance reviews. A quality assurance reviewer designated by the Central Chamber of Commerce shall without delay submit to the Auditing Board of the Central

Chamber of Commerce a report on the quality assurance review conducted, and a quality assurance reviewer designated by a local Chamber of Commerce shall submit a corresponding report to the Auditing Committee of the local Chamber of Commerce. A quality assurance reviewer shall observe the provisions laid down in the Administrative Procedure Act (434/2003; *hallintolaki*), the Language Act (423/2003; *kielilaki*) and the Act on the Openness of Government Activities. The provisions regarding penal liability in public office shall be applied to a quality assurance reviewer in the conduct of activities relating to quality assurance. Quality assurance reviews shall not be conducted in any place within the scope of domestic peace.

Section 41

Auditing Board of the State

- (1) The Auditing Board of the State shall consist of the Chairperson, the deputy Chairperson, and six other members. Each member, except for the Chairperson and the deputy Chairperson, shall have a personal deputy.
- (2) The Chairperson, the deputy Chairperson, the other members, and the Secretary of the Auditing Board of the State shall have a thorough knowledge of auditing. In addition, two members shall have a master's degree in law.
- (3) The Chairperson, the deputy Chairperson, as well as the six members of the Auditing Board of the State and their personal deputies shall be appointed by the Government for a term of three years so that of the remaining members:
 - 1) one shall have expertise in research and education in the field of company law, and one shall have expertise in research and education in the field of accounting, especially financial accounting;
 - 2) one shall represent HTM auditors and one shall represent KHT auditors; and
 - 3) two shall have expertise in trade and industry.
- (4) The Chairperson of the Auditing Board of the State shall be appointed on the proposal of the Ministry of Trade and Industry, and the deputy Chairperson shall be appointed on the proposal of the Ministry of Justice. A KHT auditor or an HTM auditor cannot be appointed as Chairperson or deputy Chairperson. A majority of the members of the Board shall be persons other than KHT auditors or HTM auditors or persons whose approval as an auditor has expired or been cancelled more than three years earlier.
- (5) The above provisions on the members shall apply correspondingly to their deputies.
- (6) The provisions of law regarding persons holding the office of judge shall also apply to the right of the Chairperson, the deputy Chairperson, and a member of the Auditing Board of the State to remain in office. When the post of the deputy Chairperson or a member of the Board becomes vacant during the term, a successor shall be appointed for the remaining term.

Section 42

The Auditing Board of the Central Chamber of Commerce

- (1) The Auditing Board of the Central Chamber of Commerce shall consist of the Chairperson, the deputy Chairperson and 12 other members. Each member, except for the Chairperson and the deputy Chairperson, shall have a personal deputy.
- (2) The Chairperson, the deputy Chairperson, the other members, and the Secretary of the Auditing Board of the Central Chamber of Commerce shall have a thorough knowledge of auditing.
- (3) The Chairperson and the deputy Chairperson of the Auditing Board of the Central Chamber of Commerce as well as three members and their personal deputies shall be designated by the Ministry of

Trade and Industry for a term of three years.

- (4) The remaining nine members of the Auditing Board and their personal deputies shall be appointed by the Council of the Central Chamber of Commerce for a term of three years so that of the remaining members:
 - 1) three shall have expertise in research and education in the field of auditing and have legal expertise in that field;
 - 2) three shall have expertise in trade and industry; and
 - 3) two shall represent KHT auditors and one shall represent HTM auditors.
- (5) A KHT auditor or an HTM auditor cannot be appointed as Chairperson or deputy Chairperson of the Auditing Board of the Central Chamber of Commerce. A majority of the members of the Auditing Board shall be persons other than KHT auditors or HTM auditors or persons whose approval as an auditor has expired or has been cancelled more than three years earlier.
- (6) The above provisions on the members shall apply correspondingly to their deputies.

Section 43

The Auditing Committee of a local Chamber of Commerce

- (1) The Auditing Committee of a local Chamber of Commerce shall consist of the Chairperson, the deputy Chairperson and six other members. Each member, except for the Chairperson and the deputy Chairperson, shall have a personal deputy.
- (2) The Chairperson, the deputy Chairperson, the other members and the Secretary of the Auditing Committee of a local Chamber of Commerce shall have a thorough knowledge of auditing.
- (3) The Chairperson and the deputy Chairperson of the Committee shall be appointed by the Auditing Board of the Central Chamber of Commerce, and the remaining members of the Committee shall be appointed by the local Chamber of Commerce for a term of three years so that of the remaining members:
 - 1) two shall have expertise in research and education in the field of auditing and have legal expertise in that field;
 - 2) two shall have expertise in trade and industry; and
 - 3) two shall represent KHT auditors and HTM auditors.
- (3) A KHT auditor or an HTM auditor cannot be appointed as Chairperson or deputy Chairperson of the Auditing Committee of a local Chamber of Commerce. A majority of the members of the Auditing Committee shall be persons other than KHT auditors or HTM auditors or persons whose approval as an auditor has expired or has been cancelled more than three years earlier.
- (4) The above provisions on the members shall apply correspondingly to their deputies.

Section 44

Procedure followed by the oversight bodies

- (1) In the Auditing Board of the State, a quorum shall be constituted by the Chairperson or the deputy Chairperson and three other members or their deputies, at least one of whom shall have a master's degree in law. In the Auditing Board of the Central Chamber of Commerce, a quorum shall be constituted by the Chairperson or the deputy Chairperson and at least six other members or their deputies. In the Auditing Committee of a local Chamber of Commerce, a quorum shall be constituted by the Chairperson or the deputy Chairperson and at least three other members or their deputies.
- (2) The provisions of the Administrative Procedure Act, the Language Act and the Act on the Openness of Government Activities shall also apply to the procedure followed by the Auditing Board of the Central

Chamber of Commerce and the Auditing Committee of a local Chamber of Commerce. The provisions of the Administrative Judicial Procedure Act (586/1996; *hallintolainkäyttölaki*) and the Act on the Openness of Procedures in Administrative Courts [not yet available in English] (381/2007; *laki oikeudenkäynnin julkisuudesta hallintotuomioistuimissa*) shall apply to the handling of appeals referred to in section 53 of this Act in the Auditing Board of the State. Detailed provisions regarding the procedure otherwise to be followed by the oversight bodies can be given by a Government decree.

- (3) 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 cannot impose a sanction referred to in section 49 or section 50 if more than six years have passed since the auditor's blameworthy activity took place.
- (4) The provisions regarding penal liability in public office shall apply to the Chairperson, the deputy Chairperson, a member, a deputy member, and the secretary of the Auditing Board of the State, of the Auditing Board of the Central Chamber of Commerce, and of the Auditing Committee of a local Chamber of Commerce, when they are carrying out the activities referred to in this Act. Furthermore, the provisions laid down in chapter 4 of the Tort Liability Act (412/1974; *vahingonkorvauslaki*) on an employee's liability in damages shall apply.

Section 45

Right to obtain information

- (1) 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, as well as a quality assurance reviewer designated by the oversight body referred to above and any other person assigned to perform oversight duties have the right to obtain from an auditor approved in accordance with this Act all the documents and other records considered necessary for the oversight of the auditor's work, and to review them in the premises of the oversight body or of the auditor subject to the oversight. Furthermore, an auditor subject to the oversight shall, without undue delay, submit to the oversight body, to the quality assurance reviewer, and to any other person assigned to perform oversight duties the information and explanations considered necessary for the conduct of the oversight as requested by them.
- (2) The provisions laid down in subsection 1 above also apply to an auditor of a corporation or a foundation which is a parent entity, unless the disclosure of information regarding the audit of the group is prevented by legislation of another country or because of any other obstacle not depending on the auditor. An auditor shall demonstrate the existence of such an obstacle.
- (3) The documentation relating to an engagement referred to in section 1(1) shall be retained by an auditor for at least six years.

Section 46

Confidentiality obligation

In addition to the provisions regarding the openness of government activities, the confidentiality obligation shall not prevent an auditor from submitting information to an oversight body, to a pre-trial investigation authority, or to a prosecutor for the purpose of conducting their duties.

Chapter 8

International co-operation in oversight activities

Section 47

Exchange of information and other co-operation between oversight bodies

- (1) Notwithstanding the provisions laid down on the confidentiality of information, the Auditing Board of

the Central Chamber of Commerce must, upon request, submit any documents and other information considered necessary for the conduct of the oversight to an oversight body of an EEA state conducting corresponding oversight activities in their home country by virtue of law.

- (2) The provisions laid down above in subsection 1 shall also apply to the submission of documents considered necessary for the conduct of oversight to a corresponding oversight body in a non-EEA state, if:
 - 1) the documents relate to the audit of a corporation which prepares consolidated financial statements in that state or whose securities are in that state subject to trading equivalent to public trading referred to in section 3 of chapter 1 of the Securities Markets Act;
 - 2) the oversight of auditors has in accordance with section 48 been assessed as adequate;
 - 3) an agreement has been reached with the oversight body in that country regarding the submission, use and confidentiality of information;
 - 4) the provisions laid down in the Personal Data Act (523/1999; *henkilötietolaki*) shall be observed in the exchange the information.
- (3) The Auditing Board of the Central Chamber of Commerce must undertake oversight activities on request by an oversight body of an EEA state or allow the oversight body that made the request to participate in the performance of the activities.
- (4) The Auditing Board of the Central Chamber of Commerce may, for a weighty reason, refuse to act on a request referred to in subsections 1 to 3. The Auditing Board of the Central Chamber of Commerce may also refuse to act on a request if judicial proceedings have already been initiated in Finland in respect of the same actions or the same auditor or where a final decision or judgment has already been passed in Finland.

Section 48

Oversight of non-EEA state auditors

- (1) The Auditing Board of the Central Chamber of Commerce shall oversee, in the manner laid down in chapter 7 of this Act, also auditors who have been approved in a non-EEA state and registered on the basis of section 37(2), unless the oversight carried out in that country has been assessed as equivalent to the oversight of auditors in EEA states.
- (2) The assessment of equivalence referred to in subsection 1 above shall be carried out in accordance with the decision by the European Commission regarding the assessment of equivalence in the oversight of auditors in a non-EEA state. Pending such a decision, the Auditing Board of the Central Chamber of Commerce shall assess the equivalence of the oversight of auditors in that country or follow the assessment of equivalence carried out by another EEA state.

Chapter 9

Sanctions

Section 49

Warning and remark

- (1) The Auditing Board of the Central Chamber of Commerce or the Auditing Committee of a local Chamber of Commerce shall give a warning to an auditor if the auditor has:
 - 1) out of negligence or carelessness violated this Act or any provisions given by virtue thereof;
 - 2) violated his or her duties as an auditor; or
 - 3) has without justification acted in a manner which is otherwise likely to disparage the professional reliability or dignity of auditors.
- (2) Where there are mitigating circumstances relating to an auditor's actions referred to in subsection 1, the auditor shall be given a remark.

Section 50

Withdrawal of approval

- (1) The Auditing Board of the State shall withdraw an auditor's approval if the auditor:
 - 1) has deliberately or out of gross negligence violated this Act or any provisions given by virtue thereof;
 - 2) has, in spite of a warning given to him or her, repeatedly violated his or her duties as an auditor;
or
 - 3) is no longer professionally competent or does no longer meet other requirements for approval.
- (2) The approval can also be withdrawn for a fixed period of a maximum of two years.
- (3) A decision regarding the withdrawal of approval may be ordered to be implemented regardless of appeal if there are weighty reasons therefor.
- (4) If the Auditing Committee of a local Chamber of Commerce considers that the criteria laid down in subsection 1 are met, it shall present to the Auditing Board of the Central Chamber of Commerce a written motion as to the withdrawal of the approval of an HTM auditor or an HTM firm. If the Auditing Board of the Central Chamber of Commerce considers that the criteria referred to above are met, it shall present to the Auditing Board of the State a written motion as to the withdrawal of the approval of the auditor. The Auditing Board of the State must allow the auditor in question an opportunity to be heard.
- (5) When handling a withdrawal of approval, the Auditing Board of the State may give the auditor a warning or a remark if the criteria for withdrawing the approval are not met but the auditor's actions are blameworthy on the basis of section 49.

Section 51

Liability in damages

- (1) An auditor is liable in damages for the loss caused by him or her, deliberately or out of negligence, to a corporation or foundation when carrying out the duties referred to in section 1(1). The aforementioned shall also apply to the loss caused to a shareholder, a partner, or a member of the corporation, or another person by a violation of this Act, an Act applying to the corporation or foundation, the articles of association, rules, or deed of partnership. An auditor is also liable to compensate the loss caused by his or her assistant deliberately or out of negligence.
- (2) If the auditor is an audit firm, the firm as well as the person with principal responsibility for the conduct of the audit shall be liable for the loss.
- (3) The adjustment of the damages and the allocation of liability between two or more liable persons shall be governed by the provisions in chapters 2 and 6 of the Tort Liability Act.

Section 52

Penal provisions

- (1) One who deliberately or out of gross negligence violates the provision of section 15 regarding the preparation of an auditor's report or, when performing duties referred to in section 1(1)(2), deliberately or out of gross negligence gives incorrect or misleading information in his or her statement, shall be sentenced, on the basis of an *audit violation*, to a fine, unless a more severe penalty is provided elsewhere in the law.
- (2) One who in violation of section 37(4) uses the title of an auditor or any other title which might cause him or her to be mistakenly considered to be an auditor, shall be sentenced to fine on the basis on *unlawful use of the professional title of an auditor*.

- (3) The penalty for an audit offence is laid down in section 10a of chapter 30 of the Penal Code (39/1889; *rikoslaki*).
- (4) The penalty for a violation of the confidentiality obligation of an auditor laid down in section 26, shall be imposed in accordance with section 1 or section 2 of chapter 38 of the Penal Code, unless the violation is punishable under section 5 or section 6 of chapter 30 of the Penal Code or a more severe penalty is provided elsewhere in the law.
- (5) The penalty for a violation of the confidentiality obligation of an auditor laid down in section 46(1) shall be imposed in accordance with section 1 or section 2 of chapter 38 of the Penal Code, unless the violation is punishable under section 5 of chapter 40 of the Penal Code or a more severe penalty is provided elsewhere in the law.

Chapter 10

Miscellaneous provisions

Section 53

Appeal

- (1) A decision made by the Auditing Committee of a local Chamber of Commerce or the Accounting Board of the Central Chamber of Commerce on the basis of this Act or provisions given by virtue thereof shall be appealed to the Auditing Board of the State.
- (2) A decision made by the Auditing Board of the State on the basis of this Act shall be appealed to the Supreme Administrative Court.

Section 54

Prohibition against appeal

- (1) The right of appeal shall not apply to a decision made by the Auditing Board of the Central Chamber of Commerce regarding a matter referred to in section 40(2)(1 to 3).
- (2) A decision made by the Auditing Board of the State may not be appealed by one:
 - 1) whose application for the admission to a KHT examination or an HTM examination has been dismissed; and
 - 2) who has been dismissed in a KHT examination or an HTM examination.
- (3) Otherwise, the provisions of the Administrative Judicial Procedure Act regarding appeals shall apply.

Section 55

Charges from auditors

- (1) The Central Chamber of Commerce and local Chambers of Commerce have a right to charge payments, in accordance with the Act on Criteria for Charges Payable to the State (150/1992; *maksuperustelaki*), to cover the expenses incurred in conducting the duties referred to in this Act. The charges payable to the Central Chamber of Commerce and a local Chamber of Commerce shall be provided by a decree of the Ministry of Trade and Industry.
- (2) A decision made by the Central Chamber of Commerce or a local Chamber of Commerce regarding the imposed charges referred to in subsection 1 shall be appealed in accordance with the provisions laid down in section 11 b of the Act on Criteria for Charges Payable to the State.

Chapter 11

Entry into force and transitional provisions

Section 56

Entry into force

- (1) This Act shall enter into force on 1 July 2007.
- (2) This Act shall revoke the Auditing Act of 28 October 1994 (936/1994) including subsequent amendments. An approved auditor referred to in section 2(2) of the Act to be revoked shall be considered as an auditor referred to in section 2(1) of this Act.
- (3) Actions required for the implementation of this Act may be taken before this Act enters into force.

Section 57

Transitional provisions

- (1) The provisions laid down in chapter 3 of this Act regarding the contents of an audit shall be applied to audits relating to financial periods beginning on or after 1 July 2007. Until then, the contents of an audit shall be determined in accordance with the Auditing Act to be revoked.
 - (2) A referral to the Auditing Act elsewhere in a law or a decree shall refer to this Act after this Act has entered into force. Provisions laid down elsewhere in the law regarding an approved auditor shall apply to an auditor referred to in section 2(1) of this Act, unless it is specifically provided otherwise.
 - (3) Notwithstanding the provisions in this Act, the provisions of the Act to be revoked shall be applied in associations to the appointment of an auditor other than a KHT auditor or an HTM auditor or a KHT firm or an HTM firm and to an audit referred to in section 1(1) conducted by such an auditor. Correspondingly, the provisions of the Act to be revoked shall be applied in other legal entities or foundations founded before this Act enters into force to the appointment of an auditor other than a KHT auditor or an HTM auditor or a KHT firm or an HTM firm and to an audit conducted by such an auditor in respect of financial periods ending on or before 31 December 2011.
 - (4) Notwithstanding the provisions laid down in section 7 of this Act, a JHTT auditor may be appointed as an auditor instead of a HTM auditor in a corporation or a foundation where a controlling interest is held by a municipality or a joint municipal board, for a term ending at 31 December 2012 at the latest.
 - (5) An auditor shall dispose of a right or withdraw from an engagement referred to in section 25(1)(4) within six months after this Act enters into force.
 - (6) The time referred to in section 27(1) limiting the maximum length of an auditor's term shall commence at the beginning of the financial period beginning after this Act enters into force.
 - (7) Provisions laid down in sections 41 to 43 regarding the composition of 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 shall be applied when appointing the members for terms beginning after this Act enters into force.
 - (8) This Act shall revoke the Ordinance of 24 May 1996 regarding the application of certain sections of the Auditing Act (358/1996). Other provisions given by virtue of the Act to be revoked shall remain in force until it is otherwise provided.
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