

SUMMARY

ECJ 24 March 2021, case C-950/19 (A), Miscellaneous, Other Fundamental Rights

A. Intervening party: Patentti- ja rekisterihallituksen tilintarkastuslautakunta, Finnish Case

Summary

The prohibition to ‘take up a position’ within the meaning of Article 22(a)(1)(a) of Directive 2006/43 includes concluding an employment contract, even if the employee has not yet begun to actually perform his or her duties in that post. The ECJ’s summary of the case is available [here](#).

Question

Must Article 22a(1)(a) of Directive 2006/43 be interpreted as meaning that a statutory auditor, such as a key audit partner appointed by an audit firm in the context of a statutory audit engagement, must be regarded as holding a key management post in an audited entity, within the meaning of that provision, as soon as he or she concludes an employment contract for the post with the audited entity, or only when he or she actually commences to perform his or her duties?

Ruling

Article 22a(1)(a) of Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006 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, as amended by Directive 2014/56/EU of the European Parliament and of the Council of 16 April 2014 must be interpreted as meaning that a statutory auditor, such as a key audit partner, appointed by an audit firm in the context of a statutory audit engagement, must be regarded as

holding a key management position in an audited entity, within the meaning of that provision, as soon as he or she concludes an employment contract with the latter relating to that post, even if he or she has not yet begun to actually perform his or her duties in that post.

Creator: European Court of Justice (ECJ)

Verdict at: 2021-03-24

Case number: C-950/19