

Financial Services (Insurance Companies)

1987-10

INSURANCE COMPANIES (AUDITORS) REGULATIONS 1997

**Subsidiary
1997/112**

Regulations made under section 48A(2) and (3)

INSURANCE COMPANIES (AUDITORS) REGULATIONS 1997

(LN. 1997/112)

23.10.1997

Amending enactments	Relevant current provisions	Commencement date
LN. 2007/145	rr. 2, 3(1) & (2)(a)(iii)	20.12.2007

ARRANGEMENT OF REGULATIONS

Regulation

1. Title.
2. Interpretation.
3. Duty of auditors to report to the Commissioner.

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Title.

1. These regulations may be cited as the Insurance Companies (Auditors) Regulations 1997.

Interpretation.

2. In these Regulations–

“the Act” means the Insurance Companies Act 1987;

“auditor” means–

- (a) auditor of an insurance or reinsurance company licensed under the Act; or
- (b) auditor of a body with which a Gibraltar or non-EEA insurer is closely linked by control who is also auditor of the insurer;

“the company concerned” means–

- (a) in relation to an auditor of an insurance or reinsurance company licensed under the Act, that company; or
- (b) in relation to an auditor of a body with which a Gibraltar or non-EEA insurer is closely linked by control, that company;

“contravention”, in relation to any provision of the Act, includes any failure to comply with that provision;

“of material significance” means of material significance for determining whether any of the powers of intervention conferred on the Commissioner by sections 55, 64D to 66B, 82, 98, 100 or 100A of the Act should be exercised;

“matters” means any matters which an auditor has become aware of in his capacity as auditor of an insurance company licensed under the Act, or of a body with which a Gibraltar or non-EEA insurer is closely linked by control, and which are relevant to any functions of the Commissioner under the Act.

Duty of auditors to report to the Commissioner.

3. (1) An auditor shall have a duty to report matters promptly to the Commissioner in the circumstances specified in sub-regulation (2) or (3).

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(2) Where the company concerned is a Gibraltar or non-EEA insurer, the circumstances referred to in sub-regulation (1) are circumstances in which the matters are such as—

- (a) to give the auditor reasonable cause to believe, as regards the company concerned—
 - (i) that its authorisation could be withdrawn under section 105 of the Act otherwise than by virtue of sub-section (2)(k) of that section;
 - (ii) that there is or has been, or may be or may have been, a failure to fulfil any of the criteria of sound and prudent management and that the failure is likely to be of material significance;
 - (iii) that there is or has been, or may be or may have been, a contravention of any provision of the Act or any other law, regulation or any administrative provision of the Commissioner to which the company is subject and that the contravention is likely to be of material significance; or
 - (iv) that its continuous functioning may be affected; or
- (b) to preclude the auditor of the company concerned from stating in his report that its annual accounts have been properly prepared in accordance with the Companies Act or section 50 of the Act.

(3) Where the company concerned is not a Gibraltar or non-EEA insurer, the circumstances referred to in sub-regulation (1) are circumstances in which the matters are such as to give an auditor reasonable cause to believe that they are or may be of material significance.