
STATUTORY INSTRUMENTS

1994 No. 525

BUILDING SOCIETIES

The Building Societies (Auditors) Order 1994

Made - - - - 3rd March 1994

Coming into force - - 1st May 1994

Whereas a draft of this Order has been approved by a resolution of each House of Parliament pursuant to section 82(10) of the Building Societies Act 1986(1);

Now, therefore, the Treasury, in exercise of the powers conferred on them by section 82(9) of that Act and of all other powers enabling them in that behalf, hereby make the following Order:

Citation and commencement

1. This Order may be cited as the Building Societies (Auditors) Order 1994 and shall come into force on 1st May 1994.

Interpretation

2. In this Order—

“the Act” means the Building Societies Act 1986;

“auditor” means an auditor of a building society;

“the Regulations” means the Banking Coordination (Second Council Directive) Regulations 1992(2);

“society” means a building society; and

“the Commission” means the Building Societies Commission.

Matters to be communicated to the Building Societies Commission

3.—(1) The auditor shall furnish to the Commission in the circumstances prescribed in paragraph (2) below, information available to him of the description prescribed in paragraph (3) below.

(2) The circumstances referred to in paragraph (1) above are circumstances in which the information of the description prescribed in paragraph (3) below is such as to give an auditor reasonable cause to believe—

(1) 1986 c. 53.

(2) S.I.1992/3218.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

- (a) that any of the criteria of prudent management in section 45(3) of the Act is not or has not been satisfied, or may not be or may not have been satisfied, in respect of the society of which he is the auditor; and
 - (b) that the information is likely to be of material significance for the exercise, in relation to such a society, of the Commission's functions under the Act or under the Regulations.
- (3) The description of the information hereby prescribed is: any matter of which the auditor becomes aware in his capacity as such which relates to the business or affairs of the society of which he is the auditor, its subsidiaries or other associated bodies.

3rd March 1994

Tim Wood
Nicholas Baker
Two of the Lords Commissioners of Her
Majesty's Treasury

EXPLANATORY NOTE

(This note is not part of the Order)

The Order imposes a duty on an auditor of a building society under the Building Societies Act 1986 to report to the Building Societies Commission any matter relating to the business or affairs of the society, its subsidiaries or other associated bodies of which he may become aware in his capacity as auditor of the society, where he has reasonable cause to believe that any of the criteria of prudent management in section 45(3) of the Act is not or has not been satisfied, or may not be or may not have been satisfied, in respect of the society of which he is the auditor and the information is likely to be of material significance for the exercise, in relation to that society, of the Commission's functions.