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## STATUTORY INSTRUMENTS

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### 2001 No. 2587

## The Financial Services and Markets Act 2000 (Communications by Auditors) Regulations 2001

### Circumstances in which an auditor is to communicate

2.—(1) An auditor to whom section 342 or 343 of the Act applies must communicate to the [<sup>F1</sup>FCA, the PRA or, the Bank of England] information on, or his opinion on, matters mentioned in section 342(3)(a) or 343(3)(a) of the Act (matters of which he has, or had, become aware in his capacity as auditor of an authorised person [<sup>F2</sup>or recognised body] or as auditor of a person who has close links with an authorised person [<sup>F2</sup>or recognised body]) in the following circumstances.

(2) The circumstances are that—

- (a) the auditor reasonably believes that, as regards the person concerned—
  - (i) there is or has been, or may be or may have been, a contravention of any relevant requirement that applies to the person concerned; and
  - (ii) that contravention may be of material significance to [<sup>F3</sup>the FCA, the PRA or the Bank of England] in determining whether to exercise, in relation to the person concerned, any functions conferred on [<sup>F4</sup>that regulator] by or under any provision of the Act other than Part VI;
- (b) the auditor reasonably believes that the information on, or his opinion on, those matters may be of material significance to [<sup>F5</sup>the FCA, the PRA or the Bank of England] in determining whether the person concerned satisfies and will continue to satisfy the threshold conditions [<sup>F6</sup>or, in the case of a [<sup>F7</sup>recognised body, the requirements set out in relation to that sort of recognised body] under section 286 of the Act (qualifications for recognition)];
- (c) the auditor reasonably believes that the person concerned is not, may not be or may cease to be a going concern;
- (d) the auditor is precluded from stating in his report that the annual accounts or, where they are required to be made by any of the following provisions, other financial reports of the person concerned—
  - (i) have been properly prepared in accordance with [<sup>F8</sup>the Companies Act 2006] or, where applicable, give a true and fair view of the matters referred to in section [<sup>F9</sup>section 495(3)(a)] of that Act;
  - (ii) have been prepared so as to conform with the requirements of Part VIII of the Building Societies Act 1986(1) and the regulations made under it or, where applicable, give a true and fair view of the matters referred to in subsection (4) or (7) of section 78 of that Act(2);

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(1) 1986 c. 53.

(2) Section 78 was amended by S.I.1995/3233 and amended and repealed in part by S.I. 1999/248.

**Changes to legislation:** There are outstanding changes not yet made by the legislation.gov.uk editorial team to *The Financial Services and Markets Act 2000 (Communications by Auditors) Regulations 2001*. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

- (iii) have been prepared so as to conform with the Friendly Societies Act 1992(3) and the regulations made under it or, where applicable, give a true and fair view of the matters referred to in section 73(5) of that Act;
  - (iv) have been prepared so as to conform with the requirements of the Friendly and Industrial and Provident Societies Act 1968(4) or, where applicable, give a true and fair view of the matters referred to in section 9(2) and (3) of that Act; or
  - (v) have been prepared so as to conform with the requirements of rules made under the Act where the auditor is, by rules made under section 340 of the Act, required to make such a statement;
- as the case may be; or
- (e) where applicable, the auditor is required to state in his report in relation to the person concerned any of the facts referred to in <sup>F10</sup>subsection (2), (3) or (5) of section 498 of the Companies Act 2006].

#### Textual Amendments

- F1** Words in [reg. 2\(1\)](#) substituted (1.4.2013) by [The Financial Services Act 2012 \(Consequential Amendments and Transitional Provisions\) Order 2013 \(S.I. 2013/472\)](#), art. 1(1), **Sch. 2 para. 51(3)(a)(i)** (with [Sch. 2 para. 52](#))
- F2** Words in [reg. 2\(1\)](#) substituted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), reg. 1, **Sch. para. 26(3)(a)** (with regs. 7(4), 9(1))
- F3** Words in [reg. 2\(2\)\(a\)\(ii\)](#) substituted (1.4.2013) by [The Financial Services Act 2012 \(Consequential Amendments and Transitional Provisions\) Order 2013 \(S.I. 2013/472\)](#), art. 1(1), **Sch. 2 para. 51(3)(b)(i)** (with [Sch. 2 para. 52](#))
- F4** Words in [reg. 2\(2\)\(a\)\(ii\)](#) substituted (1.4.2013) by [The Financial Services Act 2012 \(Consequential Amendments and Transitional Provisions\) Order 2013 \(S.I. 2013/472\)](#), art. 1(1), **Sch. 2 para. 51(3)(b)(ii)** (with [Sch. 2 para. 52](#))
- F5** Words in [reg. 2\(2\)\(b\)](#) substituted (1.4.2013) by [The Financial Services Act 2012 \(Consequential Amendments and Transitional Provisions\) Order 2013 \(S.I. 2013/472\)](#), art. 1(1), **Sch. 2 para. 51(3)(c)(i)** (with [Sch. 2 para. 52](#))
- F6** Words in [reg. 2\(2\)\(b\)](#) inserted (1.4.2013) by [The Financial Services Act 2012 \(Consequential Amendments and Transitional Provisions\) Order 2013 \(S.I. 2013/472\)](#), art. 1(1), **Sch. 2 para. 51(3)(c)(ii)** (with [Sch. 2 para. 52](#))
- F7** Words in [reg. 2\(2\)\(b\)](#) substituted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), reg. 1, **Sch. para. 26(3)(b)** (with regs. 7(4), 9(1))
- F8** Words in [reg. 2\(2\)\(d\)\(i\)](#) substituted (12.5.2011) by [The Companies Act 2006 \(Consequential Amendments and Transitional Provisions\) Order 2011 \(S.I. 2011/1265\)](#), arts. 1(2), **17(2)(a)**
- F9** Words in [reg. 2\(2\)\(d\)\(i\)](#) substituted (12.5.2011) by [The Companies Act 2006 \(Consequential Amendments and Transitional Provisions\) Order 2011 \(S.I. 2011/1265\)](#), arts. 1(2), **17(2)(b)**
- F10** Words in [reg. 2\(2\)\(e\)](#) substituted (12.5.2011) by [The Companies Act 2006 \(Consequential Amendments and Transitional Provisions\) Order 2011 \(S.I. 2011/1265\)](#), arts. 1(2), **17(3)**

#### Commencement Information

- I1** [Reg. 2](#) in force at 1.12.2001, see [reg. 1\(1\)](#)

(3) 1992 c. 40.

(4) 1968 c. 55.

**Changes to legislation:**

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**Changes and effects yet to be applied to :**

- Regulations applied (with modifications) by [S.I. 2024/107 reg. 30](#)
- Regulations revoked by [2023 c. 29 Sch. 1 Pt. 2](#)