Subdivision 2

Auditors

Definition of "outgoing auditor"

262. For the purpose of this Subdivision, "outgoing auditor" means an auditor whose term of office has expired or is about to expire.

Company auditors to be approved by Minister charged with responsibility for finance

263. (1) Any person may apply to the Minister charged with the responsibility for finance to be approved as a company auditor for the purposes of this Act.

(2) The Minister may, if he is satisfied that the applicant is of good character and competent to perform the duties of an auditor under this Act, upon payment of the prescribed fee, approve the applicant as a company auditor.

(3) Any approval granted by the Minister under subsection (2) may be made subject to such limitations or conditions as he thinks fit and may be revoked at any time by him by the service of a notice of revocation on the approved person.

(4) Every approval under this section including a renewal of approval of a company auditor shall be in force for a period of two years after the date of issue unless sooner revoked by the Minister.

(5) The Minister may delegate all or any of his powers under this section to any person, or body of persons charged with the responsibility for the registration or control of accountants in Malaysia.

(6) Any person who is aggrieved with any decision of the Minister or with the decision of any person or body of persons to whom such Minister has delegated all or any of his powers under this section may appeal to the Court.

(7) For the purposes of this section, "person" means a chartered accountant as defined under the Accountants Act 1967 [*Act 94*].

Company auditors

264. (1) A person shall not—

(a) knowingly consent to be appointed as an auditor for any company;

(b) knowingly act as an auditor for any company; and

(c) prepare, for or on behalf of a company, any report required by this Act to be prepared by an approved company auditor if—

(i) he is not an approved company auditor;

(ii) he is indebted to the company or to a corporation that is deemed to be related to that company by virtue of section 7 in an amount exceeding twenty-five thousand ringgit;

(iii) he is—

(A) or his spouse is an officer of the company;

(B) a partner, employer or employee of an officer of the company;

(C) a partner or employee of an employee of an officer of the company; or

(D) a shareholder or his spouse is a shareholder of a corporation whose employee is an officer of the company;

(iv) he is responsible for or if he is the partner, employer or employee of a person responsible for the keeping of the register of members or the register of debenture holders of the company;