

PWC backs Quinn claims

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A SERIES of reports sent by PWC — the former auditor of Quinn Insurance Limited (QIL) — to the Financial Regulator strongly disputes whether the State was right to place the insurance group into administration.

The Financial Regulator made the decision to take control of QIL from the family of former billionaire Sean Quinn based on its belief the insurance company was insolvent.

This was, it said, because of the existence of intercompany guarantees relating to assets included in the insurance group's reserves, worth €448m for the financial years 2005-2008.

Copies of the PWC reports, however, submitted to the Financial Regulator in 2010 state that the accountants believe its audit opinions on the insurance group's accounts were "appropriate".

PWC also claims it had "no reason to believe that the existence of cross-company guarantees of any type would have any financial impact".

PWC states that it "does not agree" with the Financial Regulator's assessment that the

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guaranteed assets should have been excluded from QIL's reserves.

The PWC reports also show that the disputed assets were only removed from QIL's reserves "on the instruction of the Financial Regulator."

Removing the cross-guaranteed assets from the insurance company's reserves

overnight made QIL insolvent, according to the Quinn family's advisers, Moore Stephens.

The London accountancy firm has produced a report for the family which backs PWC and concludes the Financial Regulator was wrong to conclude QIL was insolvent.

The Quinn family has bitterly disputed the Regulator's decision, which they believe made it impossible for them to

ever repay their debts to Anglo Irish Bank.

The Financial Regulator maintains that it was correct to place the insurance business into administration. In an affidavit at the time of the administration, the Regulator described the emergence of the cross-guarantees as a "matter of gravest concern".

Grant Thornton, the insurance firm's administrators,

meanwhile, has lodged court papers against PWC in preparation for taking a legal action against it alleging misconduct.

The Quinn family has requested a copy of the professional or legal advice underpinning the Financial Regulator's decision to place the biggest cash cow of their empire into administration but have been unable to obtain it to date.

PwC report says Quinn decision flawed

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also appraises individual data
subjects of their rights.
obligations for organisations. It
implications and compliance
protection is and the
guide as to what data

This book is a comprehensive

data protection in Ireland

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