



Companies Act 1967

1967 CHAPTER 81

PART II

AMENDMENTS OF LAW WITH RESPECT TO INSURANCE COMPANIES

Accounts, business Statements and cognate Matters

71 Substitution of new provisions for those of section 4 (annual accounts and balance sheets) of the principal Act.

- (1) For section 4 (preparation of annual accounts and balance sheets) of the principal Act, there shall be substituted the following section:—
- (1) Every insurance company to which this Act applies shall, with respect to each financial year of the company, prepare a revenue account for the year, a balance sheet as at the end of the year and a profit and loss account for the year or, in the case of a company not trading for profit, an income and expenditure account for the year.
 - (2) The contents of the documents required by the foregoing subsection to be prepared shall be such as may be prescribed, but regulations may provide for enabling information required to be given by such documents to be given instead in a note thereon or statement or report annexed thereto or may require there to be given in such a note, statement or report such information in addition to that given in the documents as may be prescribed.
 - (3) Regulations may, as respects such matters stated in such documents as aforesaid or in statements or reports annexed thereto as may be prescribed, require there to be given by such persons as may be prescribed and to be annexed to the documents certificates of such matters as may be prescribed.
 - (4) If a form is prescribed for any such document as aforesaid or as that in which information authorised or required to be given in a statement or report annexed to any such document is to be given or for a certificate to be so annexed, the

Status: This is the original version (as it was originally enacted).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

document shall be prepared, the information shall be given or, as the case may be, the certificate shall be framed, in that form.

- (5) The Board of Trade may, on the application or with the consent of an insurance company, modify, in relation to that company, any of the requirements imposed by or by virtue of the foregoing provisions of this section for the purpose of adapting them to the circumstances of the company”.
- (2) For the purposes of section 8 (deposit of accounts, &c, with Board of Trade) of the principal Act, any reference to an account or balance sheet shall include any statement or report annexed thereto giving information authorised or required by virtue of section 4(2) of that Act to be so given and any certificate so annexed by virtue of section 4(3) of that Act.
- (3) In section 34(5) (power to alter forms) of the principal Act the reference to any form prescribed by regulations made by the Board of Trade under that Act shall not include a form so prescribed by virtue of section 4 of that Act.
- (4) In so far as any regulation made under section 4 of the principal Act as originally enacted could have been made under the section substituted therefor by this section, it shall not be invalidated by the substitution but shall have effect as if it had been made under the section so substituted.

72 Substitution of new provisions for those of section 9 (audit of accounts) of the principal Act.

- (1) For section 9 (audit of accounts) of the principal Act there shall be substituted the following section:—
 - (1) The accounts and balance sheets of every insurance company to which this Act applies shall be audited in the prescribed manner by a person of the prescribed description, and regulations made for the purposes of this section may apply to such companies the provisions of the Companies Acts 1948 to 1967 relating to audit, subject to such adaptations and modifications as may appear necessary or expedient.
 - (2) In the foregoing subsection, the reference to accounts and balance sheets shall include any statement or report annexed thereto giving information authorised or required by virtue of section 4(2) of this Act to be given in a statement or report so annexed”.
- (2) The proviso to subsection (3) of section 34 of the principal Act (which excepts regulations made under the said section 9 from the requirement of that subsection that a statutory instrument containing regulations under that Act shall be subject to annulment in pursuance of a resolution of either House of Parliament) shall not apply to regulations made under the section substituted for the said section 9 by this section.
- (3) In so far as any regulation made under section 9 of the principal Act as originally enacted could have been made under the section substituted therefor by this section, it shall not be invalidated by the substitution but shall have effect as if it had been made under the section so substituted.

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

73 Powers of Board of Trade and Industrial Assurance Commissioner to alter insurance companies' financial years.

- (1) The appropriate authority may extend or shorten, for the purposes of the principal Act, the duration of any financial year of an insurance company to which that Act applies.
- (2) In this section, " appropriate authority ", in relation to a company, means—
 - (a) except in the case of a company which carries on in Great Britain no insurance business other than industrial assurance business, the Board of Trade; and
 - (b) in the said excepted case, the Industrial Assurance Commissioner.

74 Statements of business by insurance companies.

For section 7 of the principal Act (which requires a company carrying on accident insurance business to prepare annually in the prescribed form a statement of that business), there shall be substituted the following section:—

- (1) Classes of insurance business may be prescribed for the purposes of this section, and every insurance company to which this Act applies that carries on such business of a prescribed class shall annually prepare the prescribed statement of business of that class, being, if a form is prescribed for the statement, a statement in the prescribed form.
- (2) The Board of Trade may, on the application or with the consent of an insurance company, modify, in relation to that company, the requirements of the foregoing subsection for the purpose of adapting them to the circumstances of the company”.

75 Signing of accounts, of insurance companies.

- (1) Section 8(1) of the principal Act (which requires the deposit at the Board of Trade of four copies of an insurance company's accounts, &c, of which one shall be signed by the chairman and two directors of the company and by the principal officer of the company and, if the company has a managing director, by the managing director) shall have effect with the substitution, for the words from " signed by the chairman " to " the managing director ", of the words " signed by the secretary or manager, if any, and where there are more than two directors of the company by at least two of those directors, and where there are not more than two directors by all the directors ".
- (2) This section shall come into operation at the expiration of the period of three months beginning with the day on which this Act is passed.

76 Powers of Board of Trade and Industrial Assurance Commissioner to permit withholding from public of information harmful to insurance companies' businesses.

- (1) If, in the opinion of the appropriate authority, the disclosure of information contained in a statement or report annexed to a document prepared in pursuance of section 4(1) of the principal Act by an insurance company or in a statement prepared in pursuance of section 7 of that Act by such a company would be harmful to the business of the company or of any of its subsidiaries, that authority may dispense the company from complying with the obligation imposed by section 8(6) of that Act to forward a copy of the document containing the information to a shareholder or policy holder who applies for it.

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

- (2) A dispensation granted under the foregoing subsection with reference to a document shall operate to render inapplicable thereto so much of section 30(1) of the principal Act as lays open to inspection by any person the document or a certified copy thereof and entitles any person to procure copies of the document or of a certified copy thereof.
- (3) In this section, " appropriate authority ", in relation to a document, means—
 - (a) except in the case of a document relating only to industrial assurance business, the Board of Trade ; and
 - (b) in the said excepted case, the Industrial Assurance Commissioner.

77 Additional copy of accounts, to be deposited by industrial or provident society.

- (1) A registered society (other than one registered in Northern Ireland) shall, in addition to depositing with the Board of Trade (as required by subsection (1) of section 8 of the principal Act) four copies of each account, balance sheet, extract, statement or report required by that Act, deposit, within the time limited by virtue of that subsection for depositing them, a copy with the appropriate registrar, being a copy signed by the like persons as those by whom the copies deposited under that section are required to be signed.
- (2) Subsection (3) of the said section 8 (deposit with every revenue account and balance sheet of a company of any report on the affairs of the company submitted to its shareholders or policy holders in respect of the financial year to which the account and balance sheet relate) shall have effect in relation to the deposit by virtue of this section of accounts and balance sheets as it has effect in relation to the deposit by virtue of that section of accounts and balance sheets.
- (3) Section 71(1) of the Industrial and Provident Societies Act 1965 shall have effect as if the reference to documents kept by the appropriate registrar under that Act included a reference to documents deposited in pursuance of this section.
- (4) In this section, " appropriate registrar " has the meaning assigned to it by section 73(1) of the Industrial and Provident Societies Act 1965.