



# Friendly Societies Act 1992

## 1992 CHAPTER 40

### PART VI

#### ACCOUNTS AND AUDIT

##### *Annual accounts of friendly societies and registered branches*

#### **69 Duty to prepare accounts**

- (1) The committee of management of a friendly society or registered branch shall prepare for each financial year of the society or branch—
  - (a) a balance sheet as at the last day of the year, and
  - (b) an income and expenditure account.
- (2) Except as provided by regulations under subsection (4) below, if at the end of its financial year an incorporated friendly society has subsidiaries, the committee of management shall also prepare group accounts.
- (3) Group accounts shall be consolidated accounts comprising—
  - (a) a consolidated balance sheet dealing with the state of affairs of the society and its subsidiaries; and
  - (b) a consolidated income and expenditure account dealing with the income and expenditure of the society and its subsidiaries.
- (4) The Commission may by regulations made with the consent of the Treasury exempt specified descriptions of incorporated friendly societies with subsidiaries from any duty to prepare group accounts.
- (5) Regulations under subsection (4) above may exempt societies by reference to any criterion and may make different provision for different descriptions of societies.

---

*Status: This is the original version (as it was originally enacted).*

---

## **70 Contents and form of annual accounts**

- (1) The annual accounts of a friendly society or a registered branch shall conform to the requirements of this section and regulations made under it.
- (2) The balance sheet shall give a true and fair view of the state of the affairs of the society or branch as at the end of the financial year.
- (3) The income and expenditure account shall give a true and fair view of the income and expenditure of the society or branch for the financial year.
- (4) Subsections (2) and (3) above, in their application to the group accounts of an incorporated friendly society, are to be read as referring to the society and (so far as it concerns the members of the society) the subsidiaries dealt with in the group accounts.
- (5) The annual accounts shall also contain, whether in the form of notes or otherwise, such supplementary information as is prescribed.
- (6) The Commission shall, by regulations made with the consent of the Treasury, make provision with respect to the contents and the form of the annual accounts.
- (7) Without prejudice to the generality of subsections (5) and (6) above, the regulations may—
  - (a) prescribe accounting principles and rules;
  - (b) require corresponding information for a preceding financial year;
  - (c) require the accounts of incorporated friendly societies to deal also with bodies jointly controlled by them;
  - (d) require the accounts to give particulars of the emoluments, pensions, compensation for loss of office and financial interests of members of the committee of management, other officers and employees of prescribed descriptions of the society;
  - (e) add to the classes of documents to be comprised in the annual accounts;
  - (f) make provision as to the matters to be included in any document so added;
  - (g) modify the requirements of this Part of this Act as to the matters to be stated in any document comprised in the annual accounts; and
  - (h) reduce the classes of documents to be comprised in the annual accounts;and the regulations may make different provision for different cases.
- (8) Where compliance with regulations under this section would not be sufficient to give a true and fair view, the necessary additional information shall be given in the accounts or in a note to them.
- (9) If in special circumstances compliance with any provisions contained in regulations is inconsistent with the requirement to give a true and fair view, the committee of management shall depart from that provision to the extent necessary to give a true and fair view.
- (10) Particulars of any such departure, the reasons for it and its effect shall be given in a note to the accounts.
- (11) It is the duty of every member of the committee of management, other officer and employee of a society or registered branch as respects whom prescribed particulars are by virtue of subsection (7)(d) above required to be given in the accounts to give notice to the society of such matters as may be necessary to enable the society to give those particulars in the accounts.