



# Friendly Societies Act 1992

## 1992 CHAPTER 40

### PART V

#### REGULATION OF FRIENDLY SOCIETIES' BUSINESS

##### *Actuarial investigations*

#### **46 Annual investigation into condition of certain societies.**

- (1) A friendly society which is authorised under section 32 above to carry on long term business and which—
- (a) is a society to which subsection 37(2) above applies; or
  - (b) is a society of a description prescribed by regulations,
- shall, once in every period of 12 months, cause an investigation to be made by the appropriate actuary into the financial condition of the society in respect of its long term business.
- (2) The first investigation into a society's financial condition under this section shall be—
- (a) in the case of a friendly society to which section 37(2) above applies which—
    - (i) is a registered friendly society that was authorised under the <sup>M1</sup>Friendly Societies (Long Term Insurance Business) Regulations 1987; or
    - (ii) is an incorporated friendly society which was formerly a registered friendly society so authorised,an investigation into its condition at a date not later than 12 months after the date to which the accounts of the society were made up for the purposes of the last investigation under regulation 11 of those regulations;
  - (b) in the case of any other friendly society to which section 37(2) above applies, an investigation into its condition at a date not later than 12 months after the date on which it became such a society or the commencement of this section, whichever is later; and

*Status: Point in time view as at 13/01/1993. This version of this provision has been superseded.*

*Changes to legislation: There are currently no known outstanding effects for the Friendly Societies Act 1992, Section 46. (See end of Document for details)*

- (c) in the case of a friendly society which is of a description prescribed in regulations under subsection (1)(b) above, an investigation into its condition at a date not later than 12 months after it became such a society or the coming into operation of the regulations, whichever is later.
- (3) When such an investigation has been made, the society shall—
- (a) cause an abstract of the actuary's report of the investigation to be made; and
  - (b) send three copies of that abstract to the Commission within the period of 6 months beginning with the date to which the accounts of the society were made up for the purposes of the investigation or such further period (not exceeding 3 months) as the Commission may by notice to the society direct; and one of those copies shall be signed by such persons as may be prescribed by regulations.
- (4) The Commission shall consider the abstract, and if it appears to the Commission to be inaccurate or incomplete in any respect, it shall communicate with the society with a view to the correction of any such inaccuracies and the supply of deficiencies.
- (5) An investigation under this section shall include—
- (a) a valuation of the liabilities of the society attributable to its long term business; and
  - (b) a determination of any excess over those liabilities of the assets representing the fund or funds maintained by the society in respect of that business and, where any rights of any long term policy holders to participate in profits relate to particular parts of such a fund, a determination of any excess of assets over liabilities in respect of each of those parts.
- (6) At least once in every period of 5 years a friendly society to which this section applies shall prepare a statement of its long term business at the date to which the accounts of the society are made up for the purposes of an investigation under this section.
- (7) The form and contents of any abstract or statement under this section shall be such as the Commission may direct; and a direction under this subsection may be given to societies of a specified description or to a specified society.
- (8) Regulations under this section shall be made by the Commission with the consent of the Treasury.

#### **Commencement Information**

- II** S. 46 wholly in force; s. 46 not in force at Royal Assent see s. 126(2); s. 46 in force for certain purposes at 13.1.1993 by S.I. 1993/16, art. 2, Sch. 1; s. 46(1)(3)(8) in force for all remaining purposes at 13.9.1993 by S.I. 1993/2213, art. 2(1), Sch. 2; s. 46 in force to the extent not already in force at 1.1.1994 by S.I. 1993/2213, art. 2(1), Sch. 5

#### **Marginal Citations**

- M1** S.I.1987/2132.

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**Changes to legislation:**

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