
STATUTORY INSTRUMENTS

1997 No. 2984 (N.I. 22)

NORTHERN IRELAND

The Deregulation (Northern Ireland) Order 1997

Made - - - - 17th December 1997

Coming into operation 18th February 1998

At the Court at Buckingham Palace, the 17th day of December 1997

Present,

The Queen's Most Excellent Majesty in Council

Whereas a draft of this Order has been approved by a resolution of each House of Parliament:

Now, therefore, Her Majesty, in exercise of the powers conferred by paragraph 1 of Schedule 1 to the Northern Ireland Act 1974 and of all other powers enabling Her in that behalf, is pleased, by and with the advice of Her Privy Council, to order, and it is hereby ordered, as follows:—

Title and commencement

1.—(1) This Order may be cited as the Deregulation (Northern Ireland) Order 1997.

(2) This Order shall come into operation on the expiration of two months from the day on which it is made.

Interpretation

2. The Interpretation Act (Northern Ireland) 1954 shall apply to Article 1 and the following provisions of this Order as it applies to a Measure of the Northern Ireland Assembly.

Credit unions

3. The Credit Unions (Northern Ireland) Order 1985 is amended as set out in Schedule 1.

Industrial and Provident Societies

4. The Industrial and Provident Societies Act (Northern Ireland) 1969 is amended as set out in Schedule 2.

Companies

5.—(1) The Companies (Northern Ireland) Order 1986 is amended as follows.

(2) In Article 387A (elective resolutions of private companies) after paragraph (2) (under which an elective resolution is not effective unless passed at a meeting of which at least 21 days' notice has been given) there shall be inserted—

“(2A) An elective resolution is effective notwithstanding the fact that less than 21 days' notice in writing of the meeting is given if all the members entitled to attend and vote at the meeting so agree.”.

(3) In Article 389A(5) (date of passing of a written resolution), the words from “unless” to the end shall cease to have effect.

(4) For Article 389B (under which a written resolution which concerns the auditors as auditors is not effective if the auditors give notice to the company that it should be considered at a general meeting) there shall be substituted—

“Duty to notify auditors of proposed written resolution

389B.—(1) If a director or secretary of a company—

- (a) knows that it is proposed to seek agreement to a resolution in accordance with Article 389A, and
- (b) knows the terms of the resolution,

he shall, if the company has auditors, secure that a copy of the resolution is sent to them, or that they are otherwise notified of its contents, at or before the time the resolution is supplied to a member for signature.

(2) A person who fails to comply with paragraph (1) is liable to a fine.

(3) In any proceedings for an offence under this Article it is a defence for the accused to prove—

- (a) that the circumstances were such that it was not practicable for him to comply with paragraph (1), or
- (b) that he believed on reasonable grounds that a copy of the resolution had been sent to the company’s auditors or that they had otherwise been informed of its contents.

(4) Nothing in this Article affects the validity of any resolution.”.

(5) At the end of Article 389(3(1) (under which the procedure for written resolutions under Articles 389A and 389B is expressed to have effect notwithstanding any provision of the company’s memorandum or articles) there shall be inserted “but do not prejudice any such power conferred by any such provision.”.

(6) In Article 398(2) (further provision with respect to the rights of auditors in relation to a proposed written resolution), sub-paragraphs (b) to (d) shall cease to have effect.

(7) In Schedule 23 (punishment of offences) there shall be inserted at the appropriate place—

“389B(2)	Director or secretary of company failing to notify auditors of proposed written resolution.	Summary.	Level 3 on the standard scale.”.
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(8) Paragraphs (3), (4), (6) and (7) have effect in relation to written resolutions first proposed on or after the day on which this Order comes into operation.

Gaming machines in registered clubs

6. For Article 106(2) of the Betting, Gaming, Lotteries and Amusements (Northern Ireland) Order 1985 (maximum number of gaming machines permitted in registered clubs) there shall be substituted—

“(2) Not more than 3 gaming machines (or such other number as the Department may specify, by order subject to affirmative resolution) shall be made available for gaming on those premises.”.

Motor vehicle tests

7.—(1) Article 64 of the Road Traffic (Northern Ireland) Order 1995 (supplementary provisions about test certificates) is amended as follows.

(2) After paragraph (1) there shall be inserted the following paragraph—

“(1A) A test certificate issued in respect of a vehicle within the period of one month ending immediately before the date on which Article 63 first applies to the vehicle shall be treated for the purposes of that Article as if issued at the end of that period.”.

(3) In paragraph (5) (which adapts provisions of the Article in relation to public service vehicles adapted to carry more than eight passengers) in sub-paragraph (a) (which substitutes two months for one month)—

(a) after “paragraphs” there shall be inserted “(1A),” and

(b) for “both places” there shall be substituted “each place”.

Repeal of the Rag Flock Acts, 1911 and 1928

8. The Rag Flock Acts, 1911 and 1928 are hereby repealed.

Electricity: pre-payment meters: supply of certain goods and services

9. In paragraph 13(2) of Schedule 7 to the Electricity (Northern Ireland) Order 1992 (pre-payment meter or other device not to be used to recover sum owing to electricity supplier otherwise than in respect of certain matters) for the words from “otherwise than” to the end there shall be substituted

“otherwise than in respect of—

(a) the supply of electricity;

(b) the provision of—

(i) an electric line or electrical plant; or

(ii) the meter or device in question; or

(c) the provision of any goods or services which—

(i) are intended or designed to secure or promote the efficient use of electricity; and

(ii) are of a description prescribed for the purposes of this sub-paragraph.”.

Marketing of potatoes

10. The Marketing of Potatoes Act (Northern Ireland) 1964 is amended as set out in Schedule 3.

Repeals

11. The statutory provisions set out in Schedule 4 are hereby repealed to the extent specified in column 3 of that Schedule.

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

N. H. Nicholls
Clerk of the Privy Council

SCHEDULES

SCHEDULE 1

Article 3.

AMENDMENT OF THE CREDIT UNIONS (NORTHERN IRELAND) ORDER 1985

1. In Article 3(5) (ascertainment by registrar of whether a common bond exists between the members of the society) for sub-paragraph (a) there shall be substituted—

“(a) may, if he considers it proper in the circumstances of the case, treat as sufficient evidence of the existence of a common bond a statutory declaration which is given by three members and the secretary of the society, and is to the effect that a common bond exists.”.

2. In Article 14 (membership and voting rights)—

(a) in paragraph (3) (which states the limit on a member’s interest in the shares of a credit union) for “£10,000” there shall be substituted “the greater of £10,000 and 1.5 per cent. of the total shareholdings in the credit union”;

(b) after paragraph (4) there shall be inserted—

“(4A) Where paragraph (3) would be breached in relation to a member of a credit union because of a reduction in the total shareholdings in the credit union, that paragraph shall, in relation to him, have effect, as respects any shares which he had, or interest which he claimed, immediately before the reduction, as if there were added at the end “at the time or latest time, when he acquired shares, or an interest in the shares, of the credit union”.”;

(c) in paragraph (8), the words “subject to Article 28(3),” shall cease to have effect;

(d) after paragraph (9) there shall be added—

“(10) For the purposes of paragraph (3), the total shareholdings in a credit union at any time shall be taken to be the total shareholdings as shown in the most recent audited balance sheet to have been sent to the registrar under Article 49(1).”.

3. In Article 23(4) (which restricts a member’s right to withdraw shares in a credit union where the withdrawal would take his shareholding below his liability to the credit union) for sub-paragraph (a) there shall be substituted—

“(a) in the case of a member to whom there is a loan by the credit union which is treated by virtue of Article 28A as a secured loan, the withdrawal shall not be permitted; and”.

4. Article 28(3) (which prohibits a loan to a non-qualifying member in certain circumstances) shall cease to have effect.

5. After Article 28 (loans by credit unions) there shall be inserted the following Articles—

“Loans to be treated as secured

28A.—(1) This Article applies where—

(a) a credit union makes a loan to a member of the credit union, and

(b) at the time the loan is made, the member’s paid-up shareholding in the credit union is equal to or greater than his total liability (including contingent liability) to the credit union, whether as borrower, guarantor or otherwise.

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

(2) On the application of the member to the credit union, the loan shall be treated for the purposes of this Order as a secured loan.

Loans by approved credit unions

28B.—(1) Where a credit union holds a certificate of approval under Article 28C, Article 28 shall have effect in relation to it with the following modifications.

(2) For paragraph (2) there shall be substituted—

“(2) The total amount on loan to a member of a credit union shall not at any time exceed his total paid-up shareholding in the credit union by more than—

(a) the greater of—

(i) £10,000 (or such other sum as an order may specify), and

(ii) 1.5 per cent. of the total paid-up shareholdings in the credit union, or

(b) the greater of—

(i) 20 per cent. of the credit union’s general reserve, and

(ii) £10,000 (or such other sum as an order may specify),

whichever is the less.”.

(3) After that paragraph there shall be inserted—

“(2A) Where paragraph (2) would be breached in relation to a member of a credit union because of a reduction in—

(a) the total shareholdings in the credit union, or

(b) the amount of the credit union’s general reserve,

that paragraph shall, in relation to him, have effect, as respects any amount on loan to him immediately before the reduction, as if there were added at the end “at the time of the loan, or latest loan, to the member”.”.

(4) After paragraph (6) there shall be inserted—

“(6A) A credit union shall not at any time make a loan to a member if the making of such a loan would—

(a) bring the total amount outstanding in respect of loans to relevant members above five times the credit union’s general reserve, or

(b) increase the amount by which the total amount so outstanding exceeds five times the credit union’s general reserve.

(6B) For the purposes of paragraph (6A) a member of a credit union is a relevant member if the amount on loan to him from the credit union exceeds his paid-up shareholding in the credit union by an amount equal to at least 10 per cent. of the credit union’s general reserve.

(6C) For the purposes of this Article, the total assets or general reserve of, or total shareholdings in, a credit union at any time shall be taken to be the total assets, general reserve or total shareholdings as shown in the most recent audited balance sheet to have been sent to the registrar under Article 49(1).”.

Grant of certificates of approval

28C.—(1) The registrar may, on the application of a credit union, issue a certificate of approval to it if it appears to him that—

(a) the credit union has a general reserve which is not less than 10 per cent. of its total assets; and

- (b) in relation to the kind of lending permitted under Article 28B, the arrangements for the management of the credit union and its activities are satisfactory.
- (2) Applications under paragraph (1) shall be in writing.
- (3) The registrar may only refuse an application under paragraph (1) if he has complied with paragraphs (4) and (5).
- (4) Not less than 14 days before refusing an application under paragraph (1), the registrar shall serve on the credit union concerned a notice stating that he proposes to refuse the application and specifying the grounds on which he proposes to do so.
- (5) The registrar shall—
 - (a) consider any representations with respect to a notice under paragraph (4) which may be made to him by the credit union concerned within such period as he may allow, not being less than 14 days from the date on which the notice is served, and
 - (b) if the credit union concerned so requests, afford it an opportunity of being heard by him within that period.

Withdrawal of certificates of approval

- 28D.**—(1) The registrar may at any time withdraw a certificate of approval if—
- (a) it appears to him that the credit union does not comply with Article 28C(1)(a), or
 - (b) it appears to him that, in relation to the kind of lending permitted under Article 28B the arrangements for the management of the credit union concerned or its activities are not satisfactory, or
 - (c) the credit union concerned so requests.
- (2) Paragraphs (3) to (5) of Article 28C shall apply in relation to the exercise of the power conferred by paragraph (1)(a) or (b) as they apply in relation to the refusal of an application under paragraph (1) of that Article.
- (3) Where, when a credit union ceases to be the holder of a certificate of approval, there is on loan to a member of the credit union an amount which exceeds the limit applicable under Article 28(2)—
- (a) that provision shall have effect to prohibit the making of any loan by the credit union to the member in breach of that limit, but
 - (b) the limit on the total amount which may be on loan to the member shall otherwise continue to be that which applied immediately before the day on which the credit union ceased to be the holder of a certificate of approval.
- (4) The fact that a credit union ceases to hold a certificate of approval shall not affect the validity of any term which is in force immediately before the day on which the credit union ceases to be the holder of such a certificate and which relates to the period within which a loan by the credit union must be repaid.
- (5) In this Article “certificate of approval” means a certificate of approval under Article 28C.”.

SCHEDULE 2

Article 4.

AMENDMENT OF THE INDUSTRIAL AND PROVIDENT
SOCIETIES ACT (NORTHERN IRELAND) 1969

1. In section 2 (registration of society)—
 - (a) in subsections (1)(a) (minimum number of members for registration) and (1)(b) (minimum number of members to sign application for registration) for “seven” there shall be substituted “three”;
 - (b) for subsection (2) (which requires an application for registration of a society of registered societies to be signed by two members of the committee and the secretary of each of the constituent societies, or, where there are more than three such societies, of any three of them, and to be accompanied by certain copy documents) there shall be substituted—

“(2) A society whose members consist solely of two or more registered societies may be registered under this Act if the application for registration is signed by the secretary of each (or, if more than two, of each of any two) of the constituent societies and is accompanied by two printed copies of the rules of the society sought to be registered.”.
2. In section 9(1)(a) (which requires an amendment of the rules of a society consisting of registered societies to be signed by, inter alios, two members of the committee and the secretary of each of the constituent societies, or, where there are more than three such societies, of any three of them)—
 - (a) the words “two members of the committee and” shall cease to have effect, and
 - (b) for “(or, if more than three, of each of any three)” there shall be substituted “(or, if more than two, of each of any two)”.
3. In section 15(1)(a)(i) (cancellation of registration of a society when the number of members falls below the specified minimum) for “seven” there shall be substituted “three”.
- 4.—(1) In section 29 (charges on assets of registered societies)—
 - (a) in subsection (2) (application for recording of charge) for “fourteen days” there shall be substituted “twenty-one days”;
 - (b) in subsection (5) (late registration)—
 - (i) for “High Court” there shall be substituted “registrar”,
 - (ii) in paragraph (a) for “fourteen days” there shall be substituted “twenty-one days”, and
 - (iii) for “Court may, on such terms as it thinks fit, order” there shall be substituted “registrar may, on such terms as he thinks fit, direct”.

(2) This paragraph shall apply to instruments executed on or after the day on which this Order comes into operation.
- 5.—(1) In section 37 (general provisions as to accounts and balance sheets of registered societies) subsection (5) (which restricts the circumstances in which a society can publish a revenue account or balance sheet) shall cease to have effect.

(2) After that section there shall be inserted—

“Publication of accounts and balance sheets registered societies.

37A.—(1) A registered society shall not publish any revenue account or balance sheet unless it has been signed by of the secretary of the society and by two members of the committee of the society acting on behalf of that committee.

(2) Where at the end of a registered society's year of account no disapplication under section 38A(1) is in force in relation to the year, the society shall not publish a year end revenue account or balance sheet unless—

- (a) it has been previously audited by the auditor or auditors last appointed to audit the accounts and balance sheet of the society, and
- (b) it incorporates a report by the auditor or auditors stating whether in their opinion it complies with subsection (1) or, as the case may be, subsection (4) of section 37.

(3) Where at the end of a registered society's year of account a disapplication under section 38A(1) is in force in relation to the year and the society's turnover in the preceding year of account exceeded £90,000, the society shall not publish a year end revenue account or balance sheet unless—

- (a) it is one on which the society has obtained from a person appointed under subsection (2) of section 43A a report which meets the requirements of subsection (3) of that section, and
- (b) it incorporates so much of the report as relates to it.

(4) Where at the beginning of a year of account (in this subsection referred to as "the current year of account") a registered society is subject to subsection (2) in relation to the publication of a year end revenue account or balance sheet for the preceding year of account, it shall not publish any interim revenue account or balance sheet for the current year of account—

- (a) if a disapplication under section 38A(1) is in force in relation to that year, unless it incorporates a report by an appropriate person stating whether in his opinion it complies with subsection (1) or (4), as the case may be, of section 37; and
- (b) if no disapplication under section 38A(1) is in force in relation to that year, unless paragraphs (a) and (b) of subsection (2) are met in relation to it.

(5) Where at the beginning of a year of account (in this subsection referred to as "the current year of account") a registered society is subject to subsection (3) in relation to the publication of a year end revenue account or balance sheet for the preceding year of account, it shall not publish any interim revenue account or balance sheet for the current year of account unless it incorporates a report by an appropriate person stating—

- (a) whether, in his opinion, the revenue account or, as the case may be, the balance sheet, is in agreement with the books of account kept by the society under section 35, and
- (b) whether, in his opinion, on the basis of the information contained in those books of account, the revenue account or, as the case may be, the balance sheet complies with the requirements of this Act.

(6) Where a registered society's year of account is one in relation to which a direction under section 43C has effect, the society shall not publish any year end or interim revenue account or balance sheet, unless it incorporates a report by the auditor or auditors appointed in pursuance of the direction stating whether in their opinion it complies with subsection (1) or (4), as the case may be, of section 37.

(7) Subsection (3) shall cease to apply in relation to a year of account if a direction under section 43C is made in relation to it.

(8) Section 43B shall apply in relation to a person appointed for the purposes of subsection (4) or (5) as it applies in relation to a person appointed under section 43A(2).

(9) In subsection (4) references to a disapplication under section 38A(1) being in force in relation to a year of account shall, where the year of account has ended, be construed as references to a disapplication under that provision being in force at the end of the year.

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(10) Subject to subsection (11), in subsections (4) and (5) references to an appropriate person are to a person who is —

- (a) a qualified auditor for the purposes of this Act,
- (b) not ineligible by virtue of section 42(1) to be appointed as auditor of the society.

(11) In relation to the application of subsection (4) to a society which—

- (a) was an exempt society in respect of the preceding year of account, and
- (b) appointed persons who were not qualified auditors to audit its accounts and balance sheet for that year,

subsection (10) shall, if the year is not one in relation to which the registrar has given a direction under section 38(6)(a), have effect with the omission of paragraph (a) of that subsection.

(12) In this section—

“interim balance sheet”, in relation to a year of account, means a balance sheet relating to the position at a time in the year other than the end;

“interim revenue account”, in relation to a year of account, means a revenue account for any period falling within the year of account, other than one ending at the end of the year;

“turnover” has the same meaning as in section 38A;

“year end balance sheet”, in relation to a year of account, means a balance sheet relating to the position at the end of the year; and

“year end revenue account”, in relation to a year of account, means a revenue account for the year or for any period falling within the year of account and ending at the end of the year.”.

6.—(1) In section 38 (obligation to appoint auditors) in subsection (1) (obligation to appoint qualified auditor in each year of account) after “Subject to the following provisions of this section” there shall be inserted “and section 38A(1)”.

(2) After that section there shall be inserted—

“Power of registered societies to disapply section 38.

38A.—(1) Subject to subsections (3) and (4), a registered society may disapply section 38 in relation to any year of account beginning on or after the day on which the Deregulation (Northern Ireland) Order 1997 comes into operation if—

- (a) the value of its assets at the end of the preceding year of account did not in the aggregate exceed £1,400,000, and
- (b) its turnover for that year did not exceed £350,000.

(2) The power conferred by subsection (1) shall be exercisable by resolution passed at a general meeting at which—

- (a) less than 20 per cent. of the total votes cast are cast against the resolution, and
- (b) less than 10 per cent. of the members of the society for the time being entitled under the society’s rules to vote cast their votes against the resolution.

(3) Subsection (1) shall not apply to a registered society which—

- (a) is registered in the register of housing associations maintained by the Department of the Environment,
- (b) is, or has, a subsidiary,
- (c) prepares accounts under the Insurance Accounts Directive (Miscellaneous Insurance Undertakings) Regulations (Northern Ireland) 1994, or

(d) holds, or has, at any time since the end of the preceding year of account, held, a deposit within the meaning of the Banking Act 1987, other than a deposit in form of withdrawable share capital.

(4) The registrar may by notice to a registered society disapply subsection (1) in relation to the year of account of the society in which the notice is given.

(5) Where a registered society exercises the power conferred by subsection (1), the disapplication shall cease to have effect if, at any time before the end of the year of account to which it relates—

- (a) the society becomes one to which subsection (3) applies, or
- (b) the registrar gives the society notice under subsection (4).

(6) In the case of a registered society which is a charity within the meaning of the Charities Act (Northern Ireland) 1964, subsection (1) shall have effect with the substitution for paragraph (b) of—

“(b) its gross income for that year did not exceed £250,000.”.

(7) For a period which is a registered society’s year of account, but not in fact a year, the maximum figure in subsection (1)(b) (including that provision as it has effect by virtue of subsection (6)) shall be proportionately adjusted.

(8) In this section, “turnover”, in relation to a registered society, means the amounts derived from the provision of goods and services falling within the society’s activities, after deduction of—

- (a) trade discounts,
- (b) value added tax, and
- (c) any other taxes based on the amounts so derived.”.

7. In section 39(1) for paragraph (a) (resolutions of a society which displace automatic re-appointment of qualified auditor) there shall be substituted—

- “(a) a resolution has been passed at a general meeting of the society—
- (i) appointing somebody instead of him, or
 - (ii) providing expressly that he shall not be appointed, or
 - (iii) disapplying section 38 in relation to the current year of account, or”.

8. After section 43 there shall be inserted—

“Duty to obtain accountant’s reports where section 38 applied.

43A.—(1) Subsection (2) applies where—

- (a) at the end of a registered society’s year of account a disapplication under section 38A(1) is in force in relation to the year, and
- (b) the society’s turnover in the preceding year of account exceeded £90,000.

(2) The society shall, before the end of the period of twenty-eight days beginning immediately after the end of the year of account, appoint an appropriate person to make—

- (a) a report on the society’s accounts and balance sheet for the year which meets the requirements of subsection (3), and
- (b) a report relating to the preceding year of account which meets the requirement of subsection (4).

(3) A report for the purposes of subsection (2)(a) shall—

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- (a) state whether, in the opinion of the person making the report, the revenue account or accounts, the other accounts (if any) to which the report relates, and the balance sheet are in agreement with the books of account kept by the society under section 35, and
 - (b) state whether, in that person's opinion, on the basis of the information contained in those books of account, the revenue account or accounts and the balance sheet comply with the requirements of this Act.
- (4) A report for the purposes of subsection (2)(b) shall state whether in the opinion of the person making the report the financial criteria for the exercise of the power conferred by section 38A(1) were met in relation to the year.
- (5) In subsection (2) the reference to an appropriate person is to a person who is—
- (a) qualified auditor for the purposes of this Act,
 - (b) not ineligible by virtue of section 42(1) to be appointed as auditor of the society.
- (6) In this section, “turnover” has the same meaning as in section 38A.

Rights of person appointed under

43B.—(1) A person appointed under section 43A(2) shall, for the purposes of his appointment—

- (a) have a right of access at all times to the books, deeds and accounts of the relevant society, and to all other documents relating to its affairs, and
 - (b) be entitled to require from the officers of the relevant society such information and explanations as he thinks necessary.
- (2) If a person appointed under section 43A(2) fails to obtain all the information and explanations which, to the best of that person's knowledge and belief, are necessary for the purposes of doing what he has been appointed to do, that fact shall be stated in his report.
- (3) A person appointed under section 43A(2) shall be entitled—
- (a) to receive notice of, and attend, any general meeting of the relevant society at which any relevant matter is discussed, and
 - (b) to be heard at any such general meeting which he attends on any part of the business of the meeting which relates to any relevant matter.
- (4) For the purposes of subsection (3), the following are relevant matters, namely—
- (a) any report of the person appointed under subsection (2) of section 43A, and
 - (b) any matter which is relevant to what that person has been appointed under that subsection to do.
- (5) In this section, references to the relevant society, in relation to a person appointed under section 43A(2) are to the registered society responsible for his appointment under that provision.

Registrar's power to require accounts for past years to be audited.

43C.—(1) The registrar may give a direction to a registered society in respect of any relevant year of account of the society preceding that in which the direction is given—

- (a) requiring it to appoint a qualified auditor or qualified auditors to audit its accounts and balance sheet for that year, and
- (b) where it has sent to him its annual return for that year before the date of the direction, requiring it after its accounts and balance sheet have been audited by

a qualified auditor or qualified auditors to send to him within three months from receipt of the direction a further annual return complying with the requirements of this Act (other than that as to time of sending).

(2) For the purposes of this section, a year of account of a registered society is a relevant year of account if it is one at the end of which there is in force in relation to it a disapplication under section 38A(1).”.

9. In section 44 (remuneration of qualified auditors)—

- (a) at the end of subsection (1) (power of registrar to prescribe maximum rates of remuneration for qualified auditors) there shall be added “or for the making of a report for the purposes of section 37A(4)(a) or (5) or 43A(2)(a) or (b).”;
- (b) in subsection (2) (auditor not to receive remuneration in excess of the prescribed rate), for the words from the beginning to “auditor” there shall be substituted “where a maximum rate of remuneration has been prescribed under subsection (1), no auditor or reporting accountant”;
- (c) after subsection (2) there shall be added—

“(3) In this section, “reporting accountant” means a person appointed to make a report for the purposes of section 37A(4)(a) or (5) or 43A(2)(a) or (b).”.

10. After section 46(3) (exemption from requirements in respect of group accounts) there shall be inserted—

“(3A) In relation to any year of account of a registered society, a subsidiary of the society shall be disregarded for the purposes of section 45 if—

- (a) the society’s previous year of account was one in relation to which the subsidiary was not required to be dealt with in group accounts of the society for that year,
- (b) the reason for that was subsection (2) or (3) or this subsection, and
- (c) the auditors of the society include in the appropriate report a certificate to the effect that they agree with the committee of the society that—
 - (i) the reason given by the committee in their last opinion in respect of the subsidiary to have been approved by the registrar under subsection (2) or (3), and
 - (ii) the grounds so given by them for that reason, continued to apply throughout the year of account.

(3B) For the purposes of subsection (3A)(c), the appropriate report is —

- (a) where the year of account is one in relation to which the registered society is subject to the obligation under subsection (1) of section 45, the report required to be made under subsection (5) of that section by the society’s auditors, and
- (b) where it is not, the report required to be made by them under section 43(1).

(3C) A certificate shall be disregarded for the purposes of subsection (3A)(c) if contained in a report made after the date which, in relation to the year to which the certificate relates, is the last date for making the annual return.”.

11. In section 48 (annual returns)—

- (a) for subsection (1) (duty to send annual return together with certain documents) there shall be substituted—

“(1) Every registered society shall, within the period of seven months beginning immediately after the end of the period required by this section to be included in the return, send to the registrar a return relating to its affairs for that period together with—

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- (a) where the period required to be included in the return is one at the end of which there is in force in relation to the period a disapplication under section 38A(1), the documents mentioned in subsection (1 A), and
- (b) where it is not, the documents mentioned in subsection (1B).
- (1A) The documents referred to in subsection (1)(a) are—
 - (a) copies of the reports, if any, which the society is required, because of the disapplication, to obtain under section 43A; and
 - (b) a copy of each balance sheet made during the period included in the return.
- (1B) The documents referred to in subsection (1)(b) are—
 - (a) a copy of the report of the auditor or auditors on the society’s accounts for the period included in the return; and
 - (b) a copy of each balance sheet made during that period and of any report of the auditor or auditors on that balance sheet.”;
- (b) in subsection (2)(b) (non-revenue accounts only to be included in annual return if examined by auditors) after “section 43” there shall be inserted “or been the subject of a report for the purposes of section 43A(2)(a)”;
- (c) in subsection (4) (under which returns made up to a date later than the usual date must be sent to the registrar within three months) the words from “and in that case” to the end shall cease to have effect;
- (d) after subsection (6) there shall be inserted—

“(6A) Where the year of account to which an annual return relates is one at the end of which there is in force in relation to the year a disapplication under section 38A(1), subsection (6) shall have effect as if for the reference to the report of the auditors on the accounts and balance sheet contained in the return there were substituted a reference to any report which the society is required, because of the disapplication, to obtain under section 43A(2)(a).”.

12. In section 49 (display of latest balance sheet) the words “, together with the report thereon of the auditor or auditors,” shall cease to have effect.

13. In section 62(2) (conversion of company into registered society) for “seven” there shall be substituted “three”.

SCHEDULE 3

Article 10.

AMENDMENT OF THE MARKETING OF POTATOES ACT (NORTHERN IRELAND) 1964

- 1.** The following provisions shall cease to have effect—
 - (a) sections 1 and 2 (licences required for export of potatoes to a relevant destination);
 - (b) section 4 (permits for export of specific consignments of potatoes);
 - (c) in section 5 (giving of information and production of certificates and permits)—
 - (i) in subsection (1) (duty to provide information in certain circumstances) the words “or in breach of any condition of a licence or permit issued under this Act”;
 - (ii) in subsection (2) (duty to produce certificate or permit) and in subsection (3) (duty to produce certificate or permit on demand by the carrier) the words “or a permit” and “or permit” wherever they occur;

- (d) in section 6(1) (detention and seizure of potatoes) the words “or in breach of any condition of a licence or permit issued under this Act”;
 - (e) section 9 (records and returns);
 - (f) in section 10 (disclosure of returns and information)—
 - (i) subsection (1) (return not to be disclosed without authority of person by whom it was made);
 - (ii) in subsection (3) (disapplication of subsections (1) and (2)) the words “of a return or part of a return or”;
 - (g) in section 13(1) (certain offences)—
 - (i) in paragraph (a) the words “; or in breach of any condition of a licence or permit issued to him under this Act”;
 - (ii) in paragraph (c) the words “licence,” and “permit”;
 - (iii) paragraph (d) and the word “or” immediately before it;
 - (h) section 13(6) (effect of suspension, revocation or failure to renew a licence);
 - (i) in section 16 (interpretation) the definition of “potato shipping licence”.
2. In section 10(3) for “Subsections (1) and (2)” there shall be substituted “Subsection (2)”.
 3. In section 13(1)(b) (certain offences) for the words from “an application for” to “under this Act” there shall be substituted “the issue of a certificate under this Act”.
 4. In section 15(2) (savings) for “Destructive Insects and Pests Acts (Northern Ireland) 1877 to 1934” there shall be substituted “Plant Health Act (Northern Ireland) 1967”.

SCHEDULE 4

Article 11.

REPEALS

<i>Chapter or Number</i>	<i>Short title</i>	<i>Extent of Repeal</i>
1911 c. 52.	The Rag Flock Act, 1911.	The whole Act.
1928 c. 39.	The Rag Flock Act (1911) Amendment Act, 1928.	The whole Act.
1964 c. 8 (N.I.).	The Marketing of Potatoes Act (Northern Ireland) 1964.	Section 1. Section 2. Section 4. In section 5(1) the words “or in breach of any condition of a licence or permit issued under this Act”. In section 5(2) and (3) the words “or a permit” and “or permit” wherever they occur. In section 6(1) the words “or in breach of any condition of a

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<i>Chapter or Number</i>	<i>Short title</i>	<i>Extent of Repeal</i>
		<p>licence or permit issued under this Act”.</p> <p>Section 9.</p> <p>Section 10(1).</p> <p>In section 10(3) the words “of a return or part of a return or”.</p> <p>In section 13(1)(a) the words “, or in breach of any condition of a licence or permit issued to him under this Act”.</p> <p>In section 13(1)(c) the words “licence,” and “, permit”.</p> <p>Section 13(1)(d) and the word “or” immediately before it.</p> <p>Section 13(6).</p> <p>In section 16 the definition of “potato shipping licence”.</p>
1969 c. 24 (N.I.).	The Industrial and Provident Societies Act (Northern Ireland) 1969.	<p>In section 9(1)(a) the words “two members of the committee and”.</p> <p>Section 37(5).</p> <p>In section 48(4) the words from “and in that case” to the end.</p> <p>In section 49 the words “, together with the report thereon of the auditor or auditors,”.</p>
1984 NI 2.	The Agriculture (Miscellaneous Provisions) (Northern Ireland) Order 1984.	Article 12(3).
1985 NI 12.	The Credit Unions (Northern Ireland) Order 1985.	<p>In Article 14(8) the words “, subject to Article 28(3),”.</p> <p>Article 28(3).</p>
1986 NI 6.	The Companies (Northern Ireland) Order 1986.	<p>In Article 389A(5) the words from “unless” to the end.</p> <p>In Article 398(2) sub-paragraphs (b) to (d).</p>

EXPLANATORY NOTE

(This note is not part of the Order)

This Order contains miscellaneous provisions relating to deregulation.