



Building Societies Act 1986

1986 CHAPTER 53

PART VIII

ACCOUNTS AND AUDIT

Accounts

76 Summary financial statement for members and depositors.

- (1) The directors of a building society shall, with respect to each financial year, prepare for members and depositors a summary financial statement for that year, that is to say, a statement derived from the annual accounts, annual business statement and director's report, giving a summary account of the society's financial development during and financial position at the end of the year.
- (2) Where the society has [^{F1}connected undertakings] the statement shall (so far as they are dealt with in the group accounts) give an account of the financial development and position of the society and its [^{F2}connected undertakings].
- (3) The [^{F3}Treasury may by regulations] make provision with respect to—
 - (a) the form of the summary financial statement, and
 - (b) the information which must be included in it.
- (4) Every summary financial statement shall also include in the prescribed form statements to the effect that—
 - (a) it is only a summary of information in the accounts, business statement and directors' report;
 - (b) in so far as it summarises the information in the accounts, those accounts have been audited;
 - (c) the accounts, business statement and director's report will be available to members and depositors free of charge on demand at every office of the society after a specified date.

Changes to legislation: Building Societies Act 1986, Section 76 is up to date with all changes known to be in force on or before 28 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (5) Every summary financial statement shall include a statement of the [^{F4}auditor's opinion] as to its consistency with the accounts, business statement and directors' report and its conformity with the requirements of this section and regulations made under it.
- (6) The power to make regulations under subsection (3) above is exercisable by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.
- (7) The summary financial statement shall be signed by two directors on behalf of the board of directors and by the chief executive of the society.
- [^{F5}(8) Not later than 21 days before the date of the annual general meeting at which the accounts and reports are to be considered, the society shall send one copy of the documents to which this subsection applies to every member of the society who is entitled to receive notice of the meeting, and two copies of the documents to which this subsection applies to the [^{F6}FCA and, if the society is a PRA-authorized person, one copy to the PRA] .
- (8A) The documents to which subsection (8) applies are—
- (a) the summary financial statement, and
 - (b) where subsection (8) extends under section 78(6) to the [^{F7}auditor's report] also, the [^{F7}auditor's report].]
- [^{F8}(8AA) The society shall also—
- (a) publish the summary financial statement and (where applicable) the auditor's report on a web site, and
 - (b) ensure that the statement and (where applicable) the report may be accessed on the web site until the publication of the next summary financial statement.]
- [^{F9}(8B) Where a copy of the summary financial statement or of the auditor's report is required to be sent to a member under subsection (8)—
- (a) it may be sent to him electronically only if it is sent to an electronic address notified to the society by the member for the purpose; but
 - (b) the requirement to send it shall also be treated as satisfied if the conditions set out in subsection (8C) are satisfied.
- (8C) The conditions of this subsection are satisfied in the case of a copy of a summary financial statement or auditor's report if—
- (a) the society and the member have agreed that information that is required to be sent to him may instead be accessed by him on a web site;
 - (b) the agreement applies to the summary financial statement or auditor's report in question;
 - (c) the member is notified ^{F10}... of—
 - (i) the publication of the summary financial statement and (where applicable) the auditor's report on a web site,
 - (ii) the address of that web site, and
 - (iii) the place on that web site where the statement and (where applicable) the report may be accessed, and how it may be accessed;
 - (d) the notification given for the purposes of paragraph (c) is given not less than 21 days before the date of the annual general meeting at which the accounts and reports are to be considered; and

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(e) a copy of the statement and (where applicable) the report is published on the web site throughout a period beginning at least 21 days before the date of meeting.

(8D) Where, in a case in which subsection (8C) is relied on for compliance with a requirement of subsection (8)—

(a) a copy of a summary financial statement or auditor's report is published for a part, but not all, of the period mentioned in subsection (8C)(e), and

(b) the failure to publish it throughout that period is wholly attributable to circumstances which it would not be reasonable to have expected the society or the officer to prevent or avoid,

the failure shall not invalidate the proceedings of the meeting at which the accounts and reports are considered, and no offence is committed under subsection (10) by reason of that failure.]

[^{F11}(8E) If, at any time during the period beginning with the publication of the summary financial statement and ending with the publication of the next summary financial statement, an individual for the first time subscribes for shares in the society, the society shall at that time notify the individual of the information in subsection (8C) (c)(i) to (iii).

(8F) In a case where subsection (8E) applies, the society is not required under section 115B (right to hard copy version) to send the individual a version of the summary financial statement or (where applicable) the auditor's report in hard copy form (within the meaning of that section).]

^{F12}(9)

^{F12}(9A)

^{F12}(9B)

^{F12}(9C)

^{F12}(9D)

^{F12}(9E)

(10) If default is made by a building society in complying with subsection (8) above, the society shall be liable on summary conviction—

(a) to a fine not exceeding level 5 on the standard scale; and

(b) in the case of a continuing offence, to an additional fine not exceeding £200 for every day during which the offence continues,

and so shall any officer who is also guilty of the offence.

(11) If default is made by a building society in complying with [^{F13}subsection (8AA) or (8E)] above, the society shall be liable on summary conviction—

(a) to a fine not exceeding level 3 on the standard scale; and

(b) in the case of a continuing offence, to an additional fine not exceeding £40 for every day during which the offence continues,

and so shall any officer who is also guilty of the offence.

(12) The [^{F14}[^{F15}FCA] shall keep one of the copies] of the summary financial statement received by it under subsection (8) above in the public file of the society.

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Textual Amendments

- F1** Words in s. 76(2) substituted (1.12.1997 in specified cases and for specified purposes and otherwise in accordance with art. 2(2)(3)(5) of S.I. 1997/2668) by 1997 c. 32, ss. 43, 47(3), **Sch. 7 para. 33(1)(a)**; S.I. 1997/2668, art. 2, **Sch. Pt. II(w)(z)(xx)**
- F2** Words in s. 76(2) substituted (1.12.1997 in specified cases and for specified purposes and otherwise in accordance with art. 2(2)(3)(5) of S.I. 1997/2668) by 1997 c. 32, ss. 43, 47(3), **Sch. 7 para. 33(1)(b)**; S.I. 1997/2668, art. 2, **Sch. Pt. II(w)(z)(xx)**
- F3** Words in s. 76(3) substituted (17.8.2001 for certain purposes and otherwise 1.12.2001) by S.I. 2001/2617, arts. 2(a)(b), 8, 13(1), **Sch. 3 para. 168(a)** (with art. 13(3), Sch. 5); S.I. 2001/3538, **art. 2(1)**
- F4** Words in s. 76(5) substituted (29.6.2008) by The Building Societies Act 1986 (Accounts, Audit and EEA State Amendments) Order 2008 (S.I. 2008/1519), art. 1(2), **Sch. 2 para. 3(a)**
- F5** S. 76(8)(8A) substituted (17.8.2001 for certain purposes and otherwise 1.12.2001) for s. 76(8) by S.I. 2001/2617, arts. 2(a)(b), 8, 13(1), **Sch. 3 para. 168(b)** (with art. 13(3), Sch. 5); S.I. 2001/3538, **art. 2(1)**
- F6** Words in s. 76(8) substituted (1.4.2013) by The Financial Services Act 2012 (Mutual Societies) Order 2013 (S.I. 2013/496), art. 1(1), **Sch. 8 para. 27(2)** (with Sch. 12)
- F7** Words in s. 76(8A)(b) substituted (29.6.2008) by The Building Societies Act 1986 (Accounts, Audit and EEA State Amendments) Order 2008 (S.I. 2008/1519), art. 1(2), **Sch. 2 para. 3(b)**
- F8** S. 76(8AA) inserted (18.2.2014) by Financial Services (Banking Reform) Act 2013 (c. 33), s. 148(2), **Sch. 9 para. 6(2)**
- F9** S. 76(8B)-(8D) inserted (20.3.2003) by The Building Societies Act 1986 (Electronic Communications) Order 2003 (S.I. 2003/404), arts. 1(1), **6(2)**
- F10** Words in s. 76(8C)(c) omitted (18.2.2014) by virtue of Financial Services (Banking Reform) Act 2013 (c. 33), s. 148(2), **Sch. 9 para. 10**
- F11** S. 76(8E)(8F) inserted (18.2.2014) by Financial Services (Banking Reform) Act 2013 (c. 33), s. 148(2), **Sch. 9 para. 6(3)**
- F12** S. 76(9)-(9E) omitted (18.2.2014) by virtue of Financial Services (Banking Reform) Act 2013 (c. 33), s. 148(2), **Sch. 9 para. 6(4)**
- F13** Words in s. 76(11) substituted (18.2.2014) by Financial Services (Banking Reform) Act 2013 (c. 33), s. 148(2), **Sch. 9 para. 6(5)**
- F14** Words in s. 76(12) substituted (17.8.2001 for certain purposes and otherwise 1.12.2001) by S.I. 2001/2617, arts. 2(a)(b), 8, 13(1), **Sch. 3 para. 168(c)** (with art. 13(3), Sch. 5); S.I. 2001/3538, **art. 2(1)**
- F15** Word in s. 76(12) substituted (1.4.2013) by The Financial Services Act 2012 (Mutual Societies) Order 2013 (S.I. 2013/496), art. 1(1), **Sch. 8 para. 27(3)** (with Sch. 12)

Modifications etc. (not altering text)

- C1** S. 76(3): Functions of the Building Societies Commission transferred (1.12.2001) to the Treasury by S.I. 2001/2617, arts. 2(b), 4(1), **Sch. 1 Pt. III** (with art. 5); S.I. 2001/3538, **art. 2(1)**

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 5(11)-(14) inserted by [2007 c. 26 s. 1\(2\)](#)
- s. 5(13)(a) substituted by [S.I. 2013/496 Sch. 8 para. 4\(4\)](#)
- s. 7(6A)-(6C) inserted by [2007 c. 26 s. 1\(1\)\(a\)](#)
- s. 7(8A) inserted by [2007 c. 26 s. 1\(1\)\(c\)](#)
- s. 176ZB excluded by [S.I. 2017/400 reg. 14](#)
- s. 246ZA-246ZC excluded by [S.I. 2017/400 reg. 15](#)
- s. 246ZD excluded by [S.I. 2017/400 reg. 16](#)