



Education Reform Act 1988

1988 CHAPTER 40

PART II

HIGHER AND FURTHER EDUCATION

CHAPTER II

REORGANISATION OF PROVISION AND FUNDING OF HIGHER EDUCATION

The higher education corporations

[^{F1}124B Accounts.

- (1) It shall be the duty of each corporation—
 - (a) to keep proper accounts and proper records in relation to the accounts; and
 - (b) to prepare in respect of each financial year of the corporation a statement of accounts.
- (2) The statement shall—
 - (a) give a true and fair account of the state of the corporation's affairs at the end of the financial year and of the corporation's income and expenditure in the financial year; and
 - (b) [^{F2}in the case of a higher education corporation in Wales,] comply with any directions given by [^{F3}the Higher Education Funding Council for Wales] as to the information to be contained in the statement, the manner in which the information is to be presented or the methods and principles according to which the statement is to be prepared.
- (3) The corporation shall supply a copy of the statement to any person who asks for it and, if the corporation so requires, pays a fee of such amount not exceeding the cost of supply as the corporation thinks fit.

Changes to legislation: Education Reform Act 1988, Section 124B is up to date with all changes known to be in force on or before 05 April 2024. 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

(4) The accounts (including any statement prepared under this section) shall be audited by persons appointed in respect of each financial year by the corporation.

^{F4}(5)

^{F5}(5A) [A corporation in Wales shall consult, and take into account any advice given by, the Auditor General for Wales before appointing any auditor under subsection (4) above in respect of their first financial year.]

(6) No person shall be qualified to be appointed auditor under [^{F6}subsection (4) above] except—

- (a) an individual, or firm, eligible for appointment as a [^{F7}statutory auditor under Part 42 of the Companies Act 2006];
- (b) a member of the Chartered Institute of Public Finance and Accountancy; or
- (c) a firm each of the members of which is a member of that institute.

(7) In this section, in relation to a corporation—

“the first financial year” means the period commencing with the date on which the corporation is established and ending with the second 31st March following that date; and

“financial year” means that period and each successive period of twelve months.]

Textual Amendments

- F1** Ss. 124A-124D inserted (6.5.1992) by [Further and Higher Education Act 1992 \(c. 13\)](#), s. 71(1); S.I. 1992/831, art. 2, [Sch. 1](#)
- F2** Words in s. 124B(2)(b) inserted (1.8.2019) by [Higher Education and Research Act 2017 \(c. 29\)](#), s. 124(5), [Sch. 8 para. 10](#); S.I. 2018/1226, reg. 4(o)
- F3** Words in s. 124B(2)(b) substituted (1.8.2019) by [Higher Education and Research Act 2017 \(c. 29\)](#), s. 124(5), [Sch. 11 para. 7](#); S.I. 2018/1226, reg. 4(p)
- F4** S. 124B(5) omitted (1.4.2015) by virtue of [Local Audit and Accountability Act 2014 \(c. 2\)](#), s. 49(1), [Sch. 12 para. 21](#); S.I. 2015/841, art. 3(x)
- F5** S. 124B(5A) inserted (1.4.2005) by [Public Audit \(Wales\) Act 2004 \(c. 23\)](#), s. 73, Sch. 2 para. 9(1)(3); S.I. 2005/558, art. 2, Sch. 1
- F6** Words in s. 124B(6) substituted (1.4.2005) by [Public Audit \(Wales\) Act 2004 \(c. 23\)](#), s. 73, Sch. 2 para. 9(1)(4); S.I. 2005/558, art. 2, Sch. 1
- F7** Words in s. 124B(6)(a) substituted (6.4.2008) by [The Companies Act 2006 \(Consequential Amendments etc\) Order 2008 \(S.I. 2008/948\)](#), art. 2(2), [Sch. 1 para. 1\(kk\)\(i\)](#) (with arts. 6, 11, 12)

Modifications etc. (not altering text)

- C1** S. 124B(7): power to exclude conferred (6.5.1992) by [Further and Higher Education Act 1992 \(c. 13\)](#), s. 78(2); S.I. 1992/831, art. 2, [Sch. 1](#)

Changes to legislation:

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Changes and effects yet to be applied to :

- s. 124B(2)(b) words substituted by [2022 asc 1 Sch. 4 para. 5\(3\)](#)

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. 120(4A) inserted by [2022 asc 1 Sch. 4 para. 5\(2\)](#)
- s. 124A(9A)(9B) inserted by [2022 asc 1 s. 137\(3\)](#)
- s. 125(8)(9) inserted by [2022 asc 1 s. 138\(2\)](#)
- s. 128(1)(b)(iib) omitted by [2011 c. 21 Sch. 16 para. 8](#)
- s. 128(1)(b)(iia) omitted by [2015 c. 20 Sch. 14 para. 35](#)
- s. 128(1A)-(1C) inserted by [2022 asc 1 s. 139\(3\)](#)
- s. 128(7)-(10) inserted by [2022 asc 1 s. 139\(6\)](#)
- s. 232(4ZA)-(4ZC) inserted by [2022 asc 1 s. 138\(3\)\(b\)](#)