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**Changes to legislation:** There are currently no known outstanding effects for the Friendly Societies Act 1992, Cross Heading: Statement by person ceasing to hold office. (See end of Document for details)

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## SCHEDULES

### SCHEDULE 14

#### AUDITORS: APPOINTMENT, TENURE, QUALIFICATIONS AND REMUNERATION

##### *Statement by person ceasing to hold office*

- 14 (1) Where an auditor of a friendly society or registered branch ceases for any reason to hold office, he shall deposit at the registered office of the society or branch concerned—
- (a) a statement of any circumstances connected with his ceasing to hold office which he considers should be brought to the attention of the members or creditors of the society or branch; or
  - (b) if he considers that there are no such circumstances, a statement that there are none.
- (2) In a case falling within sub-paragraph (1)(a) above it shall also be the duty of the auditor, unless he receives notice of an application under sub-paragraph (4) below before the end of the period of 21 days beginning with the day on which he deposited the statement, to send the [F<sup>1</sup>FCA and the PRA] a copy within a further 7 days.
- (3) In the case of resignation, the statement shall be deposited along with the notice of resignation; in the case of failure to seek re-appointment, the statement shall be deposited not less than 14 days before the end of the time allowed for next appointing auditors; in any other case, the statement shall be deposited not later than the end of the period of 14 days beginning with the date on which he ceases to hold office.
- (4) If the statement is of circumstances which the auditor considers should be brought to the attention of the members or creditors of the society or branch, the society shall within 14 days of the deposit of the statement either—
- (a) send a copy of it to every member who is, when the statement is deposited, entitled to vote at a meeting of the society or branch; or
  - (b) apply to the court.
- (5) The society or branch shall if it applies to the court notify the auditor of the application.
- (6) If the court is satisfied that the auditor is using the statement to secure needless publicity for defamatory matter—
- (a) it shall direct that copies of the statement need not be sent out; and
  - (b) it may further order the costs of the society or branch on the application to be paid in whole or in part by the auditor, notwithstanding that he is not a party to the application;
- and the society or branch shall within 14 days of the court's decision send to the persons mentioned in sub-paragraph (4)(a) above a statement setting out the effect of the order.

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- (7) If the court is not so satisfied, the society or branch shall within 14 days of the court's decision—
- (a) send copies of the statement to the persons mentioned in sub-paragraph (4)(a) above; and
  - (b) notify the auditor of the court's decision;
- and the auditor shall within 7 days of receiving such notice send a copy of the statement to the [<sup>F2</sup>FCA and the PRA].
- [<sup>F3</sup>(8) A society is to be regarded as sending a person a copy of the statement for the purposes of sub-paragraph (4)(a) or (7)(a) if it makes the information available to the person on a website; and the end date for the purposes of section 119AB(4)(b) is the day falling 28 days after the later of the two dates referred to in section 119AB(4)(a).]

#### Textual Amendments

- F1** Words in Sch. 14 para. 14(2) substituted (1.4.2013) by [The Financial Services Act 2012 \(Mutual Societies\) Order 2013 \(S.I. 2013/496\)](#), art. 1(1), **Sch. 9 para. 55(9)** (with Sch. 12)
- F2** Words in Sch. 14 para. 14(7) substituted (1.4.2013) by [The Financial Services Act 2012 \(Mutual Societies\) Order 2013 \(S.I. 2013/496\)](#), art. 1(1), **Sch. 9 para. 55(9)** (with Sch. 12)
- F3** Sch. 14 para. 14(8) inserted (12.4.2011) by [The Mutual Societies \(Electronic Communications\) Order 2011 \(S.I. 2011/593\)](#), arts. 1(1), **16**

#### Commencement Information

- I1** Sch. 14 para. 14 wholly in force; Sch. 14 para. 14 not in force at Royal Assent see s. 126(2); Sch. 14 para. 14 in force for certain purposes at 13.1.1993 by S.I. 1993/16, art. 2, **Sch. 1**; Sch. 14 para. 14 in force to the extent not already in force at 1.1.1994 by S.I. 1993/2213, art. 2(1), **Sch. 5**

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