



Co-operative and Community Benefit Societies Act 2014

2014 CHAPTER 14

PART 8

INSPECTION AND INVESTIGATIONS

Power to inspect books etc

103 Power of members etc to inspect own account and society's register

- (1) A member of a registered society, and any person having an interest in its funds, must be allowed to inspect the following at all reasonable hours—
 - (a) the person's own account, and
 - (b) all entries in the society's duplicate register kept under section 30 (register of members and officers) or, if no duplicate register is kept, all entries in its register kept under that section except those made under section 30(2)(c) and (d) (shares and property of members).
- (2) Subsection (1) is subject to any regulations as to the time and manner of inspection which may from time to time be made by the society's general meetings.

104 Power of society to make rules authorising inspection of books

- (1) A registered society may by its rules authorise the inspection of such of its books upon such conditions as may be specified in the rules.
- (2) The rules may not authorise a person to inspect another person's loan or deposit account without that other person's written consent.
- (3) Subsection (2) does not apply to inspection by an officer of the society or a person specially authorised by a resolution of the society.

105 Power of FCA to appoint accountant or actuary to inspect a society's books

- (1) The FCA may, on the application of at least 10 qualifying members of a registered society, appoint an accountant or actuary to inspect the society's books and to report on them; but this is subject to subsection (3).
- (2) "Qualifying member" means a person who, immediately before the date of the application, has been a member for at least one year.
- (3) The members who make the application must deposit with the FCA as security for the costs of the proposed inspection such sum as the FCA may require.
- (4) The expenses of and incidental to the inspection are to be met—
 - (a) by the applicants,
 - (b) out of the society's funds, or
 - (c) by the society's members, officers, former members or former officers,in such proportions as the FCA directs.
- (5) A person appointed under this section has power to—
 - (a) make copies of any of the society's books, and
 - (b) take extracts from those books,at all reasonable hours at the society's registered office or at any other place where the books are kept.
- (6) The FCA must communicate the results of any inspection under this section to the applicants and the society.

*Inspectors and special meetings***106 Appointment of inspectors and calling of special meetings**

- (1) The FCA may, on the application of at least 10% of a registered society's members or (if less) 100 members—
 - (a) appoint one or more inspectors to examine into and report on the society's affairs, or
 - (b) call a special meeting of the society.
- (2) The power of the FCA to call a special meeting under this section in the case of a relevant society in respect of which a moratorium is in force under section 1A of the Insolvency Act 1986 is subject to paragraph 12(1)(b) of Schedule A1 to that Act as applied in relation to a relevant society by an order under section 118.
- (3) An application under this section must be supported by such evidence for the purpose of showing that the applicants have good reason for requiring the examination or meeting (and do not have malicious motives) as the FCA directs.
- (4) The society must be given such notice of the application as the FCA directs.
- (5) The FCA may require the applicants to give security for the costs of the proposed examination or meeting before exercising its powers under subsection (1).
- (6) The expenses of and incidental or preliminary to an examination or special meeting are to be met—
 - (a) by the applicants,

- (b) out of the society's funds, or
 - (c) by the society's members, officers, former members or former officers,
- in such proportions as the FCA directs.

- (7) In this section “relevant society” means a registered society which is not—
- (a) a private registered provider of social housing, or
 - (b) registered as a social landlord under Part 1 of the Housing Act 1996 or under Part 2 of the Housing (Scotland) Act 2010.

107 Section 106: examinations and special meetings

- (1) This section supplements section 106.
- (2) An inspector may—
- (a) require the production of any (or all) of the society's books, accounts, securities and documents;
 - (b) examine on oath its officers, members, agents and employees in relation to its business (and may for that purpose administer oaths).
- (3) The FCA may direct—
- (a) the time and place of a special meeting;
 - (b) the matters to be discussed and determined at the meeting.
- (4) A special meeting has—
- (a) all the powers of a meeting called in accordance with the society's rules;
 - (b) the power to appoint its own chair (despite anything in the society's rules).

General restriction on inspection

108 General restriction on inspection of books

Except as provided by this Act, no member or other person has a right to inspect a registered society's books.