



# Industrial Assurance and Friendly Societies Act 1948

## 1948 CHAPTER 39

*Amendments as to procedure and administration.*

### **14 Requirements as to audit of accounts of registered societies.**

- (1) Subject to the provisions of subsection (2) of this section a registered society not being a collecting society shall once at least in every year, beginning with the year nineteen hundred and fifty, submit its accounts for audit to one of the approved auditors appointed under section thirty of the Act of 1896 (as amended by section twenty of this Act) notwithstanding anything in subsection (1) of section twenty-six of that Act (which confers an option to have accounts audited either as aforesaid or by persons appointed in accordance with the rules of the society).
- (2) The option conferred by the said subsection (1) shall continue to be exercisable to the following extent and subject to the following provisions, that is to say—
  - (a) the said option shall be exercisable as respects the year nineteen hundred and fifty in the case of a society whose members numbered less than five hundred on the thirty-first day of December, nineteen hundred and forty-nine, and whose assets were then of an aggregate value less than five thousand pounds, and it shall be exercisable also (but subject to the provisions of the next succeeding paragraph) as respects each subsequent year in the case of a society which has been entitled to exercise the said option as respects all preceding years and which satisfied the conditions aforesaid as to number of members and value of assets on the thirty-first day of December immediately before the beginning of the subsequent year in question ;
  - (b) provision may be made at any time or from time to time by regulations for limiting the exercise of the said option as respects any years subsequent to the year nineteen hundred and fifty, and subsequent to that in which the regulations are made, by substituting for the purposes of the preceding paragraph a prescribed number of members and value of assets being less (as to number or value or as to both) than that mentioned in the preceding paragraph or that prescribed by the regulations then last made, as the case

may be, and substituting for the reference in the preceding paragraph to the thirty-first day of December, nineteen hundred and forty-nine, a reference to the thirty-first day of December in the year in which the regulations are made, and ultimately for rendering the said option no longer exercisable in the case of any society ; and

- (c) the registrar may give a direction, in the case of any particular society which apart from the direction would be entitled to exercise the said option as respects any year, requiring it to submit its accounts in that year for audit to an approved auditor, and if (as he is hereby authorised to do) the registrar gives such a direction after the society has sent to him its annual return for the year in question, being a return stating that the audit therefor has been conducted by persons other than an approved auditor, he may also direct that the society shall, after its accounts have been audited by an approved auditor and within three months from receipt of the direction, send to him a further annual return complying with the requirements of section twenty-seven of the Act of 1896 (other than that as to time of sending).

- (3) Regulations for the purposes of the preceding subsection shall be made by the chief registrar, subject to the approval of the Treasury signified by statutory instrument which shall be subject to annulment in pursuance of resolution of either House of Parliament.

- (4) In subsection (1) of section thirty of the Act of 1896 (which, as amended by section twenty of this Act, after dealing with the appointment of approved auditors and public valuers, provides that their employment shall not be compulsory) the words " but the employment of those auditors and valuers shall not be compulsory " are hereby repealed :

Provided that the said repeal shall not be construed as rendering the employment of an approved auditor or public valuer compulsory in any case in which it would not otherwise be compulsory.