
STATUTORY INSTRUMENTS

1995 No. 709

FRIENDLY SOCIETIES

The Friendly Societies (General Charge and Fees) Regulations 1995

<i>Made</i>	- - - -	<i>9th March 1995</i>
<i>Laid before Parliament</i>		<i>10th March 1995</i>
<i>Coming into force</i>	- -	<i>1st April 1995</i>

The Treasury, in exercise of the powers conferred on them by sections 2(2) and 114(2) of the Friendly Societies Act 1992⁽¹⁾ and section 104(1) of the Friendly Societies Act 1974⁽²⁾ and of all other powers enabling them in that behalf, hereby make the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Friendly Societies (General Charge and Fees) Regulations 1995 and shall come into force on 1st April 1995.

Interpretation

2. In these Regulations:

“the 1974 Act” means the Friendly Societies Act 1974;

“the 1992 Act” means the Friendly Societies Act 1992;

“accounting year” means the period of 12 months ending with 31st March;

“the central office” means the central office as defined in section 119 of the 1992 Act;

“collecting society” means a collecting society as defined in section 1(1A) of the Industrial Assurance Act 1923⁽³⁾;

“society” means a society registered under the 1974 Act or a friendly society incorporated under the 1992 Act; and

“transfer of engagements” means a transfer of engagements under section 86 of the 1992 Act or under section 82 of the 1974 Act.

(1) 1992 c. 40.

(2) 1974 c. 46.

(3) 1923 c. 8; section 1(1A) was inserted by sections 97 and 99 of and Part II of Schedule 6 to the Companies Act 1967 (c. 81) and substituted by section 100 of, and Part I of Schedule 19 to the Friendly Societies Act 1992.

General charge in respect of the accounting year beginning 1st April 1995

3.—(1) A friendly society which is registered or incorporated on 1st April 1995 shall pay to the Commission, with respect to the accounting year beginning on that date, a sum determined in accordance with Schedule 1 to these Regulations using the value of the friendly society's specified income for the year ended 31st December 1993.

(2) Where, after 31st December 1994 and before 1st April 1995, a friendly society has transferred its engagements to another friendly society, the transferee friendly society shall, in addition to any other sum payable by it under this regulation, pay, with respect to the accounting year beginning 1st April 1995, any sum which would have been payable by the transferor friendly society had it been subject to paragraph (1) above on 1st April 1995.

(3) For the purposes of these Regulations, the value of a friendly society's specified income for the year ended on 31st December 1993 is the value determined in accordance with Schedule 1 to these Regulations.

Payment of the general charge

4. Any sums payable under regulation 3 above by a friendly society shall be paid on or before 1st November 1995.

Fees in respect of particular functions of Central Office, Chief Registrar and Commission

5.—(1) Upon making an application of a nature specified in Schedule 2 to these Regulations, the person who makes that application shall pay the relevant fee specified in that Schedule in respect of the examination of the application by the Central Office, the Chief Registrar or the Commission (as the case may be).

(2) Any sums payable under paragraph (1) above shall be paid, in respect of functions performed by the Chief Registrar or the Central Office, to the Chief Registrar and in respect of functions performed by the Commission, to the Commission.

Inspection and copying fees

6. Any person wishing to inspect or to be furnished with a copy of any document in the custody of the Central Office shall, upon making such request to inspect or to be furnished with a copy, as the case may be, pay to the Chief Registrar the relevant fee specified in Schedule 3 to these Regulations.

Revocation of regulations relating to preceding accounting year

7. The Friendly Societies (General Charge and Fees) Regulations 1993(4) and the Friendly Societies (General Charge and Fees) (Amendment) Regulations 1994(5) are revoked.

9th March 1995

A. Mackay
D. Conway
Two of the Lords Commissioners of Her
Majesty's Treasury

(4) [S.I. 1993/547](#).

(5) [S.I. 1994/657](#).

SCHEDULE 1

Regulation 3

GENERAL CHARGE PAYABLE BY SOCIETIES

1. The sum specified in this Schedule is the sum determined by the formula:

A × B,

where

A = 24/100, and

B = the specified income for the year ended 31st December 1993 as determined in accordance with paragraphs 2 to 7 below, provided that:

- (a) where the resultant sum exceeds £19,500.00, the sum is £19,500.00; and
- (b) where the resultant sum is less than £175.00, the sum is £175.00.

Specified income

2. In respect of a friendly society which, for the year ended 31st December 1993, was required under section 43 of the 1974 Act to send to the Chief Registrar an annual return in the form of Form R/FS/AR1, the value of the specified income for that relevant year is the sum of the amounts required to be entered at the following entries of Form R/FS/AR1:

- (a) in each form B (“BENEFIT AND BENEFIT RESERVE FUNDS”), the entry at line 1 for “Contributions (including the contribution deficiency recovered or recoverable in respect of Life Assurance Premium Relief”);
- (b) in each form C (“MEMBERS SURPLUS AND SAVINGS ACCOUNT”), which is used for a benefit fund, the entry at line 2 for “Added to accounts by members”;
- (c) in each form D (“MANAGEMENT FUNDS”), the entry at line 1 for “Contributions for Management”; and
- (d) in each form E (“RENT AND INTEREST ACCOUNT”), the entries at:
 - (i) line 1 for “Rents from land and buildings”; and
 - (ii) line 7 for “Total interest on investment”.

3. In respect of a friendly society which, for the year ended 31st December 1993, was required under section 43 of the 1974 Act to send to the Chief Registrar an annual return in the form of Form A.R.1 or Form A.R.1A, the value of the specified income for that relevant year is the sum of the following amounts entered in Form A.R.1 or Form A.R. 1A (whichever the friendly society is required to send to the Chief Registrar):

- (a) in Form A (“... .. FUND”), the entry for “Contributions (including the contribution deficiency recovered or recoverable in respect of Life Assurance Premium Relief”);
- (b) in each form C (“... .. FUND”), which is used for a benefit fund, the entry for “Contributions (including the contribution deficiency recovered or recoverable in respect of Life Assurance Premium Relief”);
- (c) in form D (“MANAGEMENT FUND”), the entry for “Contributions for Management”; and
- (d) in form E (“RENT AND INTEREST ALLOCATION ACCOUNT”), the entry at the last line,

less any amount entered at the entry for “Other Income (to be specified)” in form E (“RENT AND INTEREST ALLOCATION ACCOUNT”) that is not income from interest on investments.

4. In respect of a friendly society which, for the year ended 31st December 1993, was required under section 43 of the 1974 Act to send to the Chief Registrar an annual return in the form of Form

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A.R.1B, the value of the specified income for that relevant year is the sum of the following amounts required to be entered at the following entries in Form A.R.1B:

- (a) in form A (“SICK AND DEATH FUNDS”), the entry for “Total Contributions and Levies for Benefits”;
- (b) in forms D (“DISTRESS RELIEF FUND”), E (“... .. FUND”), and F (“... .. FUND”), which are used for a benefit fund, the entries for “Contributions”, “Levies” and “Other Income (to be specified)”;
- (c) in form H (“MANAGEMENT FUND”), the entry for “Contributions for Management”; and
- (d) in form K (“RENT AND INTEREST ALLOCATION ACCOUNT”), the entry for “Net Total”,

less the following amounts:

- (e) the amount entered for “Levies for Benefits” in form A (“SICK AND DEATH FUNDS”); and
- (f) any amount entered at the entry for “Other Income (to be specified)” in form K (“RENT AND INTEREST ALLOCATION ACCOUNT”) that is not income from interest on investments.

5. In respect of a friendly society which, for the year ended 31st December 1993, was required under section 43 of the 1974 Act to send to the Chief Registrar an annual return in the form of Form A.R.1C, the value of the specified income for that relevant year is the sum of the following amounts required to be entered at the following entries in Form A.R.1C:

- (a) in form A (“... .. FUND”), the entry for “Contributions (Including the contribution deficiency recovered or recoverable in respect of Life Assurance Premium Relief)”;
- (b) in form C (“... .. FUND”), which is used for a benefit fund, the entry for “Contributions (Including the contribution deficiency recovered or recoverable in respect of Life Assurance Premium Relief)”;
- (c) in form D (“MANAGEMENT FUND”), the entry for “Contributions for Management”; and
- (d) in form E (“RENT AND INTEREST ALLOCATION ACCOUNT”), the entry at the last line,

less any amount entered at the entry for “Other Income (to be specified)” in form E (“RENT AND INTEREST ALLOCATION ACCOUNT”) that is not income from interest on investments.

6. In respect of a friendly society which, for the year ended 31st December 1993, was required under section 43 of the 1974 Act to send to the Chief Registrar an annual return in the form of Form A.R.5, the value of the specified income for that relevant year is the sum of the following amounts required to be entered at the following entries in form A (“GENERAL ACCOUNT”) of Form A.R.5:

- (a) the entry for “Contributions for Management”;
- (b) the entry for “Contributions for Benefits (if for various benefits, each to be stated separately)”;
- (c) the entry for “Interest on Investments (gross)”; and
- (d) the entry for “Other Income (to be specified)”,

less any amount entered at the entry for “Other Income (to be specified)” that is not income from interest on investments.

7. In respect of a friendly society which, for the year ended 31st December 1993, was required under section 43 of the 1974 Act to send to the Chief Registrar an annual return in the form of Form

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A.R.10 or Form A.R.10A, the value of the specified income for that relevant year is the sum of the amounts required to be entered at the following entries in Form A.R.10 or Form A.R.10A (whichever the friendly society is required to send to the registrar):

- (a) in form A (“INDUSTRIAL ASSURANCE FUND”), the entry for “Totals” of the gross amount of premiums of assurance income;
- (b) in form B (“OTHER ASSURANCE FUNDS”), the entry for “Totals” of the gross amount of premiums of assurance income; and
- (c) in form D (“RENT AND INTEREST ALLOCATION ACCOUNT”), the entry at the last line,

less any amount entered at the entry for “Other Income (to be specified)” in form D that is not income from interest on investments.

8. Where a friendly society, in respect of a relevant year, sends more than one of any of the forms referred to paragraphs (2) to (7) above to the Chief Registrar, in respect of that friendly society the value of the specified income for that relevant year is the sum of the amounts entered in all the forms so sent and specified in paragraphs (2) to (7) above.

9. Notwithstanding paragraphs (2) to (7) above, any amount which is an amount transferred from another fund or account shall not be included in the specified income of a friendly society.

SCHEDULE 2

Regulation 5

FEES PAYABLE FOR CENTRAL OFFICE, CHIEF REGISTRAR OR COMMISSION FUNCTIONS

Nature of application/function	Fee Payable (£)
1. For the incorporation of a friendly society and the registration of the friendly society’s memorandum and rules.	600
2. For the registration of a branch.	155
3. For authorisation under section 32 of the 1992 Act.	525
4. For authorisation under section 33 of the 1992 Act.	160
5. For the registration of an annual return or a set of annual accounts (except where the society or branch concerned has by written notice sent to the Central Office irrevocably elected to pay the fees specified in paragraph 6 of this Schedule)—	75
(a) In the case of an annual return or a set of annual accounts for a year of account ended on or before 31st December 1994 —	
(i) where it relates to a society	
(ii) where it relates to a branch	26

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Nature of application/function	Fee Payable (£)
(b) (b) in the case of an annual return or a set of annual accounts for any subsequent year of account —	100
(i) where it relates to a society	
(ii) where it relates to a branch	35
6. The fees specified in this paragraph shall be payable where the society or branch concerned has by notice made an election under paragraph 5 of this Schedule:	380
(a) For the acknowledgment or registration of an amendment of rules (including approval of name in the case of an amendment effecting a change of name of a society or branch) —	
(i) if the amendment substitutes an entire set of rules for the existing set of rules (except as provided in paragraph 15 of this Schedule) —	
(A) where made by a society	
(B) where made by a branch	125
(ii) if the amendment does not substitute an entire set of rules for the existing set of rules —	175
(A) where made by a society	
(B) where made by a branch	55
(b) (b) For the acknowledgment of registration of a notice of change in the situation of the registered office—	40
(A) of a society	
(B) of a branch	24
(c) (c) For a receipt issued in respect of a notice of appointment of trustee or trustees—	40
(A) of a society	
(B) of a branch	24
(d) (d) for the acknowledgment or registration of a change of name of an incorporated friendly society	175
(e) (e) for the acknowledgment or registration of an alteration of	120

Nature of application/function	Fee Payable (£)
the memorandum of an incorporated friendly society	
7. For the registration of a special resolution—	100
(1) where the special resolution relates to an amalgamation or a transfer of engagements	
(2) where the special resolution relates to a conversion	185
8. For the appointment of an inspector or calling of a special meeting	200
9. For a registration of an instrument of dissolution or alteration therein	100
10. For the award for dissolution where the matter is settled without a hearing or upon one hearing without an adjournment	50
11. Where for an award of dissolution more than one hearing is required or where the hearing is adjourned—	50
the same fee as where the matter is settled upon one hearing without adjournment and in addition for every hearing after the first and for every adjournment	
12. For a direction for division or appropriation of the assets of a society—	
(a) where the value of the assets is £1,000 or less, 20 per cent. of that value	
(b) where the value of the assets exceeds £1,000, £200 with an additional £10 for every £100 or part thereof in excess of £1,000	
13. For an investigation into the affairs of a society or branch with a view to an award of dissolution thereof—	800
14. For every document (except as otherwise provided) required to be signed by a Registrar, or to bear the seal of the Central Office, not chargeable with any other fee provided that such fee shall not be paid by a society or branch which has not by notice elected as in paragraph 6 of this Schedule.	30
15. For the registration of an amendment of rules of a society registered as a working men's club, being a substitution of an entire set of rules for the existing set of rules, where the entire set of rules is in the form of model rules and where	140

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Nature of application/function	Fee Payable (£)
the application for registration is made through and endorsed by the association or body which has sponsored the rules contained in the said model.	
16. For the confirmation of a transfer of 180 engagements	
17. For the registration of a copy of an 180 instrument of transfer of engagements	
18. For the registration of a scheme under section 6(5) of the 1992 Act	160

SCHEDULE 3

Regulation 6

Facility sought	Fee Payable (£)
1. The inspection on any particular day of documents relating to a single society or branch	8.00
2. For the provision of a copy of the whole of or an extract from any document—	2.50
(a) where the copy is not certified as a true copy of a document in the custody of the Registrar—	
(i) where the copy does not exceed 5 pages, or for the first 5 pages of a copy which exceeds 5 pages	
(ii) for every page of a copy after the fifth page	0.50
(b) (b) where the copy is certified as provided in subparagraph (a) above (as an addition to whatever fee would be payable if the copy were not so certified)	8.00
3. In addition to any fee payable under paragraph 2 above, for the provision of a copy, or copies, of the whole of, or an extract from, any document by post	5.00

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations provide for a general charge to be paid by friendly societies towards the expenses of the Friendly Societies Commission. The charge is levied with respect to the Commission's accounting year beginning on 1st April 1995 and is expected to raise £0.65 million (an increase of 18 per cent. from that raised for the accounting year beginning 1st April 1994). Each friendly society (subject to a requirement to pay a minimum of £175 or a maximum of £19,500) is required to pay a sum equal to 0.24 per cent. of its specified income, as indicated by its contributions from members and interest on investments reported in its annual return submitted for the year ended 31st December 1993 the latest year for which annual returns are required.

These Regulations also, by regulation 5 and 6 and the respective schedules increase the fees to be paid for matters transacted under the Friendly Societies Act 1974 or the Friendly Societies Act 1992.

The fees relate more closely to the cost of delivering the various services: the increases, depending on the nature of the transaction, varying between nil and 52 per cent. and average 21 per cent. Charges for inspection of documents have been increased from £4.50 to £8 and associated fees (for obtaining copies etc) have been increased by a comparable amount.

The Regulations also revoke the Friendly Societies (General Charge and Fees) Regulations 1993 and the Friendly Societies (General Charge and Fees) (Amendment) Regulations 1994.

A review of the cost of compliance with these Regulations has been undertaken and the resulting compliance cost assessment may be purchased from the Secretary, Friendly Societies Commission, 15 Great Marlborough Street, London W1V 2AX.