
STATUTORY INSTRUMENTS

1996 No. 614

FRIENDLY SOCIETIES

The Friendly Societies (General Charge and Fees) Regulations 1996

<i>Made</i>	- - - -	<i>7th March 1996</i>
<i>Laid before Parliament</i>		<i>7th March 1996</i>
<i>Coming into force</i>	- -	<i>1st April 1996</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 1996 and shall come into force on 1st April 1996.

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;

“amalgamation” means an amalgamation under section 85 of the 1992 Act or under section 82 of the 1974 Act;

“the central office” has the meaning given in section 119 of the 1992 Act;

“the Chief Registrar” means the Chief Registrar of Friendly Societies;

“the Commission” means the Friendly Societies Commission established under section 1 of the 1992 Act;

“conversion” means a conversion under section 91 of the 1992 Act or under section 84 of the 1974 Act;

(1) 1992 c. 40.

(2) 1974 c. 46.

“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.

General charge in respect of the accounting year beginning 1st April 1996

3.—(1) A friendly society which is registered or incorporated on 1st April 1996 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 1995.

(2) Where, after 31st December 1995 and before 1st April 1996, 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 1996, any sum which would have been payable by the transferor friendly society had it been subject to paragraph (1) above on 1st April 1996.

(3) For the purposes of these Regulations, the value of a friendly society’s specified income for the year ended on 31st December 1995 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 1996.

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.

(3) The fees specified at paragraphs 20 and 22 in Schedule 2 to these Regulations may be reduced by the Commission to the fees specified at paragraphs 21 and 23 of Schedule 2 in any case where application is made to the Commission by any of the societies concerned in a proposed amalgamation, transfer of engagements or conversion, as the case may be, which are societies to which section 37(2) or (3) of the 1992 Act does not apply, to the effect that such society would otherwise be deterred from proceeding with such amalgamation, transfer of engagements or conversion, as the case may be, if the fee specified at paragraph 20 or 22, as the case may be, was to apply.

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 1995(3) are revoked.

7th March 1996

Simon Burns
Derek Conway
Two of the Lords Commissioners of Her
Majesty's Treasury

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

SCHEDULE 1

Regulation 3

GENERAL CHARGE PAYABLE BY SOCIETIES

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

$A \times B$,

where

A = 0.295/100, and

B = the specified income for the year ended 31st December 1995 as determined in accordance with paragraphs 2 and 3 below, provided that:

(a) where the resultant sum exceeds £24,000.00, the sum is £24,000.00; and

(b) where the resultant sum is less than £215.00, the sum is £215.00.

Specified income

2. In respect of a society which is a society to which section 37(2) or (3) of the 1992 Act applies, which is an incorporated friendly society or which carries on reinsurance business and which, for the year ended 31st December 1995, was required under section 69 of the 1992 Act to prepare annual accounts in the form specified in section 70 of the 1992 Act and in the Friendly Societies (Accounts and Related Provisions) Regulations 1994(4) (“the Accounts Regulations”), the value of the specified income for that relevant year is the sum of the amounts required to be entered as income items I.1, I.2a.(b), II.1, II.2.(b) and III.3.(b) in the income and expenditure account required to be prepared in accordance with Part I of Schedule 1 to the Accounts Regulations.

3. In respect of a society to which section 37(2) or (3) of the 1992 Act does not apply, which is a registered society and which does not carry on reinsurance business and which, for the year ended 31st December 1995, was required under section 69 of the 1992 Act to prepare annual accounts in the form specified in section 70 of the 1992 Act and in the Accounts Regulations, the value of the specified income for that relevant year is the sum of the amounts required to be entered as income items 1.(a), 1.(b)(i) and 1.(c) in the income and expenditure account required to be prepared in accordance with Part I of Schedule 7 to the Accounts Regulations.

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 —	720
(a) where it relates to a new friendly societ	
(b) (b) where it relates to an existing friendly society	600
2. For the registration of a branch	160

(4) S.I. 1994/1983.

Nature of application/function	Fee payable £
3. For authorisation under section 32 of the 1992 Act in respect of each class of insurance business and each description of non-insurance business authorised	1000
4. For authorisation under section 33 of the 1992 Act	165
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) for a year of account ended on or before 31st December 1995 —	100
(a) where it relates to a society	
(b) (b) 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:	400
(a) For the acknowledgment of 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 19 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 —	200
(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	40

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Nature of application/function	Fee payable £
(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	40
(d) (d) For the acknowledgment of registration of a change of name of an incorporated friendly society	155
(e) (e) For the acknowledgment of registration of an alteration of the memorandum of an incorporated friendly society	220
7. For the registration of a special resolution —	240
(a) where the special resolution relates to an amalgamation or a transfer of engagements	
(b) (b) where the special resolution relates to a conversion	500
8. For the appointment of an inspector or calling of a special meeting by the Chief Registrar	200
9. For the calling of a special meeting by the Commission	500
10. For the appointment of an inspector by the Commission	200
11. For the registration of an instrument of dissolution or alteration therein —	350
(A) of a society	
(B) of a branch	250
12. For the award for dissolution where the matter is settled without a hearing or upon one hearing without an adjournment	50
13. 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	
14. For a direction for division or appropriation of the assets of a society —	

Nature of application/function	Fee payable £
(a) where the value of the assets is £1,000 or less, 20% 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	
15. For an investigation into the affairs of a society or branch with a view to an award of dissolution thereof	800
16. 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	40
17. For the approval of a form of model rules relating to a society registered as a working men's club submitted by a sponsoring association or body	650
18. For the approval of a form of model rules relating to a society registered as a working men's club submitted by a sponsoring association or body, such form of model rules being an amendment to an already approved form of model rules and containing a maximum of six amendments	200
19. 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 the application for registration is made through and endorsed by the association or body which has sponsored the rules contained in the said model	90
20. For the confirmation of an amalgamation or a transfer of engagements	2000
21. For the confirmation of an amalgamation or a transfer of engagements where a society which is not a society to which section 37(2) or (3) of the 1992 Act applies has made an application which is accepted by the Commission for a reduction in the fee otherwise payable	200
22. For the approval by the Commission of a statement relating to an amalgamation or a	2000

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Nature of application/function	Fee payable £
transfer of engagements required to be sent by a society to its members under paragraph 1 of Schedule 15 to the 1992 Act or of a statement relating to a conversion required to be sent by a society to its members under paragraph 3 of Schedule 15 to the 1992 Act	
23. For the approval by the Commission of a statement required to be sent by a society to its members as described in paragraph 22 of this Schedule where a society which is not a society to which section 37(2) or (3) of the 1992 Act applies has made an application which is accepted by the Commission for a reduction in the fee otherwise payable	300
24. For the registration of a copy of an instrument of transfer of engagements	160
25. For the registration of a scheme under section 6(5) of the 1992 Act	100
26. For a request to cancel the registration of a society	40
27. For the confirmation of a conversion	2000
28. For the consent of the Commission for an instrument of dissolution or alteration therein effecting or facilitating the transfer of engagements to any other friendly society or to a company	2000
29. For the consent of the Commission in forming or acquiring control of a body corporate jointly with a person other than another incorporated friendly society	2000
30. For the consent of the Commission for a society to undertake to fulfil the engagements of another society by a special resolution of the committee of management	300

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 —	3.00

Facility sought	Fee payable £
(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	0.60
(b) (b) where the copy is certified as provided in sub-paragraph (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 1st April 1996 and is expected to raise £0.775 million (an increase of 19.2 per cent from that raised for the accounting year beginning 1st April 1995). Each friendly society (subject to a requirement to pay a minimum of £215 and a maximum of £24,000) is required to pay a sum equal to 0.295% of its specified income, as identified in its annual accounts for the year ended 31st December 1995.

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.

A detailed review of the cost of supplying services and of the structure of fees has been undertaken in order to ensure that transaction charges relate more closely to the cost of delivering the service and as the next step towards ensuring full cost recovery. As a result some fees have been increased substantially and some fees have been reduced.

The Regulations also revoke the Friendly Societies (General Charge and Fees) Regulations 1995.