
STATUTORY INSTRUMENTS

2008 No. 1140

**The Friendly Societies Act 1992 (Accounts,
Audit and EEA State Amendments) Order 2008**

PART 2

ACCOUNTS AND AUDIT

Signature of auditor's report

5.—(1) For section 74 of the 1992 Act (signature of auditors' report), substitute—

“Signature of auditor's report

74.—(1) The auditor's report to the members of a friendly society or registered branch must state the name of the auditor and be signed and dated.

(2) Where the auditor is an individual, the report must be signed by him.

(3) Where the auditor is a firm, the report must be signed—

(a) in the case of a friendly society to which the Audit Directive applies, by the senior statutory auditor in his own name, for and on behalf of the firm;

(b) in any other case—

(i) in the name of the firm by a person authorised to sign on its behalf, or

(ii) if the firm has identified a senior statutory auditor in relation to the audit, by that person, in his own name, for and on behalf of the firm.

Senior statutory auditor

74A.—(1) The senior statutory auditor means the individual identified by the firm as senior statutory auditor in relation to the audit in accordance with the standards or guidance mentioned in section 504(1) of the Companies Act 2006.

(2) The person identified as senior statutory auditor must be eligible for appointment as auditor of the society in question in accordance with—

(a) in the case of a friendly society to which the Audit Directive applies, Chapter 2 of Part 42 of the Companies Act 2006;

(b) in any other case, Schedule 14 to this Act.

(3) The senior statutory auditor is not, by reason of being named or identified as senior statutory auditor or by reason of his having signed the auditor's report, subject to any civil liability to which he would not otherwise be subject.

Names to be stated in copies of auditor's report filed or published

74B.—(1) The copies of the auditor's report sent to the Authority under section 78(1) or (2) below, and every copy of the auditor's report that is published by or on behalf of the friendly society or registered branch, must—

- (a) state the name of the auditor and (where the auditor is a firm and the report is signed by a senior statutory auditor) the name of the person who signed it as senior statutory auditor, or
- (b) if the conditions in section 74C (circumstances in which names may be omitted) are met, state that a resolution has been passed and notified to the Authority in accordance with that section.

(2) For the purposes of this section a society or branch is regarded as publishing the report if it publishes, issues or circulates it or otherwise makes it available for public inspection in a manner calculated to invite members of the public generally, or any class of members of the public, to read it.

(3) If a copy of the auditor's report is sent to the Authority or published without the statement required by this section, an offence is committed by—

- (a) the society or branch, and
- (b) every officer of the society or branch who is in default.

(4) A person guilty of an offence under this section is liable on summary conviction to a fine not exceeding level 3 on the standard scale.

Circumstances in which names may be omitted

74C.—(1) The auditor's name, and (where applicable) the name of the person who signed the report as senior statutory auditor, may be omitted from—

- (a) the copies of the report sent to the Authority under section 78(1) or (2) below, and
- (b) published copies of the report,

if the following conditions are met.

(2) The conditions are that the friendly society or registered branch—

- (a) considering on reasonable grounds that statement of the name would create or be likely to create a serious risk that the auditor or senior statutory auditor, or any other person, would be subject to violence or intimidation, has resolved in general meeting that the name should not be stated, and
- (b) has given notice of the resolution to the Authority, stating—
 - (i) the name of the society or branch,
 - (ii) the financial year of the society to which the report relates, and
 - (iii) the name of the auditor and (where applicable) the name of the person who signed the report as senior statutory auditor.”.