



Friendly and Industrial and Provident Societies Act 1968

1968 CHAPTER 55

Societies : accounts and audit, etc.

8 Restrictions on appointment of auditors

- (1) None of the following persons shall be appointed as auditor of a society—
 - (a) an officer or servant of the society;
 - (b) a person who is a partner of or in the employment of, or who employs, an officer or servant of the society; or
 - (c) a body corporate.
- (2) A person shall also not be appointed as auditor of an industrial and provident society if—
 - (a) his appointment as auditor of any other industrial and provident society—
 - (i) which is a subsidiary of that society, or
 - (ii) of which that society is a subsidiary, or
 - (iii) which is a subsidiary of the society of which that society is a subsidiary,is prohibited by virtue of the last preceding subsection; or
 - (b) he is by virtue of section 161(2) of the Companies Act 1948 disqualified for appointment as auditor of a company which is a subsidiary of that society.
- (3) Nothing in this section shall prevent the appointment as auditor of a society of a Scottish firm if none of the partners of the firm is ineligible for appointment as auditor of the society by virtue of any of the provisions of this section.
- (4) Any appointment made by a society in contravention of any of those provisions shall not be an effective appointment for the purposes of this Act.
- (5) In this section "company" has the same meaning as in section 15 of this Act and references to an officer or servant shall be construed as not including an auditor.