



Friendly and Industrial and Provident Societies Act 1968

1968 CHAPTER 55

Societies : accounts and audit, etc.

- 9 Auditors' report and right of access to books and to attend and be heard at meetings**
- (1) The auditors of a society shall make a report to the society on the accounts examined by them, and on the revenue account or accounts and the balance sheet of the society for the year of account in respect of which they are appointed.
 - (2) The report shall state whether the revenue account or accounts and the balance sheet for that year comply with the requirements of this Act and the appropriate registration Act and whether, in the opinion of the auditors—
 - (a) the revenue account or accounts give a true and fair view in accordance with section 3 of this Act of the income and expenditure of the society as a whole for that year of account and, in the case of each such account which deals with a particular business conducted by the society, a true and fair view in accordance with that section of the income and expenditure of the society in respect of that business for that year, and
 - (b) the balance sheet gives a true and fair view in accordance with that section either of the assets and current liabilities of the society and the resulting balances of its funds or of the state of the affairs of the society (as the case may require) as at the end of that year of account.
 - (3) Without prejudice to the provisions of the last preceding subsection, where the report of the auditors relates to any accounts other than the revenue account or accounts for the year of account in respect of which they are appointed that report shall state whether those accounts give a true and fair view of any matter to which they relate.
 - (4) It shall be the duty of the auditors of a society, in preparing their report under this section, to carry out such investigations as will enable them to form an opinion as to the following matters, that is to say—

- (a) whether the society has kept proper books of account in accordance with the requirements of section 1(1)(a) of this Act;
- (b) whether the society has maintained a satisfactory system of control over its transactions in accordance with the requirements of section 1(1)(b) of this Act; and
- (c) whether the revenue account or accounts, the other accounts (if any) to which the report relates, and the balance sheet are in agreement with the books of account of the society;

and if the auditors are of opinion that the society has failed to comply with section 1(1) (a) or (b) of this Act, or if the revenue account or accounts, the other accounts (if any) and the balance sheet are not in agreement with the books of account of the society, the auditors shall state that fact in their report.

- (5) Every auditor of a society—
 - (a) shall have a right of access at all times to the books, deeds and accounts of the society, and to all other documents relating to its affairs, and
 - (b) shall be entitled to require from the officers of the society such information and explanations as he thinks necessary for the performance of the duties of the auditors.
- (6) If the auditors fail to obtain all the information and explanations which, to the best of their knowledge and belief, are necessary for the purposes of their audit, they shall state that fact in their report.
- (7) The auditors of a society shall be entitled—
 - (a) to attend any general meeting of the society, and to receive all notices of and other communications relating to any general meeting which any member of the society is entitled to receive, and
 - (b) to be heard at any meeting which they attend on any part of the business of the meeting which concerns them as auditors.
- (8) The preceding provisions of this section shall not have effect so as to impose any duties or confer any rights upon auditors appointed in respect of any year of account of a society beginning before 1st January 1969.