
DRAFT STATUTORY INSTRUMENTS

2004 No.

The Building Societies Act 1986 (International Accounting Standards and Other Accounting Amendments) Order 2004

PART 3

**Other modifications of provisions relating to
accounts, directors' reports and auditors' reports**

Business review

4. After section 75 of the 1986 Act insert—

“Business review

75A.—(1) The review required for the purposes of section 75(1) is a balanced and comprehensive analysis of—

- (a) the development and performance of the business of the building society and its connected undertakings (if any) during the financial year, and
- (b) the position of the building society and its connected undertakings (if any) at the end of that year,

consistent with the size and complexity of the business.

(2) The review must, to the extent necessary for an understanding of the development, performance or position of the business of the society and its connected undertakings (if any), include—

- (a) analysis using financial key performance indicators, and
- (b) where appropriate, analysis using other key performance indicators, including information relating to environmental matters and employee matters.

(3) The review must, where appropriate, include references to and additional explanations of amounts included in the annual accounts of the society.

(4) In this section “key performance indicators” means factors by reference to which the development, performance or position of the business of the society and any connected undertakings it has can be measured most effectively.”