
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

Auditors' report and publication of accounts

7. After section 81 of the 1986 Act insert—

“Requirements in connection with publication of accounts

81A.—(1) If a building society publishes any of its statutory accounts, they must be accompanied by the relevant auditors' report under section 78.

(2) A building society that is required to prepare group accounts for a financial year must not publish its statutory individual accounts for that year without also publishing with them its statutory group accounts.

(3) If a building society publishes non-statutory accounts, it must publish with them a statement indicating—

- (a) that they are not the society's statutory accounts,
- (b) whether statutory accounts dealing with any financial year with which the non-statutory accounts purport to deal have been prepared,
- (c) whether the society's auditors have made a report under section 78 on the statutory accounts for any financial year, and
- (d) whether any such auditors' report—
 - (i) was qualified or unqualified, or included a reference to any matters to which the auditors drew attention by way of emphasis without qualifying the report, or
 - (ii) contained a statement under section 79(6) (failure to obtain necessary information and explanations);

and it must not publish with any non-statutory accounts any auditors' report made under section 78.

(4) For the purposes of this section a building society is regarded as publishing a document 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.

(5) References in this section to a building society's statutory accounts are to its annual accounts as required to be laid before the society under section 81; and references to the publication by a society of "non-statutory accounts" are to the publication of—

- (a) any balance sheet or income and expenditure account relating to, or purporting to deal with, a financial year or part of a financial year of the society, or
- (b) an account in any form purporting to be a balance sheet or income and expenditure account for the group consisting of the society and its subsidiary undertakings relating to, or purporting to deal with, a financial year or part of a financial year of the society,

otherwise than as part of the society's statutory accounts or summary financial statement prepared under section 76.

(6) A building society which contravenes any provision of this section, and any officer of it who is in default, is guilty of an offence and liable on summary conviction to a fine not exceeding level 3 on the standard scale."