



# Co-operative and Community Benefit Societies Act 2014

## 2014 CHAPTER 14

### PART 10

#### OFFENCES

#### *Offences*

#### 127 General offences

- (1) A person (whether a registered society, an officer or member of a registered society, or any other person) commits an offence if the person—
  - (a) fails to do anything (including giving a notice or sending a return or other document) that the person is by this Act required to do,
  - (b) fails to allow anything to be done that the person is by this Act required to allow to be done,
  - (c) wilfully neglects or refuses to do any act, or to provide any information, required for the purposes of this Act by the FCA or PRA or by any other person authorised under this Act,
  - (d) does anything forbidden by this Act, or
  - (e) makes a return required by this Act, or wilfully provides information required by this Act, that is in any respect false or insufficient.
- (2) A registered society commits an offence if it—
  - (a) contravenes, or fails to comply with, any provision of Part 7 except section 77, 78, 81, 89(1) or 90(1), or
  - (b) fails to comply with a direction under section 83(3).
- (3) 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.

**128 Offences by societies to be also offences by officers etc**

- (1) Where a registered society commits an offence under this Act, the offence is treated as also having been committed by—
  - (a) every officer of the society who is bound by its rules to fulfil the duty of which the offence is a breach, or
  - (b) if there is no such officer, every member of its committee.
- (2) In proceedings against a person alleged to have committed an offence under this Act by virtue of subsection (1)(b), it is a defence to prove—
  - (a) that the person was ignorant of the commission of the offence, or
  - (b) that the person attempted to prevent the commission of the offence.
- (3) Subsection (1) does not apply to an offence under section 127 consisting of a failure to comply with section 12 or 50(2) or (3).
- (4) For the purposes of this section as it applies in relation to a failure to comply with section 123(3)(a), a liquidator of a society is treated as an officer of it.

**129 Continuing offences**

An act or default constituting an offence under this Act constitutes a new offence in every week during which it continues.

**130 Misappropriation of a society's property etc**

- (1) A person who, by false representation or deception, and with fraudulent intent, obtains possession of any property of a registered society commits an offence.
- (2) A person who has any property of a registered society in the person's possession commits an offence if, with fraudulent intent, the person—
  - (a) withholds or misapplies the property, or
  - (b) wilfully applies any part of the property to purposes which are not authorised by the society's rules or which are not in accordance with this Act.
- (3) A person guilty of an offence under this section is liable on summary conviction—
  - (a) to a fine not exceeding level 2 on the standard scale with costs or expenses,
  - (b) to be ordered to deliver up the property or to repay all moneys improperly applied, and
  - (c) in default of such delivery or repayment or of the payment of any such fine, to be imprisoned for a term not exceeding 3 months.
- (4) If in proceedings against a person for an offence under this section it is not proved that the person acted with fraudulent intent, the person may be ordered to deliver up any property belonging to the society or to repay any money improperly applied, with costs or expenses.

**131 Falsification of a society's records etc**

- (1) A person commits an offence if, with intent to falsify a relevant document or to evade any of the provisions of this Act, the person—
  - (a) makes an entry in the relevant document,
  - (b) removes or omits anything from the relevant document, or

- (c) orders or allows the making of such an entry or the removal or omission of anything from the relevant document.
- (2) “Relevant document” means—
- (a) any balance sheet of a registered society,
  - (b) any contribution or collecting book of a registered society, or
  - (c) any return or document required to be sent, produced or delivered for the purposes of this Act.
- (3) 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.

### *Prosecution of offences*

## **132 Prosecution of offences: persons who may bring proceedings and time for bringing them**

- (1) This section applies to proceedings for—
- (a) an offence under this Act that is punishable with a fine, or
  - (b) an offence under a registered society’s rules (see section 20).
- (2) The proceedings may be brought by the following—
- (a) in the case of proceedings in respect of an offence under a society’s rules, the society;
  - (b) in the case of proceedings by virtue of section 127 in respect of neglect or a failure to do any act, or provide any information, required by the PRA—
    - (i) the FCA (after notifying the PRA), or
    - (ii) the PRA (after notifying the FCA);
  - (c) in the case of proceedings by virtue of any of section 130(1) to (3)—
    - (i) the registered society in question,
    - (ii) any member of that society authorised by the society, the society’s committee or the FCA, or
    - (iii) the FCA (except in Scotland);
  - (d) in any other case, any person aggrieved or (except in Scotland) the FCA.
- (3) Except in Scotland, no other person may bring proceedings.
- (4) The FCA, the PRA or the Lord Advocate (“the prosecutor”)—
- (a) may (despite any limitation on the time for bringing proceedings contained in any Act) bring proceedings for the offence at any time within one year of the discovery of the offence by the prosecutor, but
  - (b) may not bring proceedings more than 3 years after the commission of the offence.

## **133 Prosecution of societies: service of summons etc**

- (1) This section applies to proceedings taken against a registered society for an offence under this Act that is punishable with a fine.
- (2) The summons or other process is sufficiently served—
- (a) by leaving a true copy of it at the society’s registered office, or

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*Status: This is the original version (as it was originally enacted).*

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- (b) if that office is closed, by posting that copy on the outer door of the office.