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STATUTORY INSTRUMENTS

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**1994 No. 132**

**FRIENDLY SOCIETIES**

**The Friendly Societies (Auditors) Order 1994**

*Made* - - - - 26th January 1994  
*Laid before Parliament* 26th January 1994  
*Coming into force* - - 1st May 1994

The Treasury, in exercise of the powers conferred on them by section 79(9) of the Friendly Societies Act 1992(1) and of all other powers enabling them in that behalf, hereby make the following Order:

**Citation and commencement**

1. This Order may be cited as the Friendly Societies (Auditors) Order 1994 and shall come into force on 1st May 1994.

**Interpretation**

2. In this Order—

“the Act” means the Friendly Societies Act 1992;

“auditor” means an auditor of a society;

“relevant information” has the meaning given by section 79(10) of the Act;

“society” means a friendly society; and

“the Commission” means the Friendly Societies Commission.

**Matters to be communicated to the Friendly Societies Commission**

3.—(1) The auditor shall furnish to the Commission in the circumstances prescribed in paragraph (2) below, relevant information available to him of the description prescribed in paragraph (3) below.

(2) The circumstances referred to in paragraph (1) above are circumstances in which the information of the description prescribed in paragraph (3) below is such as to give an auditor reasonable cause to believe—

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**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

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- (a) that any of the criteria of prudent management in section 50(3) of the Act is not or has not been satisfied, or may not be or may not have been satisfied, in respect of the society of which he is the auditor; and
  - (b) that the information is likely to be of material significance for the exercise, in relation to such a society, of the Commission's functions.
- (3) The description of the information hereby prescribed is: any matter of which the auditor becomes aware in his capacity as such which relates to the business or affairs of the society of which he is the auditor, its subsidiaries or bodies of which it has joint control within the meaning of section 13(9)(c) of the Act.

26th January 1994

*Tim Wood*  
*Timothy Kirkhope*  
Two of the Lords Commissioners of Her  
Majesty's Treasury

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## EXPLANATORY NOTE

*(This note is not part of the Order)*

The Order imposes a duty on an auditor of a friendly society under the Friendly Societies Act 1992 to report to the Friendly Societies Commission any matter relating to the business or affairs of the society, its subsidiaries or bodies of which it has joint control of which he may become aware in his capacity as auditor of the society, where he has reasonable cause to believe that any of the criteria of prudent management in section 50(3) of the Act is not or has not been satisfied, or may not be or may not have been satisfied, in respect of the society of which he is the auditor and that the information is likely to be of material significance for the exercise, in relation to that society, of the Commission's functions.