

Annual Return of a Society registered under the Industrial and Provident Societies Act (Northern Ireland) 1969

Guidance Note

Contents	Page
Preparation and submission of the return	2
Part 1 of the Annual Return – Form AR 30	2
Part 2 of the Annual Return – The Accounts	5
Contact point for queries regarding annual returns	6
Annual Returns and Accounts which are incorrect	6

Preparation and submission of the return

The preparation and submission of the return is the responsibility of the society's Secretary. If the following guidance is insufficient, please contact the staff at the Registry, who will be pleased to help, where they can. Our address and telephone number is given on page 10.

The **date of submission of the return** depends on the date of the society's year end. The deadline for submission is no later than **7 months** from that date. These requirements are the same for all societies and reflect the provisions of The Deregulation (Northern Ireland) Order 1997.

The return is made up of two parts. Part 1 is the form AR 30. Part 2 should normally be a set of accounts (see page 5 for guidance).

Part 1 of the Annual Return – Form AR 30

Part 1 of the form

The label containing information about the society's registered name, number and office address should be amended if there are any errors.

The accounting year end generally must be between 31 August and 31 January. Use of an accounting year end date outside this period requires approval by the Registrar.

Page 2

This page, on which to list the members of the **Committee of Management**, distinguishing the Chairman, Treasurer and Secretary where appropriate, may not contain enough space for some societies. If so, please use a continuation sheet and enter under the last line of the printed page the words "continued on a separate sheet".

Page 3

The answers to these questions will enable the Registry to determine whether a society may or may not take advantage of the option not to undertake a full professional audit. The answers will also provide additional information for societies' members and the public.

Page 4

This page forms the input for tables in the Registrar's Annual Report. Boxes 1-12 should be completed by all societies. Boxes 13-17 should be completed by all societies **except clubs**.

Please note that the information provided by the society in boxes 2, 3 and 7 will be used by the Registry to determine whether a society may or may not take advantage of the option to not undertake a full professional audit.

Box 2 Turnover for year

For most societies this will be the total derived from the provision of goods and services after deduction of:

- Trade discounts
- V.A.T and
- Any other taxes based on the amount so derived

These amounts will be shown in the society's Revenue Account (which may in some societies be described as the Income and Expenditure Account).

If the society is charitable, the figure denoted in the accounts as "Gross Income" should be used instead of Turnover.

3 Total of Income and Expenditure (Receipts and Payments)

This will be the sum of turnover and total expenditure for the year. This entry is used by the Registry to determine whether the society is permitted to employ lay auditors in accordance with section 38A(2) of the Industrial and Provident Societies Act (Northern Ireland) 1969 and therefore need only be completed if the society anticipates appointing lay auditors in the next accounting year.

4 Net Surplus (deficit) for year

This will be either:

- The surplus of income over expenditure
- Or the excess of expenditure over income.

It should be the surplus **before** dealing with any taxation or extraordinary items. The net surplus for the year will be shown in the society's Revenue Account as a separate amount and should be entered in Box 4. If there was a surplus you should delete the word "deficit".

If the Society has shown a deficit for the year – where there has been an excess of expenditure over income (before dealing with any taxation or extraordinary items) – this will be shown in the society's Revenue Account as a separate amount and should be entered in Box 4 **within brackets**. In these circumstances you should delete the word "surplus".

5 Fixed Assets and Long Term Investments

For most societies this covers Land and Buildings, Plant, Fixtures and Fittings and Long Term Investments and will be shown in the society's Balance Sheet. Enter the total of the amounts shown in the Balance Sheet at the end of the year (that is after additions, less disposals and after accumulated depreciated).

6 Current Assets

For most societies this covers Stock, Cash at Bank and in Hand, Trade Debtors and Investments held in the short term, and will be shown in the society's Balance Sheet. Enter the total of the amounts shown in the Balance Sheet at the end of the year as one amount.

7 Total Assets and Investments

This is the sum of the amounts of Fixed and Current Assets and Investments shown in Boxes 5 and 6. This amount should also equal the amount shown in Box 12 below.

8 Current Liabilities

This will be shown as a separate item representing amounts falling due within one year. For many societies this covers Bank Overdraft, amount owing to parent or subsidiary organisations, Dividend Stamps, Share Interest, Short Term Loans (falling within one year) and Taxation.

9 Share Capital

This will be shown as a separate item in the society's balance sheet representing the issued share capital.

10 Long Term Liabilities

This will be shown separately in the society's balance sheet representing amounts falling due after more than one year. Enter the total of the amounts shown in the balance sheet at the end of the year as one amount (do not include under heading any Bank Overdraft falling due for repayment within one year – this should be included in Current Liabilities (see note on Box 8 above)).

11 Reserves

This will be shown separately in the society's balance sheet and covers all reserve accounts including the accumulated fund carried forward and represents the internally generated funds of the society.

12 Total

This is the sum of the amounts of Current Liabilities, Share Capital, Long Term Liabilities and Reserves shown in Boxes 8,9,10 and 11 – enter this total in Box 12. This amount should also equal the amount shown in Box 7 above.

13 Investments in other Industrial and Provident Societies

This sum will be shown separately in the balance sheet, or if not, in the notes to the accounts.

14 Loans from Members

This sum will be found in the balance sheet and is the sum of the Members Loans under Long Term Liabilities and Current Liabilities. If they are not individually itemised then they should be included in the notes to the accounts.

15 Loans from Employees Superannuation Fund

This will be shown separately in the society's balance sheet, and will be the total of the figures shown against the relevant heading in Current Liabilities and Long Term Liabilities.

16 Dividend on Sales

This will be shown as a separate item in the Revenue account.

17 Share Interest

This will be shown as a separate item in the Revenue Account.

Page 5

The society should list the names of all its subsidiaries, listing those, which are not included in group accounts in the right hand column.

Page 6

The society should indicate the type of audit it has used for the attached accounts. For an explanation of the current audit provisions, please refer to the section headed "The Audit" on page 6 of this guidance note. **THE SOCIETY CAN DISAPPLY THE REQUIREMENT TO CONDUCT A FULL AUDIT ONLY IF IT IS ABLE TO ANSWER YES TO BOTH THE QUESTIONS ON PAGE 6 OF THE ANNUAL RETURN FORM (AR 30).**

The date the accounts will be or were laid before the society's AGM should also be inserted. Please note that the legislation does not require you to wait until after your AGM to submit your return, although you should ensure that your society's rules also permit you to do this.

The society's Secretary must sign and date the AR 30 form on page 6. All signatures must be original. Returns, which have been photocopied, will not be accepted if the signatures appear only in photocopied form.

Finally, the society should use the checklist at the foot of page 6 of the AR 30 form to ensure that the form and printed accounts have been suitably completed before submitting both together to the Registry.

Part 2 of the Annual Return – The Accounts

1) General Principles

Societies which produce accounts must produce at least the minimum required by the legislation. Briefly, that is a revenue account dealing with the affairs of the society as a whole or two or more **revenue accounts** covering the whole year, which deal separately with different businesses of the society. These, together with any balance sheet, shall give a true and fair view. The legislation further provides that a society shall not publish any revenue account or **balance sheet** unless it has been audited and incorporates a report by the auditor confirming that it gives a true and fair view (if required by legislation), and it has been signed by the secretary and two members of the committee of the society acting on behalf of the society.

The principles set out in Financial Reporting Standards published by the Accounting Standards Board are generally relevant. Some societies are affiliated to sponsoring bodies or are regulated by other organisations, which may issue accounting requirements more rigorous than those describe above. These should be compiled with provided there is no conflict with or shortfall from the provisions of the Industrial and Provident Society legislation.

2) The Audit

The accounts **must be audited by a qualified auditor**, that is someone who is eligible for appointment as a company auditor under Companies Regulation, even if the lighter “audit exemption report” is used. In some circumstances your society may be eligible either to substitute the lighter “audit exemption report” for a full audit, to have the audit carried out by two or more persons (lay auditors) instead of by a qualified auditor, or to produce unaudited accounts. Eligibility to disapply the requirement to have a full professional audit depends on a number of factors:

- i. Financial thresholds, namely:
 - the **turnover** of the society in the preceding year or account, **and**
 - the **total assets** in the preceding year of account;
- ii. Whether the society is required by law to have a full professional audit;
- iii. Assent by the membership in general meeting;
- iv. The current rules of the society.

Please note that in all instances, all published accounts, whether audited or not, must be signed by the secretary and two committee members of the society on behalf of the society’s committee.

Contact Point for Queries

The address and telephone number of the Registry is:

Registry of Industrial & Provident Societies
1st Floor, Waterfront Plaza
8 Laganbank Road
BELFAST
BT1 3BS

Tel No. 028 9090 5343

Fax No. 028 9090 5353

Annual Returns and Accounts which are incorrect

When sending the completed annual return and accounts to the Registry, please ensure that the annual return has been completed in full and that the accounts have been audited in accordance with the legislation as described in this guidance note, and in accordance with the society’s rules.

Should the accounts received by the Registry not comply with the legislation or the society’s rule, or should the annual return not be fully completed, these items will be returned to the society for correction.