
STATUTORY INSTRUMENTS

2015 No. 234

The Accounts and Audit Regulations 2015

PART 3

Published accounts and audit – Category 1 authorities

Statement of accounts for Category 1 authorities

7.—(1) A statement of accounts prepared by a Category 1 authority under section 3(3) of the Act must be prepared in accordance with—

- (a) these Regulations; and
- (b) proper practices in relation to accounts.

(2) The statement referred to in paragraph (1) must include such of the following accounting statements as are relevant to that authority's functions—

- (a) housing revenue account;
- (b) collection fund;
- (c) firefighters' pension fund;
- (d) any other statements relating to each and every other fund in relation to which the authority is required by any statutory provision to keep a separate account.

(3) The statement referred to in paragraph (1) must include a note setting out the matters referred to in Schedule 1 (employee and police officer remuneration).

(4) The statement referred to in paragraph (1) must include a note demonstrating whether the Dedicated Schools Grant (made under section 14 (power of Secretary of State to give financial assistance for purposes related to education or children etc) of the Education Act 2002(1)) has been deployed in accordance with regulations made under the following provisions of the School Standards and Framework Act 1998(2)—

- (a) section 45A (determination of specified budgets of local authority);
- (b) section 45AA (power to require local authorities to make initial determination of schools budget);
- (c) section 47 (determination of school's budget share);
- (d) section 48(1) and (2) (local authorities' financial schemes);

(1) 2002 c. 32. Section 14 has been amended by section 59 of the Children Act 2004 (c. 31) and paragraph 23 of Schedule 14 to the Education Act 2005 (c. 18).

(2) 1998 c. 31. Section 45A was inserted by section 41 of the Education Act 2002 (c. 32), and was amended by paragraph 3 of Schedule 16 and Part 4 of Schedule 19 to the Education Act 2005, section 202 of the Apprenticeships, Skills, Children and Learning Act 2009 (c. 22), and S.I. 2010/1158. Section 45AA was inserted by paragraph 4 of Schedule 16 to the Education Act 2005, and was amended by S.I. 2010/1158. Section 47 was amended by paragraph 6 of Schedule 16 to the Education Act 2005, and S.I. 2010/1158. Section 48 was amended by paragraph 3 of Schedule 5 and Part 6 of Schedule 18 to the Education and Inspections Act 2006 (c. 40), paragraph 2 of Schedule 3 to the Education Act 2002, paragraph 7 of Schedule 18 to the Education Act 2005, and S.I. 2010/1158. Section 138(7) was amended by paragraph 3 of Schedule 17 to the Education and Inspections Act 2006. Paragraph 1(7) of Schedule 14 was substituted by paragraph 5 of Schedule 5 to the Education and Inspections Act 2006.

- (e) section 138(7) (orders and regulations); and
- (f) paragraph 1(7)(b) of Schedule 14 (revision of local authority schemes).

(5) In the case of a relevant authority which is required by section 74(3) of the 1989 Act to keep a housing revenue account, the statement of accounts referred to in paragraph (1) must also include an account in respect of a reserve for major repairs to property of the authority to which section 74(1) of the 1989 Act for the time being applies (to be called a major repairs reserve), showing in particular—

- (a) a credit of an amount in respect of any charge for depreciation included in the housing revenue account for that financial year under item 8 of Part 2 of Schedule 4 to the 1989 Act;
- (b) a debit in respect of any capital expenditure, within the meaning of section 16 (capital expenditure) of the Local Government Act 2003(4), which was—
 - (i) incurred in that financial year,
 - (ii) met by payments out of the major repairs reserve, and
 - (iii) in respect of any land, houses or other property to which section 74(1) of the 1989 Act for the time being applies, other than capital expenditure for the purpose of demolition of any such property;
- (c) a debit in respect of any repayment, made in that financial year, of the principal of any amount borrowed where the repayment was met by payments out of the major repairs reserve; and
- (d) a debit in respect of the meeting of any liability, in that financial year, in respect of credit arrangements, other than any liability which, in accordance with proper practices in relation to accounts, must be charged to a revenue account, where the meeting of that liability was met by payments out of the major repairs reserve.

(3) Section 74 was amended by paragraph 24 of Schedule 18 to the Housing Act 1996 (c. 52).

(4) 2003 c. 26.