

**2001 No. 3244**

**LOCAL GOVERNMENT, ENGLAND**

**The Accounts and Audit (Amendment) (England)  
Regulations 2001**

*Made - - - - - 25th September 2001*

*Laid before Parliament 2nd October 2001*

*Coming into force - - 23rd October 2001*

The Secretary of State for Transport, Local Government and the Regions, in exercise of the powers conferred on him by section 27 of the Audit Commission Act 1998<sup>(a)</sup> including that section as applied by section 134(6) of the Greater London Authority Act 1999<sup>(b)</sup> and of all other powers enabling him in that behalf, and after consulting the Audit Commission, such associations of local authorities as appear to him to be concerned and such bodies of accountants as appear to him to be appropriate, hereby makes the following regulations—

**Citation, commencement and extent**

1.—(1) These Regulations may be cited as the Accounts and Audit (Amendment) (England) Regulations 2001 and shall come into force on 23rd October 2001.

(2) These Regulations extend to England only.

**Interpretation**

2. In regulation 2(1) of the Accounts and Audit Regulations 1996 (“the 1996 Regulations”)<sup>(c)</sup>, in the definition of “relevant body” there is inserted after “health service body” the words “, a local probation board”<sup>(d)</sup>.

**Statement of Accounts**

3.—(1) Regulation 6(3)<sup>(e)</sup> of the 1996 Regulations is amended as follows.

(2) There is inserted after sub-paragraph (b)—

“(ba) The Greater London Authority;

(bb) a functional body;

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(a) 1998 c. 18. The Secretary of State’s functions under section 27 of the Act, so far as exercisable in relation to Wales, are transferred to the National Assembly for Wales, see article 2 of, and Schedule 1 to the National Assembly for Wales (Transfer of Functions) Order 1999 (S.I. 1999/672).

(b) 1999 c. 29

(c) S.I. 1996/590

(d) Local probation boards are established under section 4 of the Criminal Justice and Court Services Act 2000 (c. 43).

(e) Regulation 6 is amended by the Local Authorities (Capital Finance and Accounts) (England Regulations 2000) (S.I. 2000/3237).

- (bc) the London Pensions Fund Authority;”(a).
- (3) There is inserted after sub-paragraph (h)—  
“(ha) the Greater London Magistrates Courts Authority.”(b).
- (4) Sub-paragraph (k) is omitted.

#### **Summary statement of accounts—Greater London Authority**

4. After regulation 6 of the 1996 Regulations there is inserted—

##### **“Summary statement of accounts—Greater London Authority**

**6A.** The summary statement of accounts which the Greater London Authority (“the Authority”) is required to prepare by section 134 of the Greater London Authority Act 1999(c) shall be prepared in accordance with proper practices and shall include—

- (a) a summary of the income and expenditure of the Authority;
- (b) a summary of the income and expenditure of each of the functional bodies and the London Pensions Fund Authority;
- (c) a summary of the capital expenditure of the Authority; and
- (d) a summary of the capital expenditure of each of the functional bodies and the London Pensions Fund Authority.”

#### **Other Accounting Statements**

5. In regulation 7 of the 1996 regulations, in paragraphs (3) and (4), for “£5000” substitute “£50,000”.

#### **Publication of Annual Audit Letter**

6. After Regulation 16 of the 1996 Regulations there is inserted—

##### **“Publication of Annual Audit Letter**

**16A.** As soon as reasonably possible after it is received a relevant body shall—

- (a) publish the annual audit letter(d) received from the auditor; and
- (b) keep copies available for purchase by any person on payment of such sum as the relevant body may reasonably require.”

Signed by the authority of the Secretary  
of State for Transport, Local Government  
and the Regions

*Alan Whitehead*  
Parliamentary Under Secretary of State,  
Department for Transport,  
Local Government and the Regions

25th September 2001

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(a) The Greater London Authority and the functional bodies were established by the Greater London Authority Act 1999 (c. 29) (“the 1999 Act”) see section 1 and the definition of “functional body” in section 424. See also the definition of “functional body” inserted in section 53(1) of the Audit Commission Act 1998 by the 1999 Act, Schedule 8, paragraph 12(2). The London Pensions Fund Authority was established by the London Government Reorganisation (Pensions etc) Order 1989 (S.I. 1989/1815). The Greater London Authority, functional bodies and the London Pensions Fund Authority were made bodies subject to audit by section 133(1) of the 1999 Act.

(b) The Greater London Magistrates Courts Authority was established under section 30A(1) of the Justices of the Peace Act 1997 (inserted by section 83(1) of the Access to Justice Act 1999 (c. 22)). The Authority was made a body subject to audit by the Greater London Magistrates’ Courts Authority (Accounts and Audit) Regulations 2001 (S.I. 2001/734).

(c) Section 134(6) of the Greater London Authority Act applies section 27 of the Audit Commission Act 1998 to summary statements of account required to be prepared under that section.

(d) See paragraphs 29 to 34 of the Code of Audit Practice prepared in accordance with section 4 of the Audit Commission Act 1998 and published by the Audit Commission in March 2000.

## **EXPLANATORY NOTE**

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

The Regulations make minor amendments as respects England to the Accounts and Audit Regulations 1996 (“the 1996 Regulations”), which although made under the previous legislation, were continued in force by virtue of paragraph 2 of Schedule 4 to the Audit Commission Act 1998 (a consolidation measure).

Regulation 2 amends regulation 2 of the 1996 regulations so that they do not apply to local probation boards.

Regulation 3 amends regulation 6 of the 1996 Regulations to add the Greater London Authority, functional bodies, the London Pensions Authority and the Greater London Magistrates Courts Authority to the list of bodies required to prepare a statement of accounts.

Regulation 4 inserts a new regulation 6A into the 1996 regulations which specifies requirements for the summary statement of accounts to be prepared by the Greater London Authority.

Regulation 5 amends regulation 7 of the 1996 Regulations to increase the financial threshold above which parish councils are required to prepare income and expenditure accounts from £5000 to £50,000.

Regulation 6 inserts a new requirement into the 1996 regulations for relevant bodies to publish the annual audit letter they receive from their auditor.

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