

## AUDIT AND STANDARDS COMMITTEE

27 July 2020

<b>Title:</b> Schedule of Subsidiaries Report based on 2018/19 figures	
<b>Report of the Finance Director (Section 151 Officer)</b>	
<b>Open Report</b>	<b>For Information</b>
<b>Report Author:</b> Thomas Mulloy, Chief Accountant	<b>Contact Details:</b> E-mail: <a href="mailto:Thomas.Mulloy@lbbd.gov.uk">Thomas.Mulloy@lbbd.gov.uk</a>
<b>Accountable Director:</b> Philip Gregory, Finance Director	
<b>Accountable Strategic Leadership Director:</b> Philip Gregory, S151 Officer	
<b>Summary</b>  This report sets out the number of subsidiaries owned by the Council. Appendix 1 sets out the activities along with turnover amount for each subsidiary.	
<b>Recommendation(s)</b>  The Committee is asked to note the contents of this report.	
<b>Reason(s)</b>  The Council is required to produce a Statement of Accounts which includes a Group Accounts. As the Council owns a number of subsidiaries, these subsidiaries are required to be consolidated into the Group Accounts.  The Group Accounts is subject to a statutory audit along with the Council's single entity accounts.	

### 1. Introduction and Background

- 1.1 This report sets out the number of subsidiaries under Council's control.
- 1.2 This report was requested at the previous Audit and Standards Committee. The aim of this report is to inform the Members of the subsidiaries under Council's control.

### 2. Council's Subsidiaries

- 2.1 The Council has a number of subsidiaries which may be broken down into five groups:
  - B&D Energy Ltd
  - Reside Group
  - B&D Trading Partnership Group
  - Be First (Regeneration) Ltd
  - BDSIP Limited

- 2.2 Each subsidiary is required to produce a statutory accounts. These, depending on size and nature of relationship, are subject to an annual audit, and in turn consolidated into the Council's Group Accounts. This is audited by our external auditor, BDO LLP.
- 2.3 Appendix 1 sets out the activity of each subsidiary along with the turnover amount. This is taken from the 2018-19 accounts.

### **3. Financial Implications**

- 3.1 These have been addressed in the body of this report.

### **4. Legal Implications**

Implications completed by Dr Paul Feild Senior Governance Lawyer

- 4.1 The method of carrying out the Council Accounting is prescribed by law, being the Local Audit and Accountability Act 2014.
- 4.2 The Act requires that the Council as a relevant body must have its accounts audited. The procedure is set out in the Accounts and Audit Regulations 2015. Furthermore, the application of the policies will be in accordance with the professional standards guidance as set by the Chartered Institute of Public Finance and Accountancy.
- 4.3 It is a standard requirement that there is a consistency in approach in terms of treatment of accounting of the Council's finances to ensure that proper comparison is made of the transactions and that there is sound stewardship and governance of the Council's financial affairs.

**Public Background Papers Used in the Preparation of the Report:** None.

#### **List of appendices:**

- Appendix 1 – Schedule of Subsidiaries 2018/19