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## EXPLANATORY NOTE

(this note does not form part of the Order)

This Order implements part of the Government's policy set out in its response, published on 13 March 2002 (Cm 5456), to Lord Sharman's report on audit and accountability in Central Government. In that response, the Government said that it accepted the report's recommendation that Non-departmental Public Bodies (NDPBs) should be audited by the Comptroller and Auditor General (C&AG). This Order makes the C&AG the auditor of all NDPBs (other than those incorporated under the Companies Acts) which are required by or under statute to be audited by auditors appointed either by the Minister or by the body itself. The bodies affected by the Order are listed in the Schedule to the Order. The Order provides that the Comptroller and Auditor General will audit the accounts of those bodies, beginning in each case with the accounts for the financial or accounting year ending on the date shown opposite the name of the body in the Schedule. The dates in the Schedule reflect the Government's policy (which is in accord with a recommendation of Lord Sharman) that the changes in auditor should take place as existing contracts expire.

The Order also requires the Comptroller and Auditor General to lay before Parliament the audited accounts of the bodies listed in the Schedule, together with his report on those accounts, except where statute requires Ministers or the Secretary of State to lay the annual report of the body before Parliament together with the audited accounts. And the Order makes a number of consequential amendments to existing legislation.