



HM TREASURY

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Dear Accounting Officer

The Audit Committee Handbook

This letter opens a period of consultation on the revised Audit Committee handbook¹. The new handbook is designed to support the chapter 5 of *Corporate governance in central government departments: Code of good practice*², published in July 2005. Accordingly, once it is finalised, departments will be expected to comply or explain any non-compliance with the handbook; while NDPBs and other central government bodies will be encouraged to take a consistent approach.

2. Accounting Officers are asked to:
 - draw this document to the attention of their relevant staff, especially their audit committees and internal audit functions;
 - consider whether to send representatives to the workshop the Treasury is arranging;
 - arrange for comments on the handbook to be coordinated and provided to the Treasury.

3. This DAO letter will be withdrawn once the final version of the handbook is issued.

Contact

4. Please contact Gordon Adam on 020 7270 5788 or at gordon.adam@hm-treasury.x.gsi.gov.uk if you have any queries about this letter.

¹ http://www.hm-treasury.gov.uk/documents/financial_management/governance_government/pss_aud_ach_andbook.cfm

² http://www.hm-treasury.gov.uk/documents/financial_management/governance_government/pss_audit_corporategovernance.cfm



Action

5. Please send your organisation's comments on the draft version of the handbook by 24 November. It would be helpful if each organisation responding could coordinate its response into a single document. The consultation period is intended to allow sufficient time for boards and audit committees to discuss the draft if they wish.

6. The Treasury plans to hold an open forum to encourage debate about the draft handbook. It will be held in the Treasury on Monday 30th October from 10.30 – 12.30, including a presentation, an opportunity to ask questions and space for discussion. Please send nominations to Gordon Adam.

A handwritten signature in cursive script that reads "Paula Diggle".

Paula Diggle
Treasury Officer of Accounts