

**To note the appointment of the Internal Auditor Hudson Accounting for the year**  
**2025-2026**

**Report to:** Annual Full Town Council

**Date of Report:** 1 May 2025

**Officer Writing the Report:** Finance Officer

**Pursuant to:** Full Council held on 5 June 2024, minute number 98/24/25

**Officers Recommendations**

It is recommended to the members to note the re-appointment of Hudson Accounting Ltd as the Internal Auditor for year 2025/26 based on his competence and independence. This meets the requirement of the BDO, the External Auditor.

**Report Summary**

To meet the requirement of the External Auditor, the appointment of the Internal Auditor is required to be confirmed annually at the relevant Committee meeting.

An internal audit proposal received from Hudson Accounting Limited dated May 2024 for Internal Audit services for three financial years (2024/25 to 2026/27) at a cost of £1,200 per annum **Appendix A.**

The Letter of Engagement for Internal Audit services between Hudson Accounting Ltd and Saltash Town Council for 2024/25 to 2026/27 has been signed by The Town Clerk on 28 March 2025 **Appendix B**

**Budgets**

**Budget Codes:** 6201 PF Audit

**Budget Availability:** £4,000

**Signature of Officer:**

Finance Officer

## Appendix A



INTERNAL AUDIT PROPOSAL

SALTASH TOWN COUNCIL

MAY 2024

SUBMITTED BY:

HUDSON ACCOUNTING LTD.

**Approach:**

Audit work is carried out in accordance with guidance issued by the National Association of Local Councils (NALC) in their publication *Governance & Accountability for Local Councils* and will allow us to sign off the appropriate part of the Annual Return and provide assurance around the Council's Governance Statement.

All work and communication with the Council is undertaken by the Directors of the Company.

For Council's of your size, we always include interim audit visits and we provide comprehensive reports at both the interim and final audit stage.

The benefits of an interim audit visit is that it allows detailed examination of certain areas that do not need to wait until the year-end and early system testing that both frees up time at the final audit stage and can flag up issues at an early stage that can be rectified before the end of the financial year. It also means that all areas are given adequate coverage.

**Independence:**

I can confirm that to the best of my knowledge there are no relationships with Members or Officers of the Council which would cause a conflict of interest or compromise the independence of any audit work undertaken.

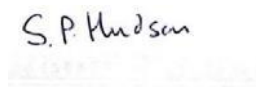
**Experience:**

I am a fully qualified local government accountant with more than twenty-five years post qualification experience at senior levels including nine years as a S151 Officer and a year seconded as Chief Internal Auditor.

We are experienced local council internal auditors and was also a part-time parish clerk so we feel we are uniquely placed to provide a high-quality service that is fully conversant with current issues facing local councils.

Our Anti-Money Laundering Regulations obligations are undertaken under the supervision of H.M. Revenues & Customs and we carry £50,000 of Professional Indemnity insurance.

**Fee: Our fee would be £1200 per annum; we are happy to fix this price for the three financial years 2024/25 to 2026/27**



S P Hudson  
Director

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## LETTER OF ENGAGEMENT FOR INTERNAL AUDIT SERVICES BETWEEN HUDSON ACCOUNTING LTD. & SALTASH TOWN COUNCIL

**Background:**

All local councils are required to maintain an adequate and effective system of internal audit of their accounting records and control systems. In addition, an internal auditor must sign off the relevant part of the Annual Governance & Accountability Return.

**Independence:**

To the best of my knowledge there are no relationships with Members, Officers or Contractors of the Council which would cause a conflict of interest or compromise the independence of any audit work undertaken.

**Scope of the Work:**

Internal audit work is carried out in accordance with proper practice guidance issued by the National Association of Local Councils (NALC) in their publication *Governance & Accountability for Local Councils* and will cover, as a minimum, all areas required to be signed off on the Annual Governance & Accountability Return.

**Period of Engagement:**

The Engagement is for the 2024/25 to 2026/27 financial years.

**Deliverables:**

Comprehensive audit testing, reporting and completion of the internal auditor's report on the Annual Governance & Accountability Return.

**Continuity Cover**

There are no formal procedures in place for the continuity of the practice should I become unable to work due to illness, temporary or permanent incapacity, or death.

**Reporting lines**

Reports will be addressed to the Members of the Council.

**Timetable**

Interim internal audit (where provided) work will usually take place mid-year and year-end internal audit work will be completed to allow submission of the Annual Return in line with the Councils reporting deadlines.

**Fees**

For this engagement we will charge £1,200 per annum.

**Anti-Money Laundering Regulations**

We are registered with HMRC under the Money Laundering Regulations.

**Professional Indemnity Insurance**

We hold professional indemnity insurance cover to a limit of £50,000. The professional indemnity insurer is Trafalgar Insurance Company Limited, The Lloyds Building, 12 Leadenhall Street, London, EC3V 1LP.

**SIGNED ON BEHALF OF:**  
**HUDSON ACCOUNTING LTD:**  
**SALTASH TOWN COUNCIL:**  
**DATED: 28/03/2025**

S. P. Hudson

