

## Appendix B

# 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

