

Date: 06 July 2023

Title: Report Item 9 – Internal Auditor Appointment

By: S Adeniji (Parish Clerk)

Purpose: To provide information on services provided by potential Internal Auditors for the year 2023/24

Recommendations: 1. To appoint Mulberry & Co as the Council Internal Auditor for 2023/24
2. To decide on the duration of the appointment.

1. The parish council has agreed to seek a new Internal Auditor for the year 2023/24, as the current Internal Auditor has indicated that he is no longer available.

2. As a matter of good practice, the Clerk sought information on other potential auditors. A list of three was kindly supplied by the East Sussex Association of Local Councils. All have been contacted. One has declined due to the pressure of existing commitments. Another did not reply to our enquiry. The only response received was from Mulberry & Co Ltd.

3. Details of the Internal Audit Services provided by Mulberry & Co can be found in Annex A of this report.

4. Mulberry & Co have been conducting and providing training on local authority internal audit for over 15 years, and are registered auditors, chartered certified accountants and chartered tax advisors. Their team currently undertake approximately 200 audits per annum from small councils with income and expenditure below £25,000 to larger Town councils with income exceeding £3 million. All their reports are delivered via a secure password-protected online portal that only the clerk has access to. These reports will be in .pdf format and can be printed or emailed as desired.

5. Mulberry & Co conduct two audits a year as a minimum. The first (interim audit) concentrates on the governance and accountability functions of the council and deals with the non-financial aspects of the audit. (Financial Regulations, Standing Orders, risk assessments, internal control systems, processes, policies, etc.). The second (final audit) focuses on the financial aspects, checking of the Annual Governance and Accountability Return (AGAR) and the supporting information being submitted to the external auditors. Mulberry & Co view this approach as beneficial, as it provides an opportunity to address any weaknesses identified at the interim audit before completion of the Annual Internal Audit Report at the final audit however if preferred, they can carry out the audit in one visit.

6. Mulberry & Co charges £65 per hour + VAT together with travel costs at £0.45p per mile. The length of time for the audit(s) depends on the scale and complexity of our financial operations, but it is estimated that a full year's auditing would be conducted in approximately 3-4 hrs. Should the Council appoint Mulberry & Co for a 3-year period, the fee will be fixed at the rate quoted.