

**MINUTES**

**TUESDAY 29 MARCH 2005**

**1.00 PM**

**Committee Room One  
Ground Floor, Council Offices  
101 Wakefield Street  
Wellington**

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**PRESENT:**

Mayor Prendergast (1.09pm – 2.20pm)  
Councillor McKinnon (Chair)  
Councillor Pepperell  
Councillor Ruben  
John Milne (1.00pm – 4.04pm)  
David Pilkington

**APOLOGIES:**

Mayor Prendergast (Lateness)

001/05QA **APOLOGIES**  
(1215/55/IM)

**RESOLVED:**

*THAT the Audit and Risk Management Subcommittee:*

- 1. Accept apologies for lateness from Mayor Prendergast.*

002/05QA **CONFLICT OF INTEREST DECLARATIONS**  
(1215/55/IM)

**NOTED:**

There were no conflicts of interest declared.

003/05QA **PUBLIC PARTICIPATION**  
(1215/55/IM)

**NOTED:**

There was no public participation.

(Mayor Prendergast joined the meeting at 1.09pm.)

004/05QA **ORDER OF BUSINESS**  
(1215/55/IM)

**RESOLVED:**

*THAT the Audit and Risk Management Subcommittee:*

1. *Agree to consider Report 10 'Forward Programme and Other Issues' next.*

005/05QA **RESOLUTION TO EXCLUDE THE PUBLIC**  
(1215/55/IM)

**RESOLVED:**

*THAT the Audit and Risk Management Subcommittee:*

1. *Pursuant to the provisions of the Local Government Official Information and Meetings Act 1987, exclude the public from the following part of the proceedings of this meeting namely:*

*Report 10: Forward Programme and Other Issues*

*Grounds: Section 48(1)(a) That public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7*

*Section 7(2)(b) protect information where the making available of the information would be likely to unreasonably prejudice the commercial position of Council.*

*Section 7(2)(i) to enable the Council to carry out negotiations without prejudice or disadvantage*

2. *Permit Audit New Zealand to remain at this meeting after the public has been excluded, because of their specialist knowledge of the matters under discussion.*

(The meeting entered into public excluded session at 1.25pm.)

(For item 006/05QA please see the public excluded minutes)

(The meeting returned to open session at 1.42pm.)

**007/05QA AUDIT NEW ZEALAND – REVIEW OF 2004 AUDIT**

Oral report of Audit New Zealand.

(1215/55/IM)

(REPORT 1)

**NOTED:**

Rudie Tomlinson (Audit Director) and Karen Young (Audit Manager) from Audit New Zealand updated the Subcommittee on the review of the 2004 audit and answered questions from members.

**008/05QA PROGRESS IN IMPLEMENTING AUDIT NEW ZEALAND'S RECOMMENDATIONS**

Report of Helen Rogers – Manager, Financial Accounting.

(1215/55/IM)

(REPORT 2)

**RESOLVED:**

*THAT the Audit and Risk Management Subcommittee:*

1. *Receive the information.*
2. *Note the progress made in implementing the recommendations.*

(Mayor Prendergast left the meeting at 2.20pm.)

**009/05QA FUTURE AUDIT ARRANGEMENTS**

Report of Helen Rogers – Manager, Financial Accounting.

(1215/55/IM)

(REPORT 3)

**RESOLVED:**

*THAT the Audit and Risk Management Subcommittee:*

1. *Receive the information.*
2. *Authorise the Mayor to finalise and sign the audit engagement letter attached in Appendix 1 of the officers' report.*

3. *Authorise the Chief Executive to finalise and sign the letter of undertaking and audit arrangement letter attached in Appendices 2 and 3 of the officers' report.*

**010/05QA DRAFT 2004/05 FINANCIAL STATEMENTS AND PROPOSED SIGN-OFF PROCESS**

Report of Helen Rogers – Manager, Financial Accounting.  
(1215/55/IM)

(REPORT 4)

**RESOLVED:**

*THAT the Audit and Risk Management Subcommittee:*

1. *Receive the draft 2004/05 financial statements reporting template.*
2. *Note that the draft 2004/05 financial statements reporting template has been reviewed by Audit New Zealand and that their comments/recommendations have been adopted as appropriate.*
3. *Approve the proposed format and disclosures for the 2004/05 financial statements subject to:*
  - (a) *the determination and disclosure of the final results of operations, cashflows and financial position for the year ending 30 June 2005 (and any subsequent impact on the Notes to the financial statements); and*
  - (b) *receiving final clearance by Audit New Zealand.*
4. *Approve the sign-off process for the 2004/05 financial statements (refer Appendix 1 of the officer's report).*

**011/05QA IMPLICATIONS FOR COUNCIL OF NEW AND PROPOSED FINANCIAL REPORTING STANDARDS**

Report of Helen Rogers – Manager, Financial Accounting.  
(1215/55/IM)

(REPORT 5)

**RESOLVED:**

*THAT the Audit and Risk Management Subcommittee:*

1. *Receive the information.*
2. *Note the developments in New Zealand generally accepted accounting practice (GAAP) since the Sub-Committee meeting in September 2004.*

(The meeting adjourned for afternoon tea at 3.20pm and reconvened at 3.30pm.)

012/05QA **RESOLUTION TO EXCLUDE THE PUBLIC**  
(1215/55/IM)

**RESOLVED:**

*THAT the Audit and Risk Management Subcommittee:*

1. *Pursuant to the provisions of the Local Government Official Information and Meetings Act 1987, exclude the public from the following part of the proceedings of this meeting namely:*

*Report 6: Risk Assurance – Summary of Work Planned and Completed*

*Report 7: Council Debtors and Accruals – Responses from the Auditor General*

*Report 8: Summary of Incidents*

*Report 9: Council Debtors Report*

*Grounds: Section 48(1)(a) That public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7*

*Section 7(2)(b) protect information where the making available of the information would be likely to unreasonably prejudice the commercial position of Council.*

*Section 7(2)(g) maintain legal professional privilege*

*Section 7(2)(i) to enable the Council to carry out negotiations without prejudice or disadvantage*

2. *Permit Audit New Zealand to remain at this meeting after the public has been excluded, because of their specialist knowledge of the matters under discussion.*

The meeting went into public excluded session at 3.31pm.

For items 013/05QA – 016/05QA please see the public excluded minutes.

The meeting concluded at 4.35pm.

