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**MINUTES**

**WEDNESDAY 8 JUNE 2011**

**9.17AM – 10.11AM**  
**10.11AM – 10.42AM (PUBLIC EXCLUDED)**  
**10.59AM - 11.41AM (PUBLIC EXCLUDED)**

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

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**MEMBERS:**

Mayor Wade-Brown	(9.21am – 10.42am)
Councillor McKinnon (Chair)	(9.17am – 10.42am, 10.59am – 11.41am)
Councillor Best	(9.17am – 10.42am, 10.59am – 11.41am)
Councillor Lester	(9.17am – 10.42am, 10.59am – 11.41am)
Kevin Simpkins (External)	(9.17am – 10.42am, 10.59am – 11.41am)

**APOLOGIES:**

David Pilkington

**IN ATTENDANCE:**

Councillor Pepperell (9.23am – 10.08am, 10.11am – 10.42am, 10.59am – 11.41am)

**DEMOCRATIC SERVICES OFFCIERS INATTENDANCE:**

Maleik Edwards – Committee Advisor  
Luka Dujmovic – Committee Advisor

008/12QA **APOLOGIES**  
(1215/52/01/IM)

**Moved Councillor McKinnon, seconded Councillor Best the substantive motion.**

**The motion was put and declared CARRIED.**

**RESOLVED:**

*THAT the Audit and Risk Management Subcommittee:*

- 1. Accept apologies for the absence from David Pilkington.*

009/12QA **CONFLICT OF INTEREST DECLARATIONS**  
(1215/52/01/IM)

**NOTED:**

There were no conflicts of interest declared.

010/12QA **MINUTES FOR CONFIRMATION**  
(1215/52/01/IM)

**Moved Councillor McKinnon, seconded Councillor Best the substantive motion.**

**The motion was put and declared CARRIED.**

**RESOLVED:**

*THAT the Audit and Risk Management Subcommittee:*

- 1. Approve the minutes of the meeting held on Tuesday, 15 March, having been circulated, be taken as read and confirmed as an accurate record of this meeting.*

011/12QA **PUBLIC PARTICIPATION**  
(1215/52/01/IM)

**NOTED:**

There was no public participation.

012/12QA **PROGRESS AGAINST AUDIT NEW ZEALAND (9.18AM – 9.27AM)**  
**RECOMMENDATIONS**

Report of Nicky Blacker, Manager – Financial Accounting.  
(1215/52/IM) (REPORT 1)

**Moved Councillor Best, seconded Councillor Lester the substantive motion.**

**The motion was put and declared CARRIED.**

**RESOLVED:**

*THAT the Audit and Risk Management Subcommittee:*

1. *Receive the information.*
2. *Note the progress made in implementing the Audit New Zealand recommendations attached in Appendix 1.*

(Mayor Wade-Brown joined the meeting at 9.21am.)  
(Councillor Pepperell joined the meeting at 9.23am.)

013/12QA **IMPLICATIONS FOR COUNCIL OF NEW (9.27AM – 9.33AM)**  
**AND PROPOSED FINANCIAL REPORTING STANDARDS**

Report of Nicky Blacker, Manager – Financial Accounting.  
(1215/52/IM) (REPORT 2)

**Moved Mr Simpkins, seconded Councillor Lester the substantive motion.**

**The motion was put and declared CARRIED.**

**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 last regular Subcommittee meeting on 15 March 2011.*

014/12QA **DRAFT 2010/2011 FINANCIAL STATEMENTS (9.33AM – 10.11AM)  
AND PROPOSED SIGN-OFF PROCESS**

Report of Nicky Blacker, Manager – Financial Accounting.  
(1215/52/IM)

(REPORT 3)

**Moved Mayor Wade-Brown, seconded Mr Simpkins the substantive motion.**

**The motion was put and declared CARRIED.**

**RESOLVED:**

*THAT the Audit and Risk Management Subcommittee:*

1. *Receive the information.*
2. *Note that the proposed 2010/11 financial statements template has recently been reviewed by Audit New Zealand and that their comments/recommendations have been reflected in the template.*
3. *Note that all new standards, amendments and interpretations which are applicable for the 2010/11 financial statements have been considered by officers (refer Appendix 1) and notes that we are not planning to early adopt any new standards, amendments and interpretations.*
4. *Approve the proposed format and disclosures for the 2010/11 financial statements subject to:*
  - (a) *consideration of the implications of any changes in NZ GAAP arising up to 30 June 2011 which may be required to be applied retrospectively;*
  - (b) *the determination and disclosure of the final results of operations, cashflows and financial position for the year ending 30 June 2011 (and any subsequent impact on the notes to the financial statements); and*
  - (c) *receiving final clearance from Audit New Zealand.*
5. *Approve the sign-off process and timetable for the 2010/11 financial statements (refer Appendix 2).*

(Councillor Pepperell left the meeting at 10.08am.)

(Councillor Pepperell returned to the meeting at 10.11am)

015/12QA **RESOLUTION TO EXCLUDE THE PUBLIC** (10.11AM – 10.12AM)  
(1215/52/01/IM)

**Moved Councillor Lester, seconded Councillor Best the motion to exclude the public.**

**The motion was put and declared CARRIED.**

**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 4 - Risk Assurance Summary of Work Completed***

*Grounds: Section 48(1) (a) Local Government Official Information and Meetings Act – 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*

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

***Report 5 - Risk Assurance 2011-12 Audit Plan***

*Grounds: Section 48(1) (a) Local Government Official Information and Meetings Act – 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*

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

**Report 6 - Summary of Incidents (to be distributed at the meeting)**

*Grounds: Section 48(1) (a) Local Government Official Information and Meetings Act – 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*

*Reason: Section 7(2) (a) protect the privacy of natural persons, including that of deceased natural persons.*

*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.*

**Report 7 - Council Debtors Report (to be distributed at the meeting)**

*Grounds: Section 48(1) (a) Local Government Official Information and Meetings Act – 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*

*Reason: Section 7(2) (a) protect the privacy of natural persons, including that of deceased natural persons.*

*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 went into public excluded session at 10.11am.

For items 015/12QA – 019/12QA see the public excluded minutes.

The meeting concluded at 11.41am.

Confirmed: \_\_\_\_\_  
Chair  
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