

## 6. ADOPTION OF ANNUAL REPORT

RR 10888

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Corporate Plan Output: Public Accountability	

The purpose of this report is to obtain delegated authority for the Audit Subcommittee to approve the Annual Report and audited financial statements of the Council.

The Local Government Act 1974 requires that the Annual Report of the Council be adopted by 30 November.

The Council's annual financial statements are complex because of the several levels of consolidation which need to be incorporated. In addition this year there are complex issues to be resolved relating to the revaluation of land and buildings and infrastructural assets. The audit is now well underway but based on experience from previous years it is not likely to be completed until late November. In particular it is unlikely that it will be completed in time to place on the agenda for the November Council meeting which closes on the 19 November.

While there have been occasions when the Council has called a special Council meeting for the last day of November a more practical solution would be for the Council to delegate its power to adopt the Annual Report to the Audit Subcommittee. This is the practice which was adopted last year.

The Audit Subcommittee will be called together in late October to do an initial review of the annual financial statements and it is intended that once the audit report is received the Committee meets again in the last few days of November to adopt that report. The Audit Subcommittee comprises the Mayor, Councillors Close, Howell, Buist and O'Rourke.

This method of adopting the Annual Report will not inhibit public accountability of the Council as the Annual Report will be forwarded immediately to printers and circulated widely in the community following its adoption by the subcommittee.

If the Council agrees to this practice for 1999 it would be appropriate for the delegation to be permanent and apply to future years.

**Recommendation:** That the Council formally delegate its powers to adopt the Annual Report to the Audit Subcommittee.