

3. AUDIT NEW ZEALAND MANAGEMENT REPORT FOR THE YEAR ENDED 30 JUNE 2004

General Manager responsible:	General Manager Corporate Services
Officer responsible:	Financial Services Manager
Author:	Paul Melton, DDI 941-8413

PURPOSE OF REPORT

1. The purpose of this report is to inform the Council of the significant findings and recommendations arising from the audit of the financial statements of the City Council and group for the year ended 30 June 2004.

EXECUTIVE SUMMARY

2. Audit New Zealand issued an unqualified audit opinion on the Council's Financial Statements process and also reflect the good working relationship between Council and group and Audit New Zealand."

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3. The Management Report which is prepared each year by Audit New Zealand identifies the significant findings and recommendations arising from the audit.
4. The Report notes opportunities for the Council to improve its systems of internal control as it relates to manual timesheet entry, the reconciliation of the GRNI Account, Bank Reconciliations, Debtor follow-up and credit card expenditure.
5. The Report identifies accounting for leases, related entities and International Financial Reporting Standards as issues to address.
6. The Report also notes instances where the systems to record non financial data were inadequate.
7. Included within the Report is the management response to all the issues which have been raised. Where appropriate the management response notes the action which has/will be taken to resolve the issue.

MANAGEMENT REPORT

8. Refer to the attached copy of the Audit New Zealand Management Report for the year ended 30 June 2004.

CONCLUSION

9. The Council has delegated to this Subcommittee, the authority to receive this report after seeking clarification of any issues raised in the report. As part of performing its governance responsibilities on behalf of the Council, the Subcommittee can also raise any questions that it deems appropriate with the Audit New Zealand Director (Devan Menon) and Audit Supervisor