

8. CORPORATE FINANCE REPORT FOR PERIOD ENDED JANUARY 2010

General Manager responsible:	General Manager Corporate Services, DDI 941-8528
Officer responsible:	Corporate Finance Manager
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PURPOSE OF REPORT

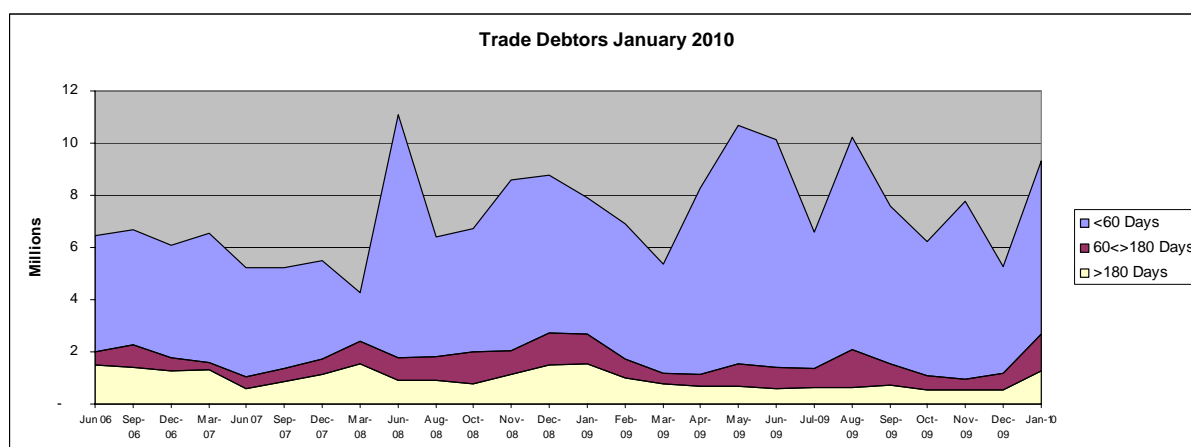
1. The purpose of this report is to provide the Audit and Risk Management Subcommittee with an update on key financial and treasury matters for the three months ending January 2010.

TREASURY

2. The table attached as **Appendix 1** shows that the Council remained within its financial ratio policy limits. Council continues to be a net investor with investments in cash, bonds, floating rate notes and advances to subsidiaries exceeding the debt levels.
3. There has been no significant movement of borrowings or investment since those in October as reported at the last meeting.

DEBTORS

4. At 31 January the debtor balance stood at \$9.3 million, \$3.1 million above that reported for October. The increase is due to invoices to New Zealand Transport Agency totalling (by coincidence) \$3.1 million.
5. As at 31 January there were 7 overdue debtors with a value of \$20,000 or greater, totalling \$479,703, (October; \$375,197) or 5.1% of total debt, (6%). Further detail will be tabled at the meeting.
6. A first draft has been prepared of the Council's Bad Debt Policy and is being circulated amongst Council officers for feedback.

**AUDIT NEW ZEALAND MANAGEMENT REPORT ON 2008/09 ANNUAL REPORT**

7. The report from Audit New Zealand on the 2008/09 Annual Report is attached as **Appendix 2**. The report confirms that an unqualified opinion was received. It recognises the improvements made within Council's procedures over the past year and identifies several key areas in which further development is possible. There are no key areas in which management and Audit New Zealand disagree. A representative from Audit New Zealand will be at the meeting should the Committee have any questions regarding the report.

FINANCIAL AND LEGAL CONSIDERATIONS

8. There are no financial or legal implications.

STAFF RECOMMENDATIONS

It is recommended that the report be received.