

Audit and Finance Working Party Record of Actions

Meeting held in the Whale Bay Room
36 Water Street, Whangārei
on Thursday 12 September 2019, commencing at 8.30am

Present:

Chairman, Councillor David Sinclair
Independent Financial Advisor, Mr Geoff Copstick
Councillor Bill Shepherd

In Attendance:

Full Meeting
NRC Chief Executive
GM, Corporate Excellence
GM, Environmental Services
Corporate Planning Manager

The meeting commenced at 8.40am.

Apologies (Item 1.0)

Apologies from Councillor Joce Yeoman non-attendance.

DECLARATIONS OF CONFLICTS OF INTEREST (Item 2.0)

It was advised that committee members should make any declarations item-by-item as the meeting progressed.

Secretarial Note: Financial Statement was tabled **(Item 3.3)**

Financial Statement (Item 3.3)

Presented by: Finance Manager Simon Crabb

Summary of discussion and agreed action points:

- Council has accounted appropriately for the Kensington Asset regarding valuation figures.
- Once the operating cash flow fund reaches its target, fund's expenditure criteria will be revisited.
- Audit and Finance working party have acknowledged that it has been a smoother process this year.

Confirmation of Minutes (Item 3.1)

Presented by: David Sinclair

Agreed action points:

- These were accepted as a true and correct record of the meeting

Secretarial Note: 8.59 Called Deloitte and spoke with Peter Gulliver & Vera Chian

Audit Report (Item 3.2)

Presented by: David Sinclair

Summary of discussion and agreed action points:

- Entering the final stage of audit closure and getting ready for Council approval.
- Peter Gulliver outlined the actions undertaken and the areas of focus for the audit, and spoke about the report and answered questions.
- Additional areas of focus required by the Office of the Auditor-General: fraud, performance, waste, and probity, managing conflicts of interest and related party transactions, legislative compliance, financial prudence, mooring and marina berth charges and expenses.
- Peter Gulliver recommended in the report that Council consider comparing the two reports to protect Council in the future.
- Deloitte to prepare a proposal for the audit for the next 3-year period covering:
 - proposed hours and fees
 - reconciliation of historic hours incurred to proposed future hours
 - benchmarking of fees to similar Councils
- Dave Tams and Simon Crabb to contact Deloitte – Peter Gulliver and Vera Chain to discuss use of technology in the future audit process.
- Simon Crabb to draft a letter to Marsden Maritime Holding Limited regarding the approach to IFRS 16, and seek input and review from Deloitte - Peter Gulliver and Vera Chain.
- Deloitte to prepare a management letter covering the minor control points for Simon Crabb and Dave Tams to review.
- Office of the Auditor- General has re-appointed Deloitte – Peter Gulliver as the auditor and team for the next three years. Peter Gulliver currently in the process of writing up new agreement for Northland Regional Council.
- Geoff Copstick offered his thanks to Peter Gulliver and team, on behalf of the Audit and Finance Working Party for their professionalism and smooth process of the audit conducted this year.

The meeting concluded at 9.49am.