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Committee Policy, Finance and Strategy
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Summary of 2003 Audit - Report from Audit New Zealand

1. Purpose

To receive the report from Audit New Zealand which provides a summary of the audit for the year ended 30 June 2003 (refer **Attachment 1**)

2. Background

Each year after the conclusion of the audit, Audit New Zealand provides the Council with a summary of the results of their audit, including assessment of Council's financial and non-financial controls.

This information should be consistent with the oral advice Councillors receive each year as part of the adoption of the Council's annual report. You will recall Rudie Tomlinson (Audit New Zealand Director) attended the Committee meeting on 30 October and provided an oral summary of the 2003 audit process.

3. Comment

As in previous years Audit New Zealand have assessed the Council on five aspects of its system of internal control. Audit New Zealand's assessments are as follows:

	2003 Assessment	2002 Assessment
• Financial Control Systems	Excellent	Excellent
• Financial Management Information Systems	Excellent	Excellent
• Financial Management Control Environment	Excellent	Excellent
• Service Performance Information and Information Systems	Excellent	Excellent
• Service Performance Management Control Environment	Excellent	Excellent

This is consistent with what the Committee was advised on 30 October 2003, just prior to the adoption of the 2003 annual report.

Once again, officers are delighted to have retained five excellent grades out of five. This reflects well on the solid management control framework within the Council, and coupled with Council's AA credit rating, reinforces the quality of the financial management framework in operation.

4. Matters raised by Audit New Zealand

Where appropriate, officers have included comment within the attached audit letter in respect of the matters raised. In my view, there are no matters which cause me significant concern.

5. Communications

The positive gradings from Audit New Zealand represent good news that I would expect the media would wish to share with the community. To assist we have prepared a suitable press release.

6. Recommendation

That the Committee recommend that the Council receive the report and note its contents.

Report prepared by: _____ :

Greg Schollum
Chief Financial Officer

Attachment 1: Letter from Audit New Zealand dated 30 November 2003