



Report 07.784  
Date 21 November 2007  
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Committee Finance, Evaluation & Risk  
Author Barry Turfrey Chief Financial Officer

## **Audit management report for the year ended 30 June 2007**

### **1. Purpose**

To present to the Committee the audit management report for Greater Wellington Regional Council (GWRC) for the year ended 30 June 2007.

### **2. Significance of the decision**

The matters for decision in this report do not trigger the significance policy of the Council or otherwise trigger section 76(3)(b) of the Local Government Act 2002.

### **3. Background**

At the completion of the year end audit, our auditors (Audit New Zealand) present a management report containing any matters which arose during their audit (refer **Attachment 1**).

### **4. Comment**

The report concludes that GWRC operates a sound management control environment with effective financial management processes in place.

The report also raised other matters which have come to the auditors' attention.

In brief, these were:

- GWRC and the auditors disagreed in respect of the valuation of the water supply assets. GWRC undertook a valuation which (in our view) was in accordance with the relevant accounting standard. The auditors disagreed with this. Further details on this matter are included under clause 4.1 of the report (**Attachment 1**).
- The auditors confirmed that there were no instances of legal non compliance.
- The auditors noted that there was a minor fraud during the year.
- GWRC should consider having an internal audit function.

There were no other matters reported.

## **5. Communication**

No communications are necessary.

## **6. Recommendations**

*That the Committee:*

- 1. **Receives the report.***
- 2. **Notes the content of the report.***

Report prepared by:

Report approved by:

**Barry Turfrey**  
Chief Financial Officer

**David Benham**  
Chief Executive

**Attachment 1: Management report from Audit New Zealand**