



Report 09.557
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Committee Council
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Report on the Finance, Audit and Risk Committee meeting held on 22 September 2009

1. Purpose

To update the Council on the meeting of the Finance, Audit and Risk committee held on 22 September 2009.

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. Reports

3.1 Treasury Management Review

Stuart Henderson from Asia Pacific Risk Management presented an overview of the financial markets and progress on setting up a centralised borrowing vehicle (CBV) for local government. Progress is being made on the CBV with LGNZ, Government and local government interests.

In respect of the financial markets the peak on credit margins has passed and margins should continue to fall.

3.2 Annual Report for the year ended 30 June 2009

Karen Young from Audit New Zealand presented the findings of the audit which is substantially complete. There were no major issues or problems that need to be brought to the Committee's attention. There was general discussion on the Annual Report between the Committee, Auditors and management. The Committee asked that the Financial System Reserve be renamed and the benefits to be considered in the setting of rates in future years

3.3 Financial report for the two months ended 31 August 2009

The report was received and noted by the Committee.

3.4 Water Supply Financial Information 2008/09

Murray Kennedy presented the financial statements from the Annual Report for Water. The reasons for the favourable variances to budget were outlined.

The Committee discussed the nature and progress of the water strategy.

4. Unconfirmed minutes

The unconfirmed minutes of the Committee meeting are attached as *Attachment 1*.

5. Recommendations

That the Council:

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

Report prepared by:

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Judith Aitken
Chair
Finance, Audit and Risk Committee

Barry Turfrey
Chief Financial Officer

Attachment 1: Unconfirmed minutes of Committee meeting