

MINUTES

TITLE: Audit Subcommittee
DATE: Tuesday 2 October 2007
TIME: 9.30 am
VENUE: Tasman Council Chambers, 189 Queen Street, Richmond
PRESENT: Crs M J Higgins (Chair), R G Currie, E M O'Regan
IN ATTENDANCE: Cr T B King, Corporate Services Manager (M W Staite), Accounting Manager (R Holden), Financial Accountant (B Grammer), Minute Secretary (V M Gribble)

1 RECEIPT OF MINUTES – 8 February 2007

**Moved Crs O'Regan/Currie
FN07/10/01**

**THAT the minutes of the Audit Subcommittee meeting held on 8 February 2007, containing resolutions numbered FN07/02/01 to FN07/02/03 be received.
CARRIED**

2 VALUATION OF FORESTRY ASSETS UNDER NZIFRS

The Audit Subcommittee, at its meeting held on 8 February 2007 requested staff to enquire of Audit New Zealand as to the appropriateness of a rolling three year average, rather than an annual forest revaluation.

Audit New Zealand advised there is no allowance in NZIAS 41 for this kind of valuation approach.

Cr Higgins was concerned that reporting forestry value, as instructed, is not delivering a true value.

Cr King arrived at the meeting at 9.38 am.

Mr Staite undertook to talk to P F Olsen & Co Ltd on the discount rate applied to the forest revaluation in consultation with the Chair of the Audit Subcommittee.

Cr O'Regan suggested a note be attached to the accounts showing how the asset is valued and that the \$4 million shown as income is not necessarily realised.

**Moved Crs O'Regan/Currie
FN07/10/02**

THAT:

- a) **Council continues to revalue its forest assets on an annual basis, in accordance with NZIAS 41;**

- b) the Corporate Services Manager, in conjunction with the Chair of the Audit Subcommittee, liaise with P F Olsen & Co Ltd regarding the discount rate applied to the forest revaluation.

CARRIED

3 INTERESTS REGISTER

Council is required to adopt its Interest Register on an annual basis, for inclusion in its Annual Report.

Mr Staite advised he has not been made aware of any transactions from July 2006 to June 2007 requiring inclusion in Council's interest register.

**Moved Crs O'Regan/Higgins
FN07/10/03**

THAT it be noted in the 2007 Annual Report that there are no transactions from July 2006 to June 2007 that require inclusion in Council's Interest Register.

CARRIED

4 RESOLUTION TO EXCLUDE THE PUBLIC

**Moved Crs O'Regan/Currie
FN07/10/04**

THAT the public be excluded from the following part(s) of the proceedings of this meeting.

**2007 Draft Annual Report
2006 Audit Management Report**

The general subject of the matter while the public is excluded, the reason for passing this resolution in relation to each matter and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for passing this resolution are as follows:

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
4.1	2007 Draft Annual Report	Good reason to withhold exists under section 7	Section 48(1)
4.2	2006 Audit Management Report	Good reason to withhold exists under section 7	Section 48(1)(a)

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987, and the particular interests protected by Section 6 or 7 of the Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public are as follows:

Item	Reason to withhold information under Section 7	
4.1	To maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to members or officers or employees.	Section 7(2)(f)(i)
4.2	To protect the privacy of natural persons.	Section 7(2)(a)

CARRIED

(Refer to Confidential Minute Book, resolutions numbered FN07/10/05 to FN07/10/06).

**Moved Crs O'Regan/Currie
FN07/10/07**

THAT open meeting be resumed and the business transacted while the public was excluded be adopted in open meeting.

CARRIED

1 2007 DRAFT ANNUAL REPORT

**Moved Crs O'Regan/Currie
FN07/10/05**

THAT the draft 2007 Annual Report be adopted for audit.

CARRIED

2 2006 AUDIT MANAGEMENT REPORT

**Moved Crs Higgins/Currie
FN07/10/06**

THAT the 2006 Audit Management Report be received.

CARRIED

The meeting concluded at 11.00 am.

Chair:

Date: