

Audit, Finance & Risk Committee

5 December 2024

Report for Agenda Item | Rīpoata moto e Rāraki take [8]

Department: Assurance, Finance & Risk

Title | Taitara: Audit of the Annual Report 2023-2024

Purpose of the Report | Te Take mō te Pūroko

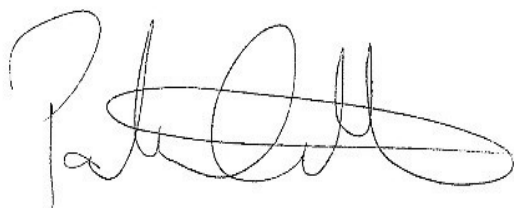
The purpose of this report is to provide the Audit, Finance & Risk Committee (the Committee) with an update on the Annual Report 2023-2024 and to communicate all significant matters arising from the audit of the Annual Report of Queenstown Lakes District Council and its controlled entities for the year ended 30 June 2024.

Recommendation | Kā Tūtohuka

That the Audit, Finance & Risk Committee:

1. **Note** the contents of this report

Prepared by:



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Title: Finance Manager
28 November 2024

Reviewed and Authorised by:



Name: Katherine Harbrow
Title: GM Assurance, Finance and Risk
28 November 2024

Context | Horopaki

1. Under the Local Government Act 2002 (LGA 2002) Section 98 (3), local authorities must adopt their annual report within four months of the end of the financial year.
2. On 14 December 2023 a Ministerial letter provided councils with the option to defer the adoption of their Long Term Plans by up to three months. This was to enable completion of additional detailed work to ensure that planned water investment met required quality standards and were well-integrated into the overall plan. It also enabled councils to defer the adoption of their Annual Reports for 2023-2024 by up to two months, to account for the knock-on impact of working on Long Term Plans later into the calendar year.
3. In February 2024, Council agreed to these deferrals.
4. Consequently, the Annual Report is due to be adopted no later than 31 December 2024.
5. At the time of writing, the audit team from Deloitte have completed their on-site visit and are following up remotely in the lead up to this Committee meeting.
6. The audit report from Deloitte is included as part of this agenda item. The audit report is an opportunity for the auditors and the Committee to discuss the findings of the audit, particularly in relation to any focus areas that were identified in the audit plan which were presented to the Committee at its September 2024 meeting.
7. The draft Annual Report 2023-2024 at Attachment A excludes the final audit opinion from Deloitte which will be provided before the report is sent to Council for adoption on 12 December. Officers will notify the Committee at the meeting if any changes have been made to the draft Annual Report 2023-2024 subsequent to distribution of the agenda.

Analysis and Advice | Tatāritaka me kā Tohutohu

8. Advice: The Committee is advised to receive the external audit report and draft Annual Report 2023-2024 in line with the Committee's Terms of Reference

Consultation Process | Hātepe Matapaki

Significance and Engagement | Te Whakamahi I kā Whakaaro Hiraka

9. This matter is of medium significance, as determined by reference to the Council's Significance and Engagement Policy 2024 because the adoption of the Annual Report is an important element of Council's accountability to the community for the decisions made throughout the year.
10. The Annual Report provides a basis for communication between the Committee and its professional advisors, and as such no wider consultation is required.

11. The persons who are affected by or interested in this matter are residents/ratepayers of the Queenstown Lakes district community.
12. The Council has consulted with the residents/ratepayers of the Queenstown Lakes district community as part of its 2021-2031 Long Term Plan process.

Māori Consultation | Iwi Rūnaka

13. The Council consulted with Te Ao Marama and Aukaha on behalf of Mana Whenua as part of its 2021-2031 Long Term Plan process.

Risk and Mitigations | Kā Raru Tūpono me kā Whakamaurutaka

14. This matter relates to the Regulatory/Legal/Compliance risk category. It is associated with RISK10030 Audit of annual report or long-term plan identifies non-compliance/corrective actions within the QLDC Risk Register. This risk has been assessed as having a low residual risk rating.
15. The approval of the recommended option will allow Council to implement additional controls for this risk. This will be achieved by addressing the controls used to treat the risk are effective in the reporting period.

Financial Implications | Kā Riteka ā-Pūtea

16. The Annual Report provides the main mechanism for reporting back to the community on the year's financial results and on organisational performance.

Council Effects and Views | Kā Whakaaweawe me kā Tirohaka a te Kaunihera

17. The following Council policies, strategies and bylaws were considered:
 - 2021-2031 Long Term Plan
 - 2022-2023 Annual Plan
18. The recommended option is consistent with the principles set out in the named documents.
19. This matter is not specifically included in the Long Term Plan/Annual Plan but reports on how the Council has performed against its intentions in financial year 2023-2024 as set out in the 2021-2031 Long Term Plan and the 2022-2023 Annual Plan.

Local Government Act 2002 Purpose Provisions | Te Whakatureture 2002 o te Kāwanataka ā-Kiaka

20. Section 10 of the Local Government Act 2002 states the purpose of local government is (a) to enable democratic local decision-making and action by, and on behalf of, communities; and (b) to promote the social, economic, environmental, and cultural well-being of communities in the

present and for the future by transparently reporting on the performance of regulatory functions and services in a way that is most cost-effective for households and businesses.

21. The recommended option:

- Is consistent with the Council's plans and policies; and
- Would not significantly alter the intended level of service provision for any significant activity undertaken by or on behalf of the Council or transfer the ownership or control of a strategic asset to or from the Council.

[Attachments | Kā Tāpirihaka](#)

A	Draft Annual Report 2023-2024
B	Deloitte Audit report

Attachments distributed separately