

Minutes

SUBJECT AUCKLAND TRANSPORT FINANCE AND RISK COMMITTEE MEETING

VENUE WAITAKERE BOARD ROOM, LEVEL 5, 21 PITT STREET, AUCKLAND

DATE Thursday, 9 December 2010

TIME 8 AM

ATTENDEES Mr Paul F Lockey (Chairman)
Mr Mark Ford
Pip Dunphy

In attendance:

David Warburton
David Foster
Kingsha Changwai

APOLOGIES No apologies

STATUS FINAL

ITEMS	ACTION	ACTION BY (INITIALS)	DUE DATE
1.	<p>ARTA and ARTNL Final Audits</p> <p>The process for the review of the final copies of the ARTA and ARTNL financial statements was discussed by the committee members.</p> <p>Following some discussion it was agreed that:</p> <p>The financial statements of ARTA and ARTNL, the letter of representations and audit letters from the Auditors be presented to the Finance and Risk Committee on the 21 December (<u>date to be confirmed by David Foster</u>) before the AT Board meeting.</p> <p>The purpose of the review by the Committee members is to familiarise themselves with the final accounts and identify any major questions arising.</p> <p><u>Moved:</u> (Ford/ Lockey)</p> <p>That the Chief Financial Officer organise the financial statements, representation letter and Audit letters to be reviewed by the Finance and Risk Committee members before the AT Board meeting.</p> <p><u>Carried</u></p>	DF	December 2010
2.	<p>Finance and Risk Committee Terms of Reference</p> <p>The Committee members discussed and agreed various changes to the Draft Finance and Risk Committee Terms of Reference. <u>Moved:</u> (Ford/ Lockey)</p> <p>That the various changes to the Finance and Risk Committees Terms of Reference be formalised subject to changes being implemented.</p> <p><u>Carried</u></p>	KC	

ITEMS	ACTION	ACTION BY (INITIALS)	DUE DATE
3.	<p>Timetable for the 2011 Finance and Audit Committee Meetings</p> <p>Following some discussion it was agreed that:</p> <p>The Chief Financial Officer obtains a copy of the Auckland Council timetable for the final audit and work backwards in setting the Finance and Audit Committee meetings.</p> <p>The last meeting will cover the audited financial statements of Auckland Transport and the other meetings will mainly cover risk, audit and other financial issues.</p> <p><u>Moved:</u> (Ford/ Lockey)</p> <p>That the Chief Financial Officer obtain the Auckland Council timetable for its final audit and reschedule the meeting timetable for the Finance and Audit Committee.</p> <p><u>Carried</u></p>	DF	February / March 2011 (depending on the date of the next meeting of the Committee)
4.	<p>Risk Assessment Framework</p> <p>The Committee members discussed various aspects of the Risk Management Framework which included the following:</p> <ul style="list-style-type: none"> - The Board is responsible for Enterprise wide risk management - The Finance and Audit Committee will ensure a framework and process is in place, resourcing is adequate and there is commitment by the organisation to risk management. - The Board will receive a report on the top ten key risks with representation from management on progress of mitigations. Similar risks will be aggregated and presented in the top ten register. - The risk assessment tables will be required by the Board for assessing the risks reported. <p><u>Moved:</u> (Ford/ Lockey)</p> <p>That the top ten risk register for Auckland Transport be tabled at the next Finance and Risk Committee meeting in February/March 2011 together with the risk assessment tables.</p> <p>The top ten risk register is tabled with the Board after the review by the Finance and Risk Committee.</p> <p><u>Carried</u></p>	KC	February / March 2011 (depending on the date of the next meeting of the Committee)
5.	<p>Process for establishing the opening balance sheet</p> <p>The Chief Financial Officer and Committee members discussed various aspects of the opening balance sheet such as Work in progress, Accounts Payable, valuation of land under roads, term liability and assets.</p>	No Action.	N/A
6.	<p>Accounting policy for defined benefit scheme</p> <p>The Chief Financial officer discussed the policy on defined benefit scheme. He also confirmed that there is only one employee involved in this scheme.</p>	No Action.	N/A

7.	<p>Risk and Audit Work Programme</p> <p>The following additions to the work programme were identified:</p> <ul style="list-style-type: none"> • external assurance over employee information • review of sensitive expenditures • minor external review of the procurement strategy/policy once completed • specific timetable for the completion of outputs in the work programme <p>In developing the new procurement strategy, there was discussion of the need to consider the reduction in number of suppliers and its impact.</p> <p><u>Moved:</u> (Ford/ Lockey)</p> <p>That the four changes to the Risk and Audit work programme are implemented.</p> <p><u>Carried</u></p>	KC	December 2010
8.	<p>Internal Audit Charter</p> <p>The Internal Audit Charter was discussed by the Finance and Risk Committee.</p> <p>There were no changes to the Internal Audit Charter identified by the Committee.</p>	No Action.	N/A
9.	Next meeting – February or March 2011 (TBC)	DF	December 2010

Signed as true and correct record

Paul F Lockey
Chairman