

Adoption of the AT Annual Report for the Year Ending 30 June 2014

Recommendations

It is recommended that the Board:

- i). Receive the update from the Finance and Risk Committee.
- ii). Authorise the Board Chair and Chair of the Finance and Risk Committee to sign the Letter of Representation to Audit NZ.
- iii). Adopt the Annual Report, including the following statements:
 - The Statement of Service Performance
 - The Statement of Accounting Policies
 - The Statements of Comprehensive Income, Financial Position, Cash Flow and supporting statements including the Notes to the Financial Statements
- iv). Authorise staff to make minor editorial changes to the contents of the Annual Report to reflect corrections and clarification requested by the Board and Auditor subject to final clearance by the Chair of Finance and Risk Committee.

Executive summary

The purpose of this report is to adopt the Annual Report for AT for the year ended 30 June 2014. The Service Performance compared to the Statement of Intent will be covered in the Open Session item and is not repeated here.

Background

Audit New Zealand has advised that the Annual Report, as presented, will get a clear audit opinion. They have completed their audit work and with the appropriate exchange of documents a clear audit opinion will have an issue date of 26 August 2014. Before Audit NZ will issue the audit opinion they need assurance that the Annual Report is the report the Board will adopt, concurrently the Board seeks assurance that the Annual Report they adopt will have a clear audit opinion. In keeping with the process, management have issued a Letter of Representation to the Board which mirrors the representations that the Board is asked to make to the Auditors. On receipt of the Letter of Representation from the Board to the Auditor, and adoption of the Annual Report, the Auditor will sign and date the Audit Report for inclusion in the printed copy of the Annual Report.

The FRC met on 29 July 2014 to review the Draft Annual Report. The FRC met again on 7 August 2014 to consider the responses to matters raised and to review changes since the 29 July meeting.

The 7 August FRC resolved that:

The Finance and Risk Committee:

- i). Has reviewed the 2013/14 Financial Statements and Annual Report.*
- ii). Has spoken and liaised with the Auditor and recommend the adoption of the 2013/14 Financial Statements within the annual report.*

(Paul Lockey/Lester Levy)

The changes requested were made and approved by the Chair of the FRC.

At the time of writing the AT HOP wording in the Annual Report has been finalised and has been put into internal review by Kensington Swan.

Strategic Context

The AT Annual Report is legislatively required to be adopted before 30 September 2014. An earlier completion date was taken at the request of AC to allow for the Group Annual Report to be adopted in order to comply with Group reporting requirements as an issuer of securities. This has been raised with the Board in previous reports.





Next Steps

- Letter of Representation signed and delivered to Audit New Zealand
- Signed Audit report is received
- Annual Report is forwarded for printing
- Annual Report is published onto the AT website
- Final Printed Annual Report is advertised as available and distributed

Attachments

Number	Description
1	Letter of Representation from Auckland Transport to the Board
2	Letter of Representation from the Board to Audit New Zealand
3	Annual Report (supplied as a separately bound document)

Document Ownership

Prepared by	Julian Michael Financial Reporting Manager	
	Stephen Smith Manager, Finance	
Recommended by	Richard Morris Chief Financial Officer	
	David Warburton Chief Executive	
Approved for Submission		

Glossary

Acronym	Description	Business Unit
AC	Auckland Council	Corporate
AT	Auckland Transport	Corporate
FRC	Finance and Risk Committee	Corporate

