



**ROTORUA  
LAKES COUNCIL**

---

# **ROTORUA LAKES COUNCIL**

Adoption of 2021/22 Annual Report

# Adoption of Annual Report

---

- **Council is required to adopt it's Annual Report by the 31<sup>st</sup> October each year.**
- **Due to an array of issues, this date has been missed for the 2021/22 Financial Year.**
- **The late adoption of the Annual Report means that Council is required to include a paragraph within the Notes to the Accounts stating that the Annual Report was adopted late. The late adoption is also included in the Audit Opinion.**

# Audit Opinion

---

**Audit New Zealand have issued an ‘un-modified’ opinion, which means that they judge our financial statements to fairly reflect Council’s financial position.**

**The opinion does include an ‘emphasis of matter’ relating to Water Reform:**

- Intended to draw the reader’s attention to a relevant issue impacting the Organisation**
- Included in all Council audit opinions**

# Key Changes to Annual Report

---

There have been a number of changes through the finalisation of the audit which have changed the Annual Report document since it was uploaded to Stellar. These include:

- **Recognising additional CIP revenue in capital subsidies**
- **Changes within fixed assets impacting depreciation and revaluation**
- **Correction of a prior-period equity mis-classification**
- **Changes to 'Group' financial information reflecting changes in Council's CCO entities**

# Issues Experienced in 2021/22 Annual Report

---

There are a number of issues that have impacted the delivery of the 2021/22 Annual Report including:

- The availability of audit staff through the interim/final audit stages.
- High finance staff turnover, including the entire Financial Accounting team turning over twice.
- IT systems not 'talking' to each other, preventing the completion of several non-financial performance measures.
- The discovery of prior-period equity misclassifications which required investigation and correction by PwC.

System issues have been corrected for the 2022/23 Annual Report and the finance team is well resourced.

---

# Questions?