



Finance and Performance Committee

Meeting of 24 June 2026

Business Unit: Finance

Date Created: 11 June 2026

Draft Audit Plan for 30 June 2026

Purpose Te Aronga o te Pūrongo

To present to the Finance and Performance Committee the Audit Plan from The Audit Office, for the year ending 30 June 2026.

Recommendations Ngā Tūtohinga

That the Committee receive the Audit Plan for 30 June 2026, noting that some of the milestones outlined on the timetable on page 11 have already been achieved.

Report prepared by:
Joel Richards
Chief Financial Officer

Approved for submission by:
Joel Richards
Chief Financial Officer

1 Background Ngā Kōrero o Muri

- 1.1 The Audit Office is the approved audit provider for Manawatu District Council.
- 1.2 The role of The Audit Office is to give an independent opinion on the financial statements and performance information contained within the Annual Report to 30 June 2026. This opinion is required to be included in the Annual Report before Council adopts the document.
- 1.3 The annual report is required to be adopted on or before 31 October 2026.

2 Strategic Fit Te Tautika ki te Rautaki

- 2.1 Not applicable as this is a legislative / operational item.

3 Discussion and Options Considered Ngā Matapakinga me ngā Kōwhiringa i Wānangahia

- 3.1 There are four key focus areas outlined in the audit plan:
 - 3.1.1 Valuation of Infrastructure Assets
 - 3.1.2 The risk of management override of internal controls
 - 3.1.3 Accounting for Impairment, capitalisation of costs and recognition of completed assets
 - 3.1.4 Fair value assessment of land and buildings
- 3.2 The materiality thresholds for this audit the limits have been set at: specific group materiality of \$1,950,000 and specific parent materiality of \$1,850,000 for all items not related to the fair value of property, plant and equipment.
- 3.3 The materiality threshold for performance information is outlined on pages 8-9 of the audit plan.
- 3.4 The Audit Office covers the group as a whole which includes Manawatu Community Trust.

4 Risk Assessment Te Arotake Tūraru

- 4.1 The annual audit process is one of the tools to assist in mitigating risks across the organisation, the focus of the audit is on accuracy and compliance with legislation.

5 Engagement Te Whakapānga

Significance of Decision

- 5.1 The Council's Significance and Engagement Policy is not triggered by matters discussed in this

Māori and Cultural Engagement

- 5.2 There are no known cultural considerations associated with the matters addressed in this report. No specific engagement with Māori or other ethnicity groups is necessary.

Community Engagement

- 5.3 No community engagement is required, however the outcome of the audit engagement and subsequent financial report has a communication plan around how and when the document published for the community.
- 5.4 The adopted Annual Report with the audit opinion contained within it, is legislatively required to be published on the Council website within 28 days of adoption.

6 Operational Implications Ngā Pānga Whakahaere

- 6.1 The interim and end of year audit is a business as usual activity for Council and the staff which requires careful planning and consideration alongside other timelines.
- 6.2 The meetings with the Mayor, Chair of Audit and Risk Committee and the Executive Leadership team have occurred as outlined on page 12 of the Audit Plan.

7 Financial Implications Ngā Pānga Ahumoni

- 7.1 The cost of the annual audit is contained within the operating budget.

8 Statutory Requirements Ngā Here ā-Ture

- 8.1 The Local Government Act outlines that Council is required to adopt an audited Financial Report for the year ending 30 June 2026 by or on 31 October 2026.

9 Attachments Ngā Āpitihanga

- Audit Plan for the year ending 30 June 2026.