

CHANGE OF RULES REGARDING AUDITS

Carol McVeigh, Treasurer and Harry Meinders, Assistant Treasurer bought Rules 9.3.b and 22 to the committee's attention.

Harry mentioned that the rules state that Ngā Hau e Whā o Paparāangi is currently required to audit the financial statements annually. Carol and Harry discussed this with the current Accountant who advised that this is not necessary unless it has been requested. Carol and Harry mentioned that if we leave this rule in place and we did do an audit it would cost \$4K+ depending on complexity this would be a large financial burden on Ngā Hau e Whā o Paparāangi annually.

After some discussion by the committee it was decided that these rules be amended to reflect that Ngā Hau e Whā o Paparāangi will provide Assurance of the Financial Statements by appointing a suitably qualified person, as a Reviewer, this person must be a member of the New Zealand Institute of Chartered Accountants, in order to review, prepare and report on the annual financial statements of Ngā Hau e Whā o Paparāangi which are to be presented at each AGM.

The committee also recognises the right to enable anybody to petition an audit. The committee decided that anybody who petitions an audit will incur all the costs of that audit, taking away the financial burden on Ngā Hau e Whā o Paparāangi.

MOTION:

Ngā Hau e Whā o Paparāangi Rule 9.3.b and Rule 22 be amended to provide Assurance of the Financial Statements by Review not by Audit whilst still enabling anybody to petition an audit at their own cost. (REFER TO NEXT PAGE TO VIEW RULE AMENDMENTS)

MOVED BY: Carol McVeigh, Treasurer and Harry Meinders, Assistant Treasurer

SECONDED BY: _____

Amendment: PASSED / FAILED

DATED: 09 August 2017

CHAIRPERSON / ASSISTANT CHAIRPERSON

SECRETARY

9. Roles of Committee Members

- (3) The Treasurer is responsible for:
 - (b) Preparing annual financial statements for presentation at each Annual General Meeting. These statements should be prepared in accordance with the Societies accounting policies (see 8.1.d and 22.1, 22.2, 22.3 and 22.4).

22. Assurance on the Financial Statements

- (1) The Society shall appoint a suitably qualified person, (the Reviewer) who must be a member of the New Zealand Institute of Chartered Accountants, to review, prepare and report on the annual financial statements of the Society for presentation at each Annual General Meeting.
- (2) The appointed person identified in 22.1 must not be a member of the Committee, or an employee of the Society.
- (3) The Reviewer shall report on whether the financial statements are prepared in all material respects in accordance with the Society's accounting policies.
- (4) The Committee is responsible to provide the Reviewer with:
 - (a) Access to all information of which the Committee is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
 - (b) Additional information that the Reviewer may request from the Committee for the purpose of the review; and
 - (c) Reasonable access to persons within the Society from whom the Reviewer determines it necessary to obtain information.
- (5) The Society shall appoint an Auditor to audit the annual financial statements of the Society only when requested.
- (6) Any request to audit the financial statements of the Society shall be at the cost of the petitioner.
- (7) The Auditor must be a suitably qualified person, and preferably be a member of the New Zealand Institute of Chartered Accountants, and must not be a member of the Committee, or an employee of the Society. If the Society appoints an Auditor who is unable to act for some reason, the Committee shall appoint another Auditor as a replacement.
- (8) The Auditor shall report on whether the financial statements are prepared in all material respects in accordance with the Society's accounting policies.
- (9) The Committee is responsible to provide the Auditor with:
 - (a) Access to all information of which the Committee is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
 - (b) Additional information that the Auditor may request from the Committee for the purpose of the audit; and
 - (c) Reasonable access to persons within the Society from whom the Auditor determines it necessary to obtain evidence.