



PITCAIRN ISLAND COUNCIL

Minutes of Meeting held in The Square - Public Hall
Commencing at 10.30am on Wednesday Sept 6th 2015

Present:

Mayor Shawn Christian, Acting Deputy Mayor Cr Charlene Warren-Peu, Cr David Brown, Cr Darralyn Griffiths, Cr Michele Christian, Cr Leslie Jaques and Administrator Alan Richmond
Temp Island Secretary – Heather Menzies

Apologies: Deputy Mayor Brenda Christian

In attendance: Auditors - Alison Andersen & Bruce Mincham

Gallery: None

Opening Prayer: Cr Charlene Warren-Peu

Welcome: Mayor Shawn Christian

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Item	Discussion
Auditors overview of 2015 Audit	<p>The Mayor welcomed Auditors, Alison Anderson & Bruce Mincham from the New Zealand based auditing company, William Buck and invited Ms Anderson to lead discussion.</p> <p>Ms Anderson began by explaining that William Buck was employed by the Governor to look at financial statements that apply to funds managed via the Pitcairn Islands Office in Auckland. These include: funding from DFID, the EU and general and specific purchases etc. Much of the annual audit takes place at the PIO Auckland office, which enables a lot detail to be covered off before the external audit teams arrives on Pitcairn.</p> <p>Locally the external audit covers: the Government Store and Warehouse – covering stock takes and management systems, the Post Office - with stamp production covered in Wellington, and the Government Treasury Office.</p> <p>At the end of each audit visit a letter is sent to the Governor to convey that the audit has been undertaken to satisfaction and to make recommendations for continuous improvement. That letter is then copied to the FCO, Evan Dunn, and to the Deputy Governor Kevin Lynch. From there it is sent to the island if implementation of any continuous improvement recommendations need to be undertaken at a local level. This year that letter will have the local recommendations attached as a separate appendix to ensure they are communicated to the island in a timely and efficient manner.</p> <p>Ms Anderson noted, by way of example, the following recommendations which have been implemented locally over the past 5 years.</p> <p>The Warehouse – repatriated electrical equipment to the relevant department. Petrol purchases, for the general store were ceased and a system for managing private petrol purchases will be developed this year.</p>

The General Store now undertakes annual stocktakes and all systems are fully auditable. Overall the Store and Warehouse are doing well.

The audit of the Government Treasury Office entails: checking that cash and non-cash items held on island correspond with PIO records. Recommendations regarding safe and building security have now been put in place. Ensuring monthly cash counts are appropriately signed-off by those in authority. Ensuring buildings are appropriately maintained and repaired. And, Improving the management of the physical security of the GT office, cash counting and cash count personnel have been raised in the past.

Last year's cash loss in the GT Office highlighted the need for further improvement measures. Activities relating to mitigating these risks will be included in this year's recommendations. These will include daily reconciliations to help minimise human error. It will also be recommended that Council and the Administrator develop policy to deal with material loss. This will protect both future custodians of the role and those who may be called in to investigate a loss.

Overall, given recent events, a thorough review of GT's systems and processes has been undertaken by the external Auditors this visit. This has shown that some sound improvement measures have already been implemented with good results.

The DM Finance and Economics and Cr Darralyn Griffiths thanked Ms Anderson and Mr Mincham on behalf of Council and the people of Pitcairn for their work and support.

Meeting Closed: 9.45am

Next Regular Council Meeting: 9th Sept 10.30am

Mayor Shawn Christian.....

Date.....22/9/2015.....