



MINISTRY OF HEALTH

ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2015



MINISTRY OF HEALTH
ANNUAL REPORT
FOR THE YEAR ENDED 30 JUNE 2015

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MINISTRY OF HEALTH

DIRECTORY

Minister

Honourable Nandi Glassie
Minister of Health

Head of Ministry / Title

Elizabeth Iro
Secretary of Health

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Avarua
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COOK ISLANDS

Auditor

Cook Islands Audit Office

Banker

ANZ Banking Group Limited
Avarua
Rarotonga

Solicitor

Crown Law Office
Avarua
Rarotonga



MINISTRY OF HEALTH

STATEMENT OF RESPONSIBILITY

In terms of Section 30 of the Ministry of Finance and Economic Management Act 1995-96, I am responsible for the preparation of the Ministry of Health's financial statements and the judgements made in the process of producing those statements.

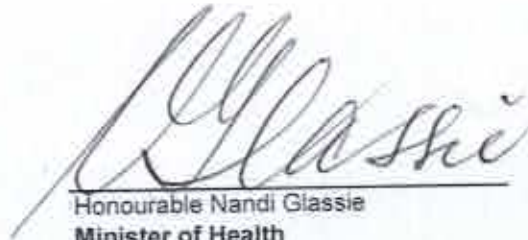
I have the responsibility of establishing and maintaining internal controls. I have established and maintained a system of internal control procedures that provide reasonable assurance as to the integrity and reliability of financial reporting.

In my opinion, these financial statements fairly reflect the financial position and operations of the Ministry of Health for the year ended 30 June 2015.



Elizabeth Iro
Secretary of Health

16 December 2016
Date



Honourable Nandi Glassie
Minister of Health

16 December 2016
Date



INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF THE MINISTRY OF HEALTH

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Ministry of Health ("the Ministry") on pages 7 to 23. The financial statements comprise of the statement of financial position as at 30 June 2015, the statement of financial performance, the statement of changes in equity, the statement of appropriations and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (IPSAS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

We are the appointed auditor of the Ministry under Article 71(1) of the Cook Islands Constitution

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards of Supreme Audit Institutions (ISSAI). Because of the matters described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Other than in our capacity as auditor, we have no relationship with or interests in the Ministry.

Basis for Disclaimer Opinion

1. **Property, Plant and Equipment (PPE) | Depreciation Expense** - Due to the lack of supporting documentation and no reliance could be placed on the PPE register, we were unable to obtain sufficient and appropriate evidence on the existence, completeness, and valuation of PPE reported at \$4,529,601. As no reliance could be placed on the PPE register or the general ledger, reported depreciation expense of \$432,668 is also qualified.
2. **Inventory | Medical Consumables Expense** - Due to the lack of supporting documentation, we were unable to obtain sufficient and appropriate evidence on the existence, completeness, and valuation of inventory reported at \$747,957. As no reliance could be placed on either the inventory listings or the general ledger, medical consumables expense of \$630,154 is also qualified.



3. **POBOC Liability** - Due to the qualification of inventory and related issues, we were unable to obtain sufficient and appropriate evidence on the completeness and valuation of POBOC liability reported at -\$128,476.
4. **Vat Payable** - reported at \$306,642 is qualified at year end due to lack of supporting documentation substantiating opening balances.
5. **Accounts Receivable | Provision for Doubtful Debts** - Due to lack of supporting documentation, we were unable to obtain sufficient and appropriate evidence on the existence, completeness and valuation of accounts receivable reported at \$505,883 and provision for doubtful debts of \$135,935.

Disclaimer of Opinion

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements on pages 7 to 23.

Our audit was completed on 16 December 2016.



Allen Parker
Director of Audit
Cook Islands Audit Office
Rarotonga, Cook Islands

MINISTRY OF HEALTH

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2015


In New Zealand Dollars	Notes	2015	2014
Revenue			
Crown Appropriation		10,218,424	10,375,401
Trading Revenue		406,500	557,040
Net Gain on Disposal of PPE		4,860	-
Other Revenue	2	572	578
Total Revenue		<u>10,630,356</u>	<u>10,933,019</u>
Expenditure			
Personnel expenses	3	8,430,789	8,338,724
Net Loss on Disposal of PPE		-	36
Change in Provision for Doubtful Debts		18,477	9,910
Depreciation / Amortisation	12,13	432,668	434,866
Other Expenses	4	1,874,396	1,764,050
Total Expenditure		<u>10,756,330</u>	<u>10,547,586</u>
Operating Surplus / (Deficit)		<u>(125,974)</u>	<u>385,433</u>
Aid Revenue	10	1,096,385	1,232,089
Aid Expenses	10	1,058,518	1,231,839
Aid Surplus / (Deficit)		<u>37,867</u>	<u>250</u>
Net Surplus / (Deficit)		<u>(88,107)</u>	<u>385,683</u>

The accompanying notes should be read in conjunction with these Financial Statements



MINISTRY OF HEALTH
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015

In New Zealand Dollars	Notes	2015	2014
Taxpayer's Funds			
Accumulated surplus / deficits		(1,512,415)	(769,520)
Owner Contributions		6,143,424	5,346,527
TOTAL TAXPAYER'S FUNDS		<u><u>4,631,009</u></u>	<u><u>4,577,007</u></u>
Represented by:			
Current Assets			
Cash and Equivalents	5	8,491	(66,099)
Trust Accounts		185,063	293,698
Prepayments		564,707	147,526
Inventory	6	747,957	607,120
Debtors and Other Receivables	7	5,216,505	4,788,803
Aid Receivables		146	146
		<u>6,724,869</u>	<u>5,771,194</u>
Non-Current Assets			
Property, Plant, and Equipment	12 a,b	4,529,601	4,630,133
Intangible Assets	13 a,b	5,893	7,949
		<u>4,535,494</u>	<u>4,638,082</u>
TOTAL ASSETS		<u><u>11,260,363</u></u>	<u><u>10,409,276</u></u>
Current Liabilities			
Bank Overdraft Accounts:		-	-
Creditors and Other Payables	8	6,167,891	5,574,636
POBOC Liability		(128,475)	(224,865)
Aid Liabilities		185,063	293,698
Employee Entitlements		404,874	188,800
		<u>6,629,353</u>	<u>5,832,269</u>
TOTAL LIABILITIES		<u><u>6,629,353</u></u>	<u><u>5,832,269</u></u>
NET ASSETS		<u><u>4,631,009</u></u>	<u><u>4,577,007</u></u>



 Elizabeth Iro
 Secretary of Health

16 December 2016

 Date

The accompanying accounts should be read in conjunction with these Financial Statements



MINISTRY OF HEALTH

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015

In New Zealand Dollars	Accumulated Surplus / (Deficit)	Contributions from Crown	Total Equity
Balance as at 30 June 2014 brought forward	(769,520)	5,346,527	4,577,007
Changes in equity for the year:			
Net surplus / (deficit) for the year	(88,107)	-	(88,107)
Capital funding from the Crown	-	796,897	796,897
Depreciation to be repaid to the Crown	(654,788)	-	(654,788)
BALANCE AS AT 30 JUNE 2015	(1,512,415)	6,143,424	4,631,009

MINISTRY OF HEALTH

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2014

In New Zealand Dollars	Accumulated Surplus / (Deficit)	Contributions from Crown	Total Equity
Balance as at 30 June 2013 brought forward	(173,627)	4,855,692	4,682,065
Changes in equity for the year:			
Net surplus / (deficit) for the year	385,683	-	385,683
Capital funding from the Crown	-	490,835	490,835
Correction of Prior Year error	(169,812)	-	(169,812)
Depreciation to be repaid to the Crown	(611,764)	-	(811,764)
BALANCE AS AT 30 JUNE 2014	(769,520)	5,346,527	4,577,007

The accompanying accounts should be read in conjunction with these Financial Statements



MINISTRY OF HEALTH

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015

In New Zealand Dollars	2015	2014
Cash Flows From Operating Activities		
<i>Cash was provided from:</i>		
Crown Appropriation	9,553,074	9,568,688
Receipt from Clients	431,278	405,957
VAT Refunds	-	2,537
Aid Revenue	987,750	1,049,113
	<u>10,972,102</u>	<u>11,026,295</u>
 <i>Cash was applied to:</i>		
Payments to Employees	8,194,478	8,083,016
VAT Paid	48,724	-
POBOC Paid	(96,389)	(107,296)
Aid Expenses	952,834	1,048,863
Payments to Suppliers	2,479,078	1,579,725
	<u>11,578,725</u>	<u>10,604,309</u>
 Net Cash Flows from Operating Activities	<u>(606,624)</u>	<u>421,986</u>
Cash Flows from Investing Activities		
<i>Cash was provided from:</i>		
Sale of Fixed Assets	4,860	-
	<u>4,860</u>	<u>-</u>
 <i>Cash was applied to:</i>		
Purchase of Fixed Assets	330,079	788,094
	<u>330,079</u>	<u>788,094</u>
 Net Cash Flows from Investing Activities	<u>(325,219)</u>	<u>(788,094)</u>
Cash Flows From Financing Activities		
<i>Cash was provided from:</i>		
Capital funding from Crown	796,897	490,835
	<u>796,897</u>	<u>490,835</u>
 <i>Cash was applied to:</i>		
Cash Recall	(209,532)	162,628
	<u>(209,532)</u>	<u>162,628</u>
 Net Cash Flows from Financing Activities	<u>1,006,429</u>	<u>328,207</u>
 Net Increase/(Decrease) in Cash Held	74,590	(37,901)
 Opening Cash Balances	(66,099)	(28,198)
 Closing Cash Balance	<u>8,491</u>	<u>(66,099)</u>

The accompanying accounts should be read in conjunction with these Financial Statements



MINISTRY OF HEALTH

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015

In New Zealand Dollars	2015	2014
Reconciliation of Net Surplus to Cash Flows from Operating Activities		
Reported Surplus	(88,107)	385,883
<i>Add / (less): Non-cash items</i>		
Depreciation	432,668	434,866
Change in employee entitlements	216,074	106,826
Provision for Doubtful Debts	18,476	-
Prior year Adjustment	-	(169,812)
	<u>579,111</u>	<u>757,563</u>
<i>Add / (less): Movements in working capital items</i>		
(Increase) / decrease in Accounts Receivable	(2,624)	(143,187)
(Increase) / decrease in Crown Receivables	(665,350)	(806,713)
(Increase) / decrease in Aid Trust	105,684	182,976
(Increase) / decrease in Sundry Debtors	8,354	(8,474)
(Increase) / decrease in Prepayments	(417,181)	397,645
(Increase) / decrease in POBOC Liability	96,389	107,296
(Increase) / decrease in Inventory	(140,837)	(125,906)
Increase / (decrease) in Accounts Payable	99,157	(20,461)
Increase / (decrease) in Aid Liabilities	(108,635)	(182,976)
Increase / (decrease) in VAT Payable	(48,724)	2,537
Increase / (decrease) in Payroll Accruals	20,236	148,882
Increase / (decrease) in Sundry Creditors	(127,344)	112,768
(Gain)/Loss on Sale of Assets	(4,860)	36
	<u>(1,185,735)</u>	<u>(335,577)</u>
Net Cash Flows from Operating Activities	<u>(606,624)</u>	<u>421,986</u>

The accompanying accounts should be read in conjunction with these Financial Statements



MINISTRY OF HEALTH

STATEMENT OF APPROPRIATIONS
FOR THE YEAR ENDED 30 JUNE 2015

In New Zealand Dollars

	Appropriation Voted	Revenue/ Expenditure Actual	Surplus / (Deficit)
Year Ended 30 June 2015			
Output 1: Community Health Services	1,695,297	1,876,703	(181,406)
Output 2: Hospital Health Services	8,151,865	8,158,999	(7,134)
Output 3: Funding & Planning	771,261	720,627	50,634
	<u>10,618,423</u>	<u>10,756,330</u>	<u>(137,907)</u>
Included in the Appropriation Vote:			
Trading Revenue	400,000	406,500	6,500
Other Revenue		5,432	5,432
Net Aid Revenue		37,867	37,867
Net Surplus			<u><u>(88,107)</u></u>
Year Ended 30 June 2014			
Output 1: Community Health Services	1,818,881	1,625,185	193,696
Output 2: Hospital Health Services	8,303,656	8,186,286	117,370
Output 3: Funding & Planning	652,864	736,115	(83,251)
	<u>10,775,401</u>	<u>10,547,586</u>	<u>227,815</u>
Included in the Appropriation Vote:			
Trading Revenue	400,000	557,040	157,040
Other Revenue	-	578	578
Net Aid Revenue		250	250
Net Surplus			<u><u>385,683</u></u>

The accompanying accounts should be read in conjunction with these Financial Statements.



MINISTRY OF HEALTH

**SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2015**

Statement of Unappropriated Expenditure

Unappropriated expenditure incurred during the year was \$125,974 (2014: nil).

Statement of Commitments

There were no financial commitments at balance date (2014: nil).

Statement of Contingent Liabilities

There is a current litigation involving the Ministry of Health, medical negligence claim of \$86,148.50

Statement of Trust Monies

The Ministry held no trust monies at balance date (2014: nil).

Statement of Specific Fiscal Risks

The Ministry is not exposed to specific fiscal risk.

Statement of Borrowings

The Ministry does not have any borrowings with third parties.

The accompanying accounts should be read in conjunction with these Financial Statements



MINISTRY OF HEALTH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

Note 1: Statement of Accounting Policies

Basis of Preparation

- (i) Reporting Entity
These financial statements are for the Ministry of Health which is considered to be an agency of the Crown.
- (ii) Statement of Compliance
These financial statements have been prepared in accordance with the Ministry of Finance and Economic Management Act 1995-96 and with the International Public Sector Accounting Standards issued by the International Public Sector Accounting Standards Board (IPSASB).
- (iii) Measurement Base
The financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period.

These financial statements have been prepared using the historical cost method to report results, cashflows and the financial position of the Ministry of Health. The financial statements have been prepared under the accrual basis of accounting and are presented in New Zealand dollars rounded to the nearest dollar.

Significant Accounting Policies

The following accounting policies, which significantly affect the measurement of financial performance, financial position and cash flows have been applied:

- (i) Revenue
The Ministry of Health derives revenue from the Crown for the provision of services to the Crown in the form of the production of certain outputs disclosed in the Statement of Appropriations on page 12. Revenue is also provided from the provision of services to third parties. All such revenue is recognised when it is earned.
- (ii) Expenses
Expenses are recognised when incurred and are reported in the financial period to which they relate.

Realised gains or losses arising from sales of assets or the early settlement of a liability are recognised in the Statement of Financial Performance in the period in which the transaction is concluded.
- (iii) Foreign Aid
Aid monies received are recorded in the Statement of Financial Performance as they are utilised. Revenue is recognised at the same time the equivalent expense is incurred. Any unused aid money is held as an Aid Liability until such time as it is used and/or any applicable conditions attached to the funding are satisfied.
- (iv) Taxation
The Ministry of Health, as an agency of the Crown, is exempt from the payment of income tax in terms of the Income Tax Act 1997. Accordingly, no charge for income tax has been provided for.

MINISTRY OF HEALTH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Significant Accounting Policies (continued)

(v) Inventories

Inventories are recorded at the lower of cost or current replacement value. Appropriate allowance has been made for obsolescence where it is deemed necessary.

Inventories held for use will be valued at Cost of Current Replacement Value.

Inventories received at nominal or nil cost will be valued at Current Replacement Value as if those inventories had been purchased in normal market conditions.

Write offs of inventories or write downs of inventory values will be recognised as an expense in the Statement of Financial Performance.

(vi) Plant, Property, and Equipment

Plant, property and equipment are recorded at cost less accumulated depreciation.

The cost of purchased plant, property, and equipment is the value of the consideration given to acquire the assets and the value of other directly attributable costs which have been incurred in bringing the assets to the location and condition necessary for their intended service.

When an item of plant, property and equipment is disposed, the gain or loss associated with that item will be recognised in the Statement of Financial Performance.

Work in Progress is recognised as cost less impairment and is not depreciated. Depreciation of plant, property, and equipment is provided on a straight line basis so as to allocate the cost of assets to their estimated residual value over their estimated useful lives. Typically, the estimated useful lives are:

Computer Equipment	3 - 4 years
Motor Vehicles	5 years
Furniture and Fittings	4 - 10 years
Office Equipment	5 years
Buildings	10 years

(vii) Intangible Assets

The cost of purchased intangibles such as software is the value of the consideration given to acquire the assets and the value of other directly attributable costs such as installation which have been incurred in bringing the assets to the location and condition necessary for their intended service.

When an intangible asset is disposed, the gain or loss associated with that asset will be recognised in the Statement of Financial Performance.

Amortisation of intangible assets is provided on a straight line basis so as to allocate the cost of the intangible to their estimated residual value over their estimated useful lives. Typically, the estimated useful lives are:

Software	3-4 years
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(viii) Provision for Employee Entitlements

Annual leave, and time off in lieu of overtime worked are recognised as they accrue to employees.

MINISTRY OF HEALTH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Significant Accounting Policies (continued)

(ix) Foreign Currencies

Foreign currency transactions are recorded at the exchange rates in effect at the date of the transaction. Monetary assets and liabilities arising from trading transactions or overseas borrowings are translated at closing rates. Gains and losses due to currency fluctuations on these items are included in the Statement of Financial Performance.

(x) Financial Instruments

Financial instruments primarily consist of bank balances, receivables and payables. Gains and losses in relation to all financial instruments are recognised in the Statement of Financial Performance.

(xi) Commitments

Future expenses and liabilities to be incurred on contracts that have been entered into at balance date are disclosed as commitments to the extent that there are equally unperformed obligations.

(xii) Contingent Liabilities

Contingent liabilities are disclosed at the point at which the contingency is evident.

(xiii) Cash and Equivalents

Cash and Equivalents include cash on hand, deposits on call with the bank, and investments with a maturity of less than 3 months.

(xiv) Statement of Cash Flows

Cash is considered to be cash balances on hand and current accounts in banks, net of bank overdrafts.

Operating activities include cash received from all income sources of the Ministry of Health and record the cash payments made for the supply of goods and services.

Investing activities are those activities relating to the acquisition, holding and disposal of fixed assets and investments.

Financing activities comprise capital injections by, or repayment of capital to, the Crown.

(xv) Value Added Tax (VAT)

All statements of account are exclusive of VAT. The Statement of Financial Position is exclusive of VAT except for payables and receivables which are stated VAT inclusive as these represent the total amount to be paid or collected by the Ministry to or from third parties.

The amount of VAT owing to or from the Revenue Management Division at balance date, being the difference between Output VAT and Input VAT, is included in payables or receivables as appropriate.

MINISTRY OF HEALTH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

Significant Accounting Policies (continued)

(xvi) Trade Receivables

Trade receivables are carried at the original invoice amount less any provision for doubtful debts. Provisions for doubtful debts are based on a review of outstanding amounts as at year-end. Bad debts are written off when identified.

(xvii) Trade Creditors

Trade creditors are carried at the original invoice amount.

(xviii) Superannuation Schemes

The Ministry of Health contributes to the National Superannuation Fund. This is classified as a Defined Contribution Scheme for the Ministry. As such, the only impact on these financial statements is in the Statement of Financial Performance where payments into the scheme are recognised as an expense in the period they are due.

Changes in Accounting Policies

(i) Cash Recall

The annual cash recall process is governed by Section 43, 44 and 68 of the MFEM Act. This procedure will be followed by all Ministries, Pa Enuā, Support Offices and bulk funded POBOC agencies. On the last working day of each financial year, MFEM-Treasury will transfer the balances of each government funded entity's operating bank account back to the government public bank account.

Taxpayer's Funds

This represents the Crown's net investment in the Ministry of Health.

MINISTRY OF HEALTH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 2: Other Revenue	2015	2014
Other	<u>572</u>	<u>578</u>
Total Other Revenue	<u>572</u>	<u>578</u>
 Note 3: Personnel Expense Reconciliation		
Wages and Salaries	8,194,479	8,083,016
Increase / (Decrease) in Leave Provisions	216,074	106,826
Increase / (Decrease) in Payroll Accrual	<u>20,236</u>	<u>148,882</u>
Total Personnel Costs	<u>8,430,789</u>	<u>8,338,724</u>
 Note 4: Other Expenses		
Communication	133,446	118,397
Expensed Assets	16,205	56,451
Freight and Postage	30,529	33,663
Repairs and Maintenance	225,372	218,320
Fuel and Oil	11,262	10,903
Medical Consumables	630,154	533,674
Printing and Office Stationery	40,899	40,899
Electricity	442,414	417,526
Entertainment	22,462	15,007
Travel	26,193	17,077
Human Resources and Training	36,774	42,373
Advertising, Marketing, and Promotion	21,685	19,453
Uniforms	1,635	10,099
Subscriptions	25,365	39,001
Kitchen Supplies	59,529	77,889
Cleaning Materials	97,170	69,808
Other	<u>53,303</u>	<u>43,510</u>
Total Other Expenses	<u>1,874,396</u>	<u>1,764,050</u>
 Note 5: Cash and Equivalents		
ANZ Bank	(1,909)	(76,199)
Petty Cash	<u>10,400</u>	<u>10,100</u>
Total Cash and Equivalents	<u>8,491</u>	<u>(66,099)</u>

The accompanying accounts should be read in conjunction with these Financial Statements

MINISTRY OF HEALTH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
Note 6: Inventory		
Inventory Held for Use	747,957	607,120
Total Inventory	<u>747,957</u>	<u>607,120</u>
Note 7: Debtors and Other Receivables		
Accounts Receivable	505,883	503,259
Provision for Doubtful Debts	(135,935)	(117,458)
Cash Recall	2,500	213,941
Sundry Debtors and Receivables	1,039	9,393
	<u>373,487</u>	<u>609,135</u>
Inter-ministry receivables included above to SOEs	-	1,168
Inter-ministry receivables included above to Crown Agencies	57,631	26,274
Prior Years Crown Receivable	4,179,668	3,372,955
Current Year Crown Receivable	665,350	806,713
	<u>4,845,018</u>	<u>4,179,668</u>
Total Debtors and Other Receivables	<u>5,218,505</u>	<u>4,788,803</u>
Note 8: Creditors and Other Payables		
Accounts Payable	220,167	121,009
Sundry Creditors and Accruals	(23,240)	104,104
VAT Payable	306,642	355,366
Accrued Payroll	377,448	357,211
	<u>881,017</u>	<u>937,690</u>
Inter-ministry payables included above to SOEs	-	30
Inter-ministry payables included above to Crown Agencies	4,319	16,349
Prior Years Depreciation Payable	4,651,504	3,839,740
Prior Years Surplus Payable	(14,558)	(14,558)
Current Year Depreciation Payable	649,928	811,764
	<u>5,286,874</u>	<u>4,636,946</u>
Total Creditors and Other Payables	<u>6,167,891</u>	<u>5,574,636</u>

The accompanying accounts should be read in conjunction with these Financial Statements



MINISTRY OF HEALTH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
Note 9: Employee Entitlements		
Provision for Annual Leave	404,874	188,800
	<u>404,874</u>	<u>188,800</u>
Note 10: Aid Revenue and Expenses		
Aid Revenue Received from Crown:		
New Zealand Aid	620,253	402,926
Total Aid Revenue Received from Crown	<u>620,253</u>	<u>402,926</u>
Aid Revenue Received from Donors:		
United Nations Aid	243,784	554,879
Other Aid	232,348	274,284
Total Aid Revenue Received from Donors	<u>476,132</u>	<u>829,163</u>
Total Aid Revenue Received	<u>1,096,385</u>	<u>1,232,089</u>
Aid Expenses Incurred:		
New Zealand Aid	608,303	402,926
United Nations Aid	226,827	554,879
Other Aid	223,388	274,034
Total Aid Expenses Incurred	<u>1,058,518</u>	<u>1,231,839</u>
Note 11: Related Parties		
The Ministry of Health is a wholly owned entity of the Crown, however, the Government protects it through its legislation from undue influence and significant control.		
The Crown provides the Ministry with significant funding in the form of an annual appropriation to assist the Ministry in discharging its duties and obligations. The Ministry also enters into transactions with other Government ministries, Crown agencies and State Owned Enterprises in an arms-length basis. As such, these do not need to be disclosed. Any transactions between related parties which are not subject to arms-length consideration will be detailed below.		
The key management personnel are members of the senior management group.		
The aggregate remuneration of members of the senior management group and the number of individuals determined on a full time equivalent basis receiving remuneration within this category are:		
Aggregate remuneration	229,503	229,503
Number of persons	4	4

The accompanying accounts should be read in conjunction with these Financial Statements



MINISTRY OF HEALTH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 12a: Plant, Property, and Equipment 2015

Category	Opening Cost	Additions	Disposals	Closing Cost	Opening Accum Depn	Depreciation	Accum Depn on Disposals	Closing Accum Depreciation	Net Book Value
Computer Equipment	474,568	7,882		482,450	332,348	33,509		365,857	116,593
Furniture & Fittings	394,104	50,770		444,874	190,615	18,964		209,579	235,295
Motor Vehicles	1,021,369		137,242	884,127	821,050	44,119	137,242	727,937	156,190
Plant & Equipment	6,774,337	218,362		6,992,699	2,883,212	315,866		3,199,078	3,793,621
Buildings	259,585	59,055		312,660	66,604	18,454		85,058	227,602
Work In Progress	-			-					-
Total Plant, Property, & Equipment	8,923,973	335,079	137,242	9,116,610	4,293,839	430,612	137,242	4,587,209	4,529,401

Note 12b: Plant, Property, and Equipment 2014

Category	Opening Cost	Additions	Disposals	Closing Cost	Opening Accum Depn	Depreciation	Accum Depn on Disposals	Closing Accum Depreciation	Net Book Value
Computer Equipment	466,541	8,527	500	474,568	293,610	38,738		332,348	142,220
Furniture & Fittings	323,019	73,065		394,104	171,791	18,824		190,615	203,489
Motor Vehicles	913,838	107,531		1,021,369	780,174	40,887		821,050	200,308
Plant & Equipment	6,005,087	769,250		6,774,337	2,573,612	309,800		2,883,212	3,891,125
Buildings	259,585			259,585	43,256	28,348		85,058	174,527
Work In Progress	589,835		169,835	-					-
Total Plant, Property, & Equipment	8,135,915	958,363	170,335	8,923,973	3,861,443	432,397	-	4,293,840	4,630,133

The accompanying accounts should be read in conjunction with these Financial Statements

