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Summary

An Act to appropriate certain sums of money out of the Cook Islands Government Account to the services of the year ending on the thirtieth day of June 2015 and to appropriate the supplies granted in this period

(7 November 2014)

MOST GRACIOUS SOVEREIGN: We, Your Majesty's most dutiful and loyal subjects, the Parliament of the Cook Islands, towards making good the supply which we have cheerfully granted to Your Majesty in this year, have resolved to grant Your Majesty the sum specified in this Act and humbly ask Your Majesty to assent to the sum. And the Parliament of the Cook Islands enacts as follows—

- Title**
This Act is the Appropriation Act 2014.
- Application**
This Act applies to the year ending on the thirtieth day of June 2015 ("the year").

Price \$3.00

3 Grant and appropriation out of the Cook Islands Government Account

- (1) The Minister responsible for Finance may authorise the incurrence of expenses or expenditure and may issue and apply out of the Cook Islands Government Account, towards making good the supplies granted to Her Majesty for the services of the year, any sums which in total do not exceed the sum of **\$224,383,065**.
- (2) Subject to subsection (3) the sums authorised to be supplied are appropriated for the services set out in the votes specified in the Schedules to this Act.
- (3) The votes identified in Schedule 4 to this Act as being funded through loans from financing partners or from grants by development partners are further limited to the lesser of the votes specified in those Schedules and the loan proceeds or grants received for the purpose of financing the expense or expenditure in relation to those votes.
- (4) Notwithstanding section 37 of the Ministry of Finance and Economic Management Act 1995-96, the appropriations made under this Act will lapse on 30 June 2015.
- (5) Payments that may be charged against any appropriation made by this Act after 30 June 2015 are limited to—
 - (a) self balancing journal entries to correct posting errors during the year ended 30 June 2015; or
 - (b) expenses incurred or payments due during the year ended 30 June 2015 for which a valid invoice was submitted before 30 June 2015, but for which a payment or payments to extinguish that liability in relation to that invoice had not been made by 30 June 2015.
- (6) The appropriations made in the Appropriation Act 2013 will lapse on 30 June 2014.
- (7) Payments that may be charged after 30 June 2014 against any appropriation that lapses under the provisions of subsection (6) are limited to—
 - (a) self balancing journal entries to correct posting errors during the year ended 30 June 2014; or
 - (b) expenses incurred or payments due during the year ended 30 June 2014 for which a valid invoice was submitted before 30 June 2014, but for which a payment or payments to extinguish the liability in relation to that invoice had not been made by 30 June 2014.
- (8) Where in the period ended 30 June 2014, the Financial Secretary appointed under section 4 of the Ministry of Finance and Economic Management Act 1995-96 had directed that an unexpended appropriation from an Appropriation Act for a previous year be available for expenditure in the year ended 30 June 2014, those appropriations will also lapse on 30 June 2014.
- (9) Payments that may be charged after 30 June 2014 against any appropriation that lapses under the provisions of subsection (8) are limited to—
 - (a) self balancing journal entries to correct posting errors during the year ended 30 June 2014; or

- (b) expenses incurred or payments due during the year ended 30 June 2014 for which a valid invoice was submitted before 30 June 2014, but for which a payment or payments to extinguish the liability in relation to that invoice had not been made by 30 June 2015.

Section 3(2) and (3)

Schedule 1 Ministry Appropriations

Ministry	Personnel	Operating	Depreciation	Gross Operating		Net Operating	POBOCS	Capital	Total Gross		Total Net
				Appropriation	Revenue				Expenditure	Appropriation	
Agriculture	809,653	87,643	5,035	902,330	90,535	811,795	0	0	902,330	811,795	
Audit (PERCA)	877,440	104,180	26,678	1,008,298	178,700	829,598	138,100	0	1,146,398	967,698	
Crown Law	493,054	146,100	5,983	645,137	0	645,137	0	0	645,137	645,137	
Cultural Development	487,095	254,288	96,655	838,038	175,000	663,038	722,500	0	1,560,538	1,385,538	
Business Trade and Investment Board	409,486	236,574	9,000	655,060	23,380	631,680	0	0	655,060	631,680	
Education	9,617,626	1,114,765	340,864	11,073,255	0	11,073,255	3,307,482	155,000	14,535,737	14,535,737	
Environment	787,683	162,724	30,381	980,788	35,000	945,788	0	0	980,788	945,788	
Finance and Economic Management	2,615,359	581,939	128,530	3,325,828	503,500	2,822,328	14,665,983	6,294,000	24,285,812	23,782,312	
Financial Services Development Authority	231,200	178,906	9,867	419,973	0	419,973	0	0	419,973	419,973	
Foreign Affairs	1,151,596	541,151	77,726	1,770,473	20,000	1,750,473	609,166	0	2,379,639	2,359,639	
Head Of State	183,168	34,080	15,057	232,305	0	232,305	15,000	0	247,305	247,305	
Health	8,207,307	1,756,330	654,788	10,618,425	400,000	10,218,425	1,599,870	810,000	13,028,295	12,628,295	
Infrastructure Cook Islands	1,504,670	264,351	233,013	2,002,034	245,626	1,756,408	645,000	8,818,500	11,465,534	11,219,908	
Internal Affairs	942,109	118,085	17,264	1,077,457	6,000	1,071,457	17,484,348	50,000	18,611,805	18,605,805	
Justice	1,374,361	419,371	120,547	1,914,279	500,000	1,414,279	267,000	0	2,181,279	1,681,279	
Marine Resources	1,095,833	303,125	57,318	1,456,276	15,000	1,441,276	200,000	0	1,656,276	1,641,276	
Ombudsman	208,382	53,840	5,822	268,044	0	268,044	0	0	268,044	268,044	
Parliamentary Services	463,676	83,611	24,579	571,866	8,419	563,447	2,585,446	0	3,157,311	3,148,892	
Pearl Authority	205,493	236,688	21,916	464,097	0	464,097	0	0	464,097	464,097	
Police	2,876,739	458,663	218,622	3,554,024	69,360	3,484,664	210,000	154,000	3,918,024	3,848,664	
Prime Minister's Office	930,638	182,849	36,069	1,149,556	0	1,149,556	625,000	2,203,000	3,977,556	3,977,556	
Public Service Commission	1,533,708	55,447	64,747	1,653,902	0	1,653,902	0	0	1,653,902	1,653,902	
Tourism Corporation	1,422,893	2,908,553	16,000	4,347,446	200,000	4,147,446	2,250,000	0	6,597,446	6,397,446	
Transport	480,465	138,964	39,047	658,476	36,000	622,476	56,000	0	714,476	678,476	
Cook Islands Investment Corporation	0	0	0	0	0	0	75,000	2,741,000	2,816,000	2,816,000	
Cook Islands Seabed Minerals Authority	211,801	123,139	5,060	340,000	0	340,000	0	0	340,000	340,000	
Capital Funds Committee- Administered by MFEM	0	0	45,000	45,000	0	45,000	0	200,000	245,000	245,000	
Total Ministries	39,121,433	10,545,365	2,305,568	51,972,365	2,506,520	49,465,845	45,455,895	21,425,500	118,853,760	116,347,240	
Ministerial Support											
Prime Minister	300,509	110,773	11,100	422,382	0	422,382	0	0	422,382	422,382	
Deputy Prime Minister	130,000	85,372	5,628	221,000	0	221,000	0	0	221,000	221,000	
Minister Mark Brown	186,455	81,613	6,802	274,870	0	274,870	0	0	274,870	274,870	
Minister Kiriaiu Turepu	122,907	56,931	11,162	191,000	0	191,000	0	0	191,000	191,000	
Minister Nandi Glassie	101,585	78,415	12,000	192,000	0	192,000	0	0	192,000	192,000	
Minister Mona Ioane	68,500	118,000	5,500	192,000	0	192,000	0	0	192,000	192,000	

4 Note: Schedule 1 Ministry Appropriations includes all POBOCS which is then replicated in Schedule 2 Benefits and Other Unrequited Expenses. The Ministry of Internal Affairs is responsible for welfare payments and the Ministry of Finance and Economic Management is responsible for the Parliamentary Superannuation.

Ministry	Personnel		Operating		Depreciation		Gross Operating		Trading		Net Operating		POBOCS		Capital		Total Gross		Total Net	
							Appropriation	Revenue	Appropriation	Revenue	Appropriation	Appropriation	Expenditure	Appropriation	Appropriation	Appropriation	Appropriation	Appropriation	Appropriation	Appropriation
Leader Of Opposition	147,000		48,200		6,800		202,000		202,000		0	202,000		0	0		202,000		202,000	
Total Ministerial Support Offices	1,056,956		579,304		58,992		1,695,252		1,695,252		0	1,695,252		0	0		1,695,252		1,695,252	
Outer Islands																				
Aitutaki	1,022,283		389,111		143,884		1,555,277		48,250		1,507,027		262,000		1,817,277		1,769,027		1,769,027	
Aitutaki Power Supply	254,316		1,608,228		348,789		2,211,333		1,900,943		310,390		0		2,211,333		310,390		310,390	
Ai'u	668,152		402,588		138,561		1,209,302		224,318		984,984		12,000		1,221,302		996,984		996,984	
Mangaia	789,916		544,197		204,700		1,538,812		301,000		1,237,812		12,000		1,550,812		1,249,812		1,249,812	
Manihiki	613,450		175,281		92,199		880,930		136,300		744,630		10,000		890,930		754,630		754,630	
Mauke	628,957		208,270		80,877		918,104		113,853		804,251		10,000		928,104		814,251		814,251	
Mitiaro	472,400		66,199		55,200		593,798		58,899		534,899		8,000		601,798		542,899		542,899	
Palmerston	248,604		65,214		44,812		338,630		20,599		338,031		10,000		368,630		348,031		348,031	
Penrhyn	349,768		203,887		52,407		606,062		83,904		522,158		12,000		618,062		534,158		534,158	
Pukapuka-Nassau	697,808		145,580		140,552		983,939		73,695		910,244		12,000		995,939		922,244		922,244	
Rakahanga	362,148		50,732		37,829		450,709		49,336		401,373		8,000		458,709		409,373		409,373	
Outer Islands Capital Fund-Administered by MFEM	-		-		27,500		27,500		0		27,500		0		27,500		27,500		27,500	
Total Outer Islands	6,107,802		3,859,286		1,367,309		11,334,397		3,011,097		8,323,300		356,000		11,690,397		8,679,300		8,679,300	
Gross Total	46,286,191		14,983,955		3,731,869		65,002,014		5,517,617		59,484,397		21,781,500		132,239,409		126,721,792		126,721,792	

Schedule 2
Benefits and Other Unrequited Expenses

Category of Benefit	Budget Estimate 2013/14	Budget Estimate 2014/15	Variance	Per cent
Welfare Payments	13,583,800	16,541,348	2,957,548	22%
Parliamentary Superannuation	180,000	180,000	0	0%
Total Benefits and Other Unrequited Expenses	13,763,800	16,721,348	2,957,548	21%

Schedule 3
Borrowing Expenses and Debt Repayment

Category of Expense	Budget Estimate 2013/14	Budget Estimate 2014/15	Variance	Per cent
Gross Debt Servicing (see Schedule 10)	5,710,000	5,424,736	-285,264	-5%
Total Borrowing Expenses and Debt Repayment	5,710,000	5,424,736	-285,264	-5%

Schedule 4
Other Expenses

Category of Expense	Budget Estimates 2013/14	Budget Estimate 2014/15	Variance	Per cent
Airport Authority	2,047,997	2,047,997	0	0%
Bank of the Cook Islands	181,000	181,000	0	0%
Te Aponga Uira	350,000	350,000	0	0%
Asset Management	1,800,000	1,800,000	0	0%
Contingency Funds - Capital Expenditure	50,000	50,000	0	0%
Contingency Funds - Operating	100,000	100,000	0	0%
Crown Infrastructure Depreciation	5,069,598	2,920,397	-2,149,201	-42%
Expenditure of ADB Loan	0	3,245,000	3,245,000	-
Expenditure of Chinese Loans	6,946,000	6,452,000	-494,000	-7%
Overseas Development Assistance	59,363,162	63,693,150	4,329,988	7%
ADB Share Capital	26,600	26,600	0	0%
Transfer to Emergency Response Trust Fund	0	100,000	100,000	-
Transfer to Reserve Trust Fund	498,263	515,476	17,213	3%
Depreciation Contingency Fund	0	3,100,000	3,100,000	-
Debt Servicing Interest	1,429,000	2,137,300	708,300	50%
Total Other Expenses	77,861,620	86,718,920	8,857,300	11%

Summary

Category of Payment	Budget Estimates 2013/14	Budget Estimate 2014/15	Variance	Per cent
Schedule 1 - Ministry Outputs (Gross), POBOCs and Capital Expenditure	101,894,147	115,518,061	13,623,914	13%
Schedule 2 - Benefits and Other Unrequited Expenses	13,763,800	16,721,348	2,957,548	21%
Schedule 3 - Borrowing Expenses and Debt repayment	5,710,000	5,424,736	(285,264)	-5%
Schedule 4 - Other Expenses	77,861,620	86,718,920	8,857,300	11%
TOTAL APPROPRIATION	199,229,567	224,383,065	25,153,499	13%

This Act is administered by the Ministry of Finance and Economic Management.

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