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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 2017 and to appropriate the supplies granted in this period

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 be it enacted by the Parliament of the Cook Islands in Session assembled, and by the authority of the same, as follows:

(27 June 2016)

- Title**
This Act is the Appropriation Act 2016.
- Application**
This Act applies to the year ending on the thirtieth day of June 2017 ("the year").

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 **\$238,280,290**.
- (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 2017.
- (5) Payments that may be charged against any appropriation made by this Act after 30 June 2017 are limited to—
 - (a) self balancing journal entries to correct posting errors during the year ended 30 June 2017; or
 - (b) expenses incurred or payments due during the year ended 30 June 2017 for which a valid invoice was submitted before 30 June 2017, but for which a payment or payments to extinguish that liability in relation to that invoice had not been made by 30 June 2017.
- (6) The appropriations made in the Appropriation Act 2015 will lapse on 30 June 2016.
- (7) Payments that may be charged after 30 June 2016 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 2016; or
 - (b) expenses incurred or payments due during the year ended 30 June 2016 for which a valid invoice was submitted before 30 June 2016, but for which a payment or payments to extinguish the liability in relation to that invoice had not been made by 30 June 2016.
- (8) Where in the period ended 30 June 2016, 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 2016, those appropriations will also lapse on 30 June 2016.
- (9) Payments that may be charged after 30 June 2016 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 2016; or
 - (b) expenses incurred or payments due during the year ended 30 June 2016 for which a valid invoice was submitted before 30 June 2016, but for which a payment or payments to extinguish the liability in relation to that invoice had not been made by 30 June 2016.

Schedule 1 Ministry Appropriations

Ministry	Personnel	Operating	Depreciation	Gross Operating Appropriation	Trading Revenue ¹	Net Operating Appropriation	Administered Payments	POBOC	Capital Expenditure	Total Gross Appropriation	Total Net Appropriation
Agriculture	868,653	84,643	22,182	975,477	90,535	884,942	0	0	0	975,477	884,942
Audit (PERCA)	895,440	110,180	26,678	1,032,298	112,700	919,598	0	138,100	0	1,170,398	1,057,698
Crown Law	493,054	144,100	5,983	643,137	0	643,137	0	0	0	643,137	643,137
Cultural Development	575,601	193,782	96,655	866,038	175,000	691,038	722,500	0	0	1,588,538	1,413,538
Business Trade and Investment Board	413,486	232,574	9,000	655,060	23,380	631,680	0	0	0	655,060	631,680
Education	11,015,475	3,497,101	412,364	14,924,940	0	14,924,940	3,932,682	0	448,000	19,305,622	19,305,622
Environment	802,683	148,724	30,381	981,788	35,000	946,788	82,241	0	0	1,064,029	1,029,029
Finance and Economic Management	2,849,359	575,939	128,530	3,553,828	503,500	3,050,328	11,454,650	1,800,694	6,907,728	23,716,900	23,213,400
Financial Services Development Authority	235,200	177,906	9,867	422,973	0	422,973	0	0	0	422,973	422,973
Foreign Affairs	1,182,596	542,151	77,726	1,802,473	20,000	1,782,473	10,000	660,166	0	2,472,639	2,452,639
Head Of State	165,168	34,080	15,057	214,305	0	214,305	15,000	0	0	229,305	229,305
Health	8,287,307	2,506,330	654,788	11,448,425	350,000	11,098,425	1,646,870	0	744,500	13,839,795	13,489,795
Infrastructure Cook Islands	1,707,670	303,351	241,596	2,252,617	295,626	1,956,991	745,000	0	9,870,556	12,868,173	12,572,547
Internal Affairs of which: Welfare Payments - Allowances	968,109	120,085	17,264	1,105,457	6,000	1,099,457	1,985,418	15,799,966	50,000	18,940,841	18,934,841
Justice	1,442,361	399,371	118,047	1,959,779	500,000	1,459,779	337,000	0	0	2,296,779	1,796,779
Marine Resources	1,110,833	348,125	95,000	1,553,958	18,000	1,535,958	300,000	0	500,000	2,335,958	2,335,958
Ombudsman	211,382	62,840	5,822	280,044	0	280,044	0	0	0	280,044	280,044
Parliamentary Services	472,676	71,192	24,579	568,447	0	568,447	52,000	2,591,148	0	3,211,595	3,211,595
Pearl Authority	208,493	234,688	24,778	467,959	0	467,959	0	0	0	467,959	467,959
Police	2,924,739	445,663	218,622	3,589,024	84,360	3,504,664	405,000	0	0	3,994,024	3,909,664
Prime Minister's Office	1,087,638	306,849	36,069	1,430,556	0	1,430,556	295,000	0	12,749,000	14,474,556	14,474,556
Public Service Commission	389,992	52,447	86,742	529,181	0	529,181	1,228,716	0	0	1,757,897	1,757,897
Tourism Corporation	1,692,930	2,716,116	21,500	4,430,546	352,000	4,078,546	5,500,000	0	0	9,930,546	9,578,546
Transport	500,607	135,964	39,047	675,618	36,000	639,618	56,000	0	0	731,618	695,618
Cook Islands Investment	630,150	1,702,450	22,400	2,355,000	555,000	1,800,000	405,000	2,658,096	4,502,000	9,920,096	9,365,096

¹ For Island Administrations, this includes transfers from cash reserves, less transfers to cash reserves

Appropriation

Ministry	Personnel	Operating	Depreciatio n	Gross Operating Appropriation	Trading Revenue ¹	Net Operating Appropriation	Administered Payments	POBOC	Capital Expenditure	Total Gross Appropriation	Total Net Appropriation
Corporation											
Cook Islands Seabed	173,000	110,940	7,200	291,140	0	291,140	0	0	0	291,140	291,140
Minerals Authority											
Capital Funds Committee- Administered by MFEM	0	0	45,000	45,000	0	45,000	0	0	239,900	284,900	284,900
Total Ministries	41,304,600	15,257,590	2,492,877	59,055,066	3,157,101	55,897,965	29,173,077	23,648,170	36,011,684	147,887,997	144,730,896
Ministerial Support											
Prime Minister	294,509	109,773	11,100	415,382	0	415,382	0	0	0	415,382	415,382
Deputy Prime Minister	131,000	85,372	11,503	227,875	0	227,875	0	0	0	227,875	227,875
Minister Mark Brown	196,455	81,613	6,802	284,870	0	284,870	0	0	0	284,870	284,870
Minister Kiriaū Turepu	123,907	56,931	11,162	192,000	0	192,000	0	0	0	192,000	192,000
Minister Nandi Glasie	102,585	78,415	12,000	193,000	0	193,000	0	0	0	193,000	193,000
Minister Albert Nicholas	69,500	117,000	5,500	192,000	0	192,000	0	0	0	192,000	192,000
Leader Of Opposition	148,000	48,200	6,800	203,000	0	203,000	0	0	0	203,000	203,000
Total Ministerial	1,065,956	577,304	64,867	1,708,127	-	1,708,127	-	-	-	1,708,127	1,708,127
Support Offices											
Outer Islands											
Aitutaki	1,090,176	385,526	143,884	1,619,586	91,201	1,528,385	0	0	494,440	2,114,026	2,022,825
Aitutaki Power Supply	266,800	1,595,744	348,789	2,211,333	1,900,943	310,390	0	0	63,000	2,274,333	373,390
Atiu	702,620	385,306	138,561	1,226,488	224,318	1,002,170	0	0	12,000	1,238,488	1,014,170
Mangaia	792,064	545,677	204,700	1,542,441	301,000	1,241,441	0	0	12,000	1,554,441	1,253,441
Manihiki	598,798	155,149	92,199	846,146	114,500	731,646	0	0	10,000	856,146	741,646
Mauke	621,873	195,959	178,982	996,813	108,853	887,960	0	0	10,000	1,006,813	897,960
Mitiaro	480,943	67,396	55,200	603,539	58,899	544,640	0	0	8,000	611,539	552,640
Palmerston	250,571	65,730	42,000	358,301	20,599	337,702	0	0	10,000	368,301	347,702
Pennhyn	374,999	188,194	52,407	615,600	83,904	531,696	0	0	12,000	627,600	543,696
Pukapuka-Nassau	695,579	145,115	140,552	981,246	73,695	907,551	0	0	12,000	993,246	919,551
Rakahanga	345,533	60,113	37,829	443,475	49,336	394,139	0	0	8,000	451,475	402,139
Outer Islands Capital Fund-Administered by MFEM	0	0	27,500	27,500	0	27,500	0	0	0	27,500	27,500
Total Outer Islands	6,219,958	3,789,908	1,462,602	11,472,468	3,027,248	8,445,220	-	0	651,440	12,123,908	9,096,660
Gross Total	48,578,029	19,637,286	4,020,346	72,235,661	6,184,349	66,051,312	29,173,077	23,648,170	36,663,124	161,720,032	155,535,683

Schedule 2
Benefits and Other Unrequited Expenses

Category of Benefit	2015/16 Budget Estimate	2016/17 Budget Estimate	Variance
Welfare Payments	16,967,788	16,782,384	185,404
Parliamentary Superannuation	180,000	180,000	0
Total Benefits and Other Unrequited Expenses	17,147,788	16,962,384	185,404

Schedule 3
Borrowing Expenses and Debt Repayment

Category of Benefit	2015/16 Budget Estimate	2016/17 Budget Estimate	Variance
Contribution to LRF Principal	4,676,468	6,893,059	2,216,591
Debt Interest Contribution to LRF	2,246,275	1,710,050	536,225
Total Borrowing Expenses and Debt Repayment	6,922,743	8,603,108	1,680,365

Schedule 4
Other Expenses

Category of Expense	2015/16 Budget Estimate	2016/17 Budget Estimate	Variance
Airport Authority subsidy	2,047,997	0	-2,047,997
Bank of the Cook Islands - social assistance subsidy	120,000	0	-120,000
Te Aponga Uira - social assistance subsidy	380,000	0	-380,000
Ports Authority - subsidy	110,099	0	-110,099
Asset Management (CIIC)	1,798,000	0	-1,798,000
Contingency Funds - Capital Expenditure	50,000	0	-50,000
Contingency Funds - Operating	100,000	100,000	0
Crown Infrastructure Depreciation	2,920,397	3,682,397	762,000
Concession Loan Fund - Top Ups	150,000	0	-150,000
Cook Islands Primary Schools 50 year Saver	230,000	0	-230,000
Public Sector Strengthening	672,000	0	-672,000
Official Development Assistance	49,115,200	60,660,588	11,545,388
ADB Renewable Energy Loan Expenditure	3,245,000	11,984,000	
ADB Share Capital	-	0	0
Transfer to Emergency Response Trust Fund	50,000	603,858	553,858
Transfer to Reserve Trust Fund	514,570	548,172	33,602
Depreciation Contingency Fund	2,490,000	2,362,134	-127,866
Contributions to CISWF	-	0	0
Total Other Expenses* (net of drawdowns)	60,748,263	67,957,149	7,208,886

**Schedule 5
Summary**

Category of Payment	2015/16 Budget Estimate	2016/17 Budget Estimate	Variance
Schedule 1 - Ministry Outputs (Gross), POBOCs and Capital Expenditure	131,912,181	144,757,648	12,845,467
Schedule 2 - Benefits and Other Unrequited Expenses	17,147,788	16,962,384	-185,404
Schedule 3 - Borrowing Expenses and Debt repayment	6,922,743	8,603,108	1,680,365
Schedule 4 - Other Expenses (net of Loan drawdowns)	60,748,263	67,957,149	7,208,886
TOTAL APPROPRIATION*	216,730,975	238,280,290	21,549,315

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