



MINISTRY OF AGRICULTURE

ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2014



MINISTRY OF AGRICULTURE
ANNUAL REPORT
FOR THE YEAR ENDED 30 JUNE 2014

CONTENTS

Directory	3
Statement of Responsibility	4
Audit Report	5 - 6
Statement of Financial Performance	7
Statement of Financial Position	8
Statement of Changes in Net Assets / Equity	9
Statement of Cash Flows	10 - 11
Statement of Appropriation / Supplementary Information	12 - 13
Notes to the Financial Statements	14 - 22



MINISTRY OF AGRICULTURE

DIRECTORY

Minister

Honourable Kiriau Turepu
Minister of Agriculture

Head of Ministry / Title

Dr Teariki Matairangi Porea
Secretary

Business Address

P O Box 96
Avarua
Rarotonga
COOK ISLANDS

Auditor

Cook Islands Audit Office

Banker

Westpac Banking Corp
Avarua
RAROTONGA

Solicitor

Crown Law Office



MINISTRY OF AGRICULTURE

STATEMENT OF RESPONSIBILITY

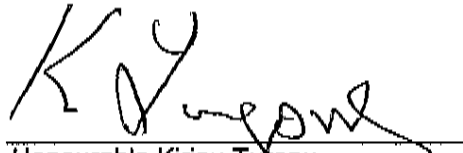
In terms of Section 30 of the Ministry of Finance and Economic Management Act 1995-96, I am responsible for the preparation of the Ministry of Agriculture's financial statements and the judgements made in the process of producing those statements.

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 Agriculture for the year ended 30 June 2014.



Dr Teariki Matairangi Porea
Secretary



Honourable Kiria Tulepu
Minister of Agriculture

30 April 2015

Date

30 April 2015

Date





AGREED UPON PROCEDURES REPORT

TO THE READERS OF THE FINANCIAL STATEMENTS OF MINISTRY OF AGRICULTURE FOR THE YEAR ENDED 30 JUNE 2014

Pursuant to our audit arrangements letter dated 23 March 2015, we undertook the procedures agreed with you. Our engagement was undertaken in accordance with the with standards for Agreed-upon Procedure Engagements as promulgated by the New Zealand Institute for Chartered Accountants [APS-1]. This report presents our opinion pursuant to the results of the agreed upon procedures performed.

The agreed upon procedures we performed are summarized as follows:

- 1) Crown appropriation revenue
 - a. We compared the Crown appropriations recorded as revenue by the Ministry of Agriculture for the period to the Ministry Appropriation recorded by MFEM
- 2) Personnel expenses
 - a. We compared personnel expenditure, including bonus payments and movements in payroll accruals and annual leave accruals recorded by the Ministry of Agriculture for the period to the amounts recorded in MFEM's Solomon Payroll Report.
- 3) Capital expenditure
 - a. We compared the movements in the Fixed assets and capital expenditures recorded by the Ministry of Agriculture for the period to MFEM's approved capital appropriations budget for the Ministry
- 4) Crown receivables
 - a. We compared the movements in the Crown receivables balance of the Ministry of Agriculture for the period and the balance of Crown receivables at period end to the MFEM statement for the Ministry
- 5) Crown payables
 - a. We compared the movements in the Crown payables balance of the Ministry of Agriculture for the period and the balance of Crown payables at period end, including depreciation repayable and surplus repayable, to the MFEM statement for the Ministry

We report our findings below:

- a) With respect to item 1, Crown appropriation revenue of \$744,796 agrees to the Ministry Appropriation recorded by MFEM;
- b) With respect to item 2, Personnel expenditure, including bonus payments and movements in payroll accruals and annual leave accruals of \$787,986 agrees to MFEM's Solomon Payroll Report;

- c) With respect to item 3, the movements in the fixed assets balance and capital expenditure recorded by the Ministry for the period of \$8,578 and \$nil respectively agrees to MFEM's approved capital appropriations budget for the Ministry;
- d) With respect to item 4, the movements in the Crown receivables balance of the Ministry for the period of NIL and the balance of Crown receivables at period end of \$109,982 agrees to the MFEM statement for the Ministry; and
- e) With respect to item 5, the movements in the Crown payables balance of the Ministry for the period of \$31,766 and the balance of Crown payables at period end of \$264,553 agrees to the MFEM statement for the Ministry.

Because the above procedures do not constitute either an audit or a review made in accordance with New Zealand Generally Accepted Auditing Standards, we do not express any assurance on the financial statements of Crown Law Office.

This report relates only to the accounts and items specified above and does not extend to any financial statements of Ministry of Agriculture, taken as a whole. Had we performed additional procedures or had we performed an audit or review of the financial statements in accordance with New Zealand Generally Accepted Auditing Standards, other matters might have come to our attention that would have been reported to you.

Our procedures were completed on 30 April 2015 and our findings are expressed as at that date.



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



MINISTRY OF AGRICULTURE

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2014

In New Zealand Dollars	Notes	2014	2013
Revenue			
Crown Appropriation		744,796	787,795
Trading Revenue		80,321	60,573
Total Revenue		<u>825,117</u>	<u>848,368</u>
Expenditure			
Personnel expenses	2	787,986	765,955
Audit Fees		-	3,000
Change in Provision for Doubtful Debts		-	5,888
Depreciation / Amortisation	10	5,770	16,086
Other Expenses	3	64,796	61,050
Total Expenditure		<u>858,552</u>	<u>851,979</u>
Operating Surplus / (Deficit)		<u>(33,435)</u>	<u>(3,611)</u>
Aid Revenue	8	13,173	12,337
Aid Expenses	8	9,674	12,337
Aid Surplus / (Deficit)		<u>3,499</u>	<u>-</u>
Net Surplus / (Deficit)		<u><u>(29,936)</u></u>	<u><u>(3,611)</u></u>

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



MINISTRY OF AGRICULTURE
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014

In New Zealand Dollars	Notes	2014	2013
Taxpayer's Funds			
Accumulated surplus / deficits		(311,755)	(276,050)
Owner Contributions		272,089	272,089
TOTAL TAXPAYER'S FUNDS		<u><u>(39,666)</u></u>	<u><u>(3,960)</u></u>
Represented by:			
Current Assets			
Debtors and Other Receivables	5	269,303	260,951
		<u>269,303</u>	<u>260,951</u>
Non-Current Assets			
Property, Plant, and Equipment	10 a,b	8,578	9,236
		<u>8,578</u>	<u>9,236</u>
TOTAL ASSETS		<u>277,881</u>	<u>270,188</u>
Current Liabilities			
Creditors and Other Payables	6	301,467	261,984
Aid Liabilities		283	-
Employee Entitlements	7	15,797	12,164
		<u>317,547</u>	<u>274,148</u>
TOTAL LIABILITIES		<u>317,547</u>	<u>274,148</u>
NET ASSETS		<u><u>(39,666)</u></u>	<u><u>(3,960)</u></u>



Dr Teariki Matairangi Porea

Secretary

30 April 2015

Date

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



MINISTRY OF AGRICULTURE

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	(276,050)	272,089	(3,960)
Changes in equity for the year:			
Net surplus / (deficit) for the year	(29,936)	-	(29,936)
Depreciation to be repaid to the Crown	(5,769)	-	(5,769)
BALANCE AS AT 30 JUNE 2014	<u>(311,755)</u>	<u>272,089</u>	<u>(39,666)</u>

MINISTRY OF AGRICULTURE

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2013

In New Zealand Dollars	Accumulated Surplus / Deficit	Contributions from Crown	Total Equity
Balance as at 30 June 2012 brought forward	(252,175)	272,089	19,915
Changes in equity for the year:			
Net surplus / (deficit) for the year	(3,610)	-	(3,610)
Depreciation to be repaid to the Crown	(20,265)	-	(20,265)
BALANCE AS AT 30 JUNE 2013	<u>(276,050)</u>	<u>272,089</u>	<u>(3,960)</u>

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



MINISTRY OF AGRICULTURE

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2014

In New Zealand Dollars	2014	2013
Cash Flows From Operating Activities		
<i>Cash was provided from:</i>		
Crown Appropriation	744,796	765,901
Receipt from Clients	80,321	60,573
VAT Refunds	588	-
Aid Revenue	13,455	12,336
	<u>839,160</u>	<u>838,810</u>
<i>Cash was applied to:</i>		
Payments to Employees	770,792	761,023
VAT Paid	-	2,358
Aid Expenses	9,674	12,336
Payments to Suppliers	71,228	64,914
	<u>851,693</u>	<u>840,631</u>
Net Cash Flows from Operating Activities	<u>(12,533)</u>	<u>(1,821)</u>
Cash Flows from Investing Activities		
<i>Cash was provided from:</i>		
<i>Cash was applied to:</i>		
Purchase of Fixed Assets	5,111	-
	<u>5,111</u>	<u>-</u>
Net Cash Flows from Investing Activities	<u>(5,111)</u>	<u>-</u>
Cash Flows From Financing Activities		
<i>Cash was provided from:</i>		
<i>Cash was applied to:</i>		
Repayment to the Crown	(25,996)	-
	<u>(25,996)</u>	<u>-</u>
Net Cash Flows from Financing Activities	<u>25,996</u>	<u>-</u>
Net Increase/(Decrease) in Cash Held	8,352	(1,821)
Opening Cash Balances	148,558	150,379
Closing Cash Balance	<u>156,910</u>	<u>148,558</u>

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



MINISTRY OF AGRICULTURE

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2014

In New Zealand Dollars	2014	2013
Reconciliation of Net Surplus to Cash Flows from Operating Activities		
Reported Surplus	(29,936)	(3,611)
<i>Add / (less): Non-cash items</i>		
Depreciation	5,770	16,086
Change in employee entitlements	3,633	6,489
Provision for Doubtful Debts	0	5,889
	<u>(20,534)</u>	<u>24,853</u>
<i>Add / (less): Movements in working capital items</i>		
(Increase) / decrease in Crown Receivables	-	(21,894)
Increase / (decrease) in Accounts Payable	(4,199)	(1,425)
Increase / (decrease) in Aid Liabilities	283	-
Increase / (decrease) in VAT Payable	588	(2,358)
Increase / (decrease) in Payroll Accruals	13,562	(1,558)
Increase / (decrease) in Sundry Creditors	(2,233)	561
	<u>8,001</u>	<u>(26,674)</u>
Net Cash Flows from Operating Activities	<u>(12,533)</u>	<u>(1,821)</u>

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



MINISTRY OF AGRICULTURE

**STATEMENT OF APPROPRIATIONS
FOR THE YEAR ENDED 30 JUNE 2014**

In New Zealand Dollars

	Appropriation Voted	Revenue/ Expenditure Actual	Surplus / (Deficit)
Year Ended 30 June 2014			
Output 1: Crop Reseach & Develop	331,601	321,571	10,030
Output 2: Biosecurity Management	320,889	311,183	9,706
Output 3: Livestock Management	59,993	58,178	1,815
Output 4: Project and Policy Development	70,877	68,733	2,144
Output 5: Adminstration & Finance	101,971	98,886	3,085
	<u>885,331</u>	<u>858,551</u>	<u>26,780</u>
Included in the Appropriation Vote:			
Trading Revenue	140,535	80,321	(60,214)
Operating Surplus/(Deficit)			(33,436)
Net Aid Revenue		3,499	3,499
Net Surplus/(Deficit)			<u>(29,936)</u>

Year Ended 30 June 2013

Output 1: Adminstration & Finance	108,292	105,043	3,249
Output 2: Crop Reseach & Develop	305,801	296,626	9,175
Output 3: Biosecurity Management	328,454	318,600	9,854
Output 4: Project and Policy Development	74,790	72,546	2,244
Output 5: Livestock Management	60,993	59,133	1,860
	<u>878,330</u>	<u>851,948</u>	<u>26,381</u>
Included in the Appropriation Vote:			
Trading Revenue	90,565	60,573	(29,992)
Net Surplus/(Deficit)			<u>(3,611)</u>

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



MINISTRY OF AGRICULTURE
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2014

Statement of Unappropriated Expenditure

Unappropriated expenditure incurred during the year was \$33,345 (2013: \$3,611)

Statement of Commitments

There were no financial commitments at balance date (2013: nil).

Statement of Contingent Liabilities

There were no contingent liabilities at balance date (2013: nil).

Statement of Trust Monies

The Ministry held no trust monies at balance date (2013: 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 AGRICULTURE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

Note 1: Statement of Accounting Policies

Basis of Preparation

- (i) Reporting Entity
These financial statements are for the Ministry of Agriculture 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 Agriculture. 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 Agriculture 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 Agriculture, 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 AGRICULTURE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

Significant Accounting Policies (continued)

(v) 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

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

(vi) Provision for Employee Entitlements

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

(vii) 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.



MINISTRY OF AGRICULTURE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

Significant Accounting Policies (continued)

(vii) 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.

(ix) 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.

(x) Contingent Liabilities

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

(xi) 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.

(xii) 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 Agriculture 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.

(xiii) 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 AGRICULTURE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

Significant Accounting Policies (continued)

(xiv) 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.

(xv) Trade Creditors

Trade creditors are carried at the original invoice amount.

(xvi) Superannuation Schemes

The Ministry of Agriculture 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.

Taxpayer's Funds

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

Changes in Accounting Policies

There have been no changes in accounting policies since the date of the last audited Financial Statements

MINISTRY OF AGRICULTURE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

Note 2: Personnel Expense Reconciliation

Wages and Salaries	770,792	761,023
Increase / (Decrease) in Leave Provisions	3,633	6,490
Increase / (Decrease) in Payroll Accrual	13,562	(1,558)
Total Personnel Costs	787,986	765,955

Note 3: Other Expenses

Communication	15,322	12,891
Freight and Postage	330	35
Repairs and Maintenance	7,677	6,657
Fuel and Oil	6,003	8,434
Office Supplies / Consumables	4,853	11,621
Electricity	8,107	7,423
Entertainment	802	296
Professional Services	300	135
Travel	879	2,933
Advertising, Marketing, and Promotion	6,424	526
Rent	7,202	7,197
Other	6,897	2,903
Total Other Expenses	64,796	61,050

Note 4: Cash and Equivalents

WBC Bank	-	(1,073)
Undeposited Funds	-	1,073
Total Cash and Equivalents	-	-

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



MINISTRY OF AGRICULTURE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
Note 5: Debtors and Other Receivables		
Accounts Receivable	7,978	7,978
Provision for Doubtful Debts	(7,978)	(7,978)
Sundry Debtors and Receivables	2,411	2,411
Cash recall	156,910	148,558
	<u>159,321</u>	<u>150,969</u>
Prior Years Crown Receivable	109,982	88,088
Current Year Crown Receivable	-	21,894
	<u>109,982</u>	<u>109,982</u>
Total Debtors and Other Receivables	<u>269,303</u>	<u>260,951</u>
Note 6: Creditors and Other Payables		
Accounts Payable	3,000	7,199
Sundry Creditors and Accruals	1,733	3,966
VAT Payable	(11)	(599)
Accrued Payroll	32,192	18,630
	<u>36,915</u>	<u>29,197</u>
Inter-ministry payables included above to Crown Agencies	3,000	7,199
Prior Years Depreciation Payable	108,255	87,991
Prior Years Surplus Payable	124,532	124,532
Current Year Depreciation Payable	5,769	20,264
Excess Personnel Appropriation Payable	25,995	-
	<u>264,553</u>	<u>232,787</u>
Total Creditors and Other Payables	<u>301,467</u>	<u>261,984</u>

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



MINISTRY OF AGRICULTURE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

	2014	2013
Note 7: Employee Entitlements		
Provision for Annual Leave	15,797	12,164
	<u>15,797</u>	<u>12,164</u>
Note 8: Aid Revenue and Expenses		
Other Aid	13,173	12,337
Total Aid Revenue Received from Donors	<u>13,173</u>	<u>12,337</u>
Total Aid Revenue Received	<u>13,173</u>	<u>12,337</u>
Aid Expenses Incurred:		
Other Aid	9,674	12,337
Total Aid Expenses Incurred	<u>9,674</u>	<u>12,337</u>
Note 9: Related Parties		

The Ministry of Agriculture 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	198,385	228,200
Number of persons	6	6

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



MINISTRY OF AGRICULTURE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

Note 10a: 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	2,664	1,612	289	3,987	2,664	89	289	2,464	1,524
Furniture & Fittings	1,959			1,959	1,959			1,959	-
Motor Vehicles	253,907	3,499		257,406	244,671	5,661		250,351	7,055
Plant & Equipment	5,271			5,271	5,271			5,271	-
Total Plant, Property, & Equipment	263,801	5,111	289	268,623	254,565	5,769	289	254,565	8,578

Note 10b: Plant, Property, and Equipment 2013

Category	Opening Cost	Additions	Disposals	Closing Cost	Opening Accum Depn	Depreciation	Accum Depn on Disposals	Closing Accum Depreciation	Net Book Value
Computer Equipment	2,664			2,664	2,664			2,664	-
Furniture & Fittings	1,959			1,959	1,959			1,959	-
Motor Vehicles	253,907			253,907	228,585	16,086		244,671	9,236
Plant & Equipment	5,271			5,271	5,271			5,271	-
Total Plant, Property, & Equipment	263,801	-	-	263,801	238,479	16,086	-	254,565	9,236

* Note:

Aid funded asset \$3,499
Operating funded asset \$1,612

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



MINISTRY OF AGRICULTURE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

Note 11: Financial Instruments

Currency, Interest Rate and Credit Risks

i) Currency

The Ministry of Agriculture undertakes transactions denominated in foreign currencies from time to time and resulting from these activities, exposures in foreign currency arise.

ii) Interest Rate

There is no significant exposure to interest rate risk.

iii) Concentrations of Credit Risk

In the normal course of business, the Ministry of Agriculture incurs credit risk from trade debtors and transactions with financial institutions. The Ministry has a credit policy, which is used to manage this risk. As part of this policy, limits on exposure with counter parties had been set and are monitored on a regular basis.

The Ministry of Agriculture has no significant concentrations of credit risk. It does not require any collateral or security to support financial instruments due to the quality of financial institutions and trade debtors dealt with.

Fair Values

The estimated fair values of the Ministry of Agriculture's financial assets and liabilities are their carrying values.

Note 12: Subsequent Events

Nil

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

