

**GOVERNMENT OF NIUE**

**CONSOLIDATED  
FINANCIAL STATEMENTS**

**for the year ended 30 June 2023**

## STATEMENT OF RESPONSIBILITY

The Government is pleased to present the Consolidated Financial Statements of the Government of Niue and its subsidiaries for the year ended 30 June 2023.

We hereby declare that:

- We have been responsible for the preparation of these Financial Statements and the judgments made in them.
- We are responsible for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of financial reporting.
- We confirm that all statutory requirements in relation to the Financial Statements, as outlined in Note 2.2, have been complied with, unless stated otherwise in these Financial Statements.
- In our opinion these Financial Statements fairly reflect the financial position and operations of the Government of Niue and its subsidiaries for the year ended 30 June 2023.

The Consolidated Financial Statements were authorised for issue by the Minister of Finance on 19 May 2025.



Hon. Crossley Tatui  
Minister of Finance



Doreen Siataga  
Financial Secretary

# **FIVE PERIODS SUMMARY INFORMATION (UNAUDITED)**

For the year ended 30 June 2023

	GROUP (Actual unless stated otherwise)				
	2023	2022	2017-21*	2016	2015
	\$	\$	\$	\$	\$
Appropriation of Expenditure ( <i>Budget</i> )	52,252,271	70,903,956	236,994,310	38,747,000	37,609,700
Actual Expenditure (Cash Basis)	45,391,928	44,426,103	180,974,603	32,259,754	31,986,591
<b>Under/(Over-) Expenditure</b>	<b>6,860,343</b>	<b>26,477,853</b>	<b>56,019,707</b>	<b>6,487,246</b>	<b>5,623,109</b>

Cash basis - refer to Statement of Appropriation for details.

Unauthorised Expenditure	3,011,218	2,804,044	9,285,318	1,618,593	1,476,711
Permitted Excess ( <i>1.5% of Budget</i> )	783,784	1,063,559	3,554,915	581,205	564,146
<b>Excess/(Surplus) Unauthorised Expenditure</b>	<b>2,227,434</b>	<b>1,740,485</b>	<b>5,730,403</b>	<b>1,037,388</b>	<b>912,565</b>

Cash basis - refer to Statement of Unauthorised Expenditure for details.

Recurrent Income	46,564,406	35,724,949	164,871,254	27,754,380	26,511,435
Recurrent Expenditure	(43,987,759)	(38,071,489)	(179,778,721)	(30,802,869)	(29,082,137)
<b>RECURRENT SURPLUS/(DEFICIT)</b>	<b>2,576,647</b>	<b>(2,346,540)</b>	<b>(14,907,467)</b>	<b>(3,048,489)</b>	<b>(2,570,702)</b>

Income from Donors and Projects	6,234,807	14,162,714	87,230,750	14,211,768	6,180,255
Expenditure re Donors and Projects	(10,177,431)	(14,044,952)	(69,149,096)	(5,889,829)	(6,364,812)
Capitalised Expenditure	2,680,663	3,813,835	31,483,831	900,181	1,153,450
<b>DONORS &amp; PROJECTS - NET</b>	<b>(1,261,961)</b>	<b>3,931,597</b>	<b>49,565,485</b>	<b>9,222,120</b>	<b>968,893</b>

<b>NET SURPLUS/(DEFICIT)</b>	<b>1,314,686</b>	<b>1,585,057</b>	<b>34,658,018</b>	<b>6,173,631</b>	<b>(1,601,809)</b>
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Accrual basis - refer to Income Statement.

Niue Bond Liquor Company Ltd	47,755	(161,900)	800,186	347,255	472,268
Telecom Niue	(281,793)	706,051	(2,739,020)	(416,194)	(215,662)
Niue Power	(2,562,840)	(1,380,061)	(2,830,167)	(1,084,087)	(1,115,529)
Bulk Fuel	1,176,894	418,614	4,502,675	826,820	983,896
Civil Works & Quarry (from 2021)	(1,192,594)	(1,159,855)	(1,231,017)	0	0
Outside Services/Heavy Plant	(814,351)	(426,893)	(1,551,270)	(375,021)	(301,582)
Niue Development Bank	73,454	(21,417)	956,465	232,816	450,484
Niue Commercial Enterprises Ltd	(29,627)	(26,004)	52,601	(3,688)	(3,093)
Niue Philatelic and Numismatic Corp.	1,004,897	664,620	(390,931)	100,098	(218,964)
Broadcasting Corporation of Niue	(103,094)	16,085	(597,760)	0	(42,334)
<b>TOTAL TRADING SURPLUS/(DEFICIT)</b>	<b>(2,681,299)</b>	<b>(1,370,760)</b>	<b>(3,028,238)</b>	<b>(372,001)</b>	<b>9,484</b>

<b>NET BOOK VALUE OF PPE AND SOFTWARE</b>					
Gross Carrying Amount (Cost)	123,093,610	121,348,192	115,708,287	83,195,067	74,202,010
Accumulated Depreciation/Amortisation	(47,264,327)	(46,013,337)	(42,752,405)	(38,077,563)	(34,945,831)
<b>Net Book Value of PPE and Software</b>	<b>75,829,283</b>	<b>75,334,855</b>	<b>72,955,882</b>	<b>45,117,504</b>	<b>39,256,179</b>

<b>Annual Depreciation/Amortisation Charge</b>	<b>5,323,750</b>	<b>5,060,249</b>	<b>19,020,260</b>	<b>3,293,538</b>	<b>3,030,874</b>
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Refer Notes 14 and 15.

\*One of the previous reporting periods was a multi-year period covering the five years from 1 July 2016 to 30 June 2021.

# STATEMENT OF APPROPRIATION (CASH BASIS) (UNAUDITED)

For the year ended 30 June 2023

		PARENT		
	Notes	2023 Actual \$	2023 Appropriated \$	2022 Actual \$
RECURRENT EXPENDITURE				
Central Agencies				
Premier's Department		1,280,736	1,454,368	1,531,854
Niue Assembly		941,959	1,103,104	0
Office of the Secretary of Government		896,995	1,092,500	895,926
Crown Law		251,398	474,315	252,502
Niue Public Service Commission and Secretariat		1,414,519	1,644,700	1,330,755
Project Management and Coordination Unit		220,989	371,100	250,387
Police		471,324	820,534	599,841
Total Central Agencies		5,477,920	6,960,621	4,861,265
Ministry of Finance				
Corporate and Treasury		861,898	1,443,980	2,155,533
Tax and Customs		418,217	602,890	0
Economic Development, Trade & Investments, Immigration, and Statistics		364,513	1,129,838	0
Total Ministry of Finance		1,644,628	3,176,708	2,155,533
Ministry of Social Services				
Education Department		3,149,486	3,813,414	3,125,074
Health Department		2,991,988	3,511,120	2,955,564
Justice Department (Including Community Affairs)		4,821,116	5,905,333	4,477,033
Taoga Niue		290,748	377,000	304,994
Total Ministry of Social Services		11,253,338	13,606,867	10,862,665
Ministry of Natural Resources				
Department of Agriculture, Fisheries and Forestry		956,990	1,148,792	907,734
Environment Department		477,628	555,030	382,649
Meteorological Office		223,502	251,868	195,178
Total Ministry of Natural Resources		1,658,120	1,955,690	1,485,561
Ministry of Infrastructure				
Utilities		568,695	1,233,165	813,061
Transport		1,916,857	2,371,250	1,516,070
Civil Works & Quarry		1,124,488	1,570,470	1,125,533
Niue Power		3,919,236	2,138,500	2,223,372
Total Ministry of Infrastructure		7,529,276	7,313,385	5,678,036
Commercial and Trading				
Niue Tourism Authority		285,947	534,000	241,217
Bulk Fuel		7,141,254	6,147,000	5,141,923
Broadcasting Corporation of Niue		0	0	0
Total Commercial and Trading		7,427,201	6,681,000	5,383,140
TOTAL RECURRENT EXPENDITURE (PARENT)				
		34,990,483	39,694,271	30,426,200
OTHER EXPENDITURE				
Capital Expenditure (Excluding Projects)		336,228	100,000	1,126,901
Project Expenditure		10,065,217	12,458,000	12,873,002
TOTAL OTHER EXPENDITURE		10,401,445	12,558,000	13,999,903
TOTAL EXPENDITURE				
		45,391,928	52,252,271	44,426,103

The accompanying notes form part of these financial statements.

The Statement of Appropriation should be read in conjunction with the Statement of Unauthorised Expenditure on page 9 and with Note 4.



# INCOME STATEMENT

For the year ended 30 June 2023

		GROUP		PARENT		
		2023	2022	2023	2023	2022
		Actual	Actual	Actual	Appropriated	Actual
Notes		\$	\$	\$	\$	\$
RECURRENT INCOME AND EXPENDITURE						
Income						
Taxes, Duties & Fines	22	12,168,785	9,534,020	12,651,565	8,041,320	9,447,204
Sale of Goods & Services	22	12,040,627	9,321,266	8,175,430	10,340,350	6,232,373
Donors (Recurrent)		18,340,798	12,900,000	18,290,000	8,290,000	12,900,000
Interest		1,098,046	839,149	58,086	1,100,000	35,484
Dividends		0	0	0	100,000	0
Other Income		2,916,150	3,130,514	315,901	111,020	1,494,752
Total Recurrent Income		46,564,406	35,724,949	39,490,982	27,982,690	30,109,813
Expenditure						
Cost of Sales		9,128,236	5,880,441	6,976,634	5,143,000	4,081,737
Personnel Expenses		16,624,027	15,885,730	14,216,785	18,284,867	13,925,594
Subsidies & Welfare Payments		4,541,082	4,134,092	4,712,827	5,422,500	4,477,576
Depreciation and Amortisation	14, 15	5,323,750	5,060,249	4,926,149	0	4,631,479
Maintenance & Materials		2,689,474	2,186,509	2,260,479	3,439,964	1,859,735
Travel & Transport		2,241,033	1,726,469	2,051,600	2,173,702	1,580,429
Other Expenses	6	3,440,157	3,197,999	2,301,453	3,416,938	2,383,858
Total Recurrent Expenditure	5	43,987,759	38,071,489	37,445,927	37,880,971	32,940,408
RECURRENT SURPLUS/(DEFICIT)		2,576,647	(2,346,540)	2,045,055	(9,898,281)	(2,830,595)
DONORS & PROJECTS						
Income from Donors and Projects		6,234,807	14,162,714	6,234,807	12,458,000	14,162,714
Expenditure Re Donors and Projects	5	(10,177,431)	(14,044,952)	(10,357,431)	(12,458,000)	(14,044,952)
Capitalised Expenditure		2,680,663	3,813,835	2,680,663	0	3,813,835
DONORS & PROJECTS - NET	7	(1,261,961)	3,931,597	(1,441,961)	0	3,931,597
NET SURPLUS/(DEFICIT)		1,314,686	1,585,057	603,094	(9,898,281)	1,101,002

The accompanying notes form part of these financial statements.

# BALANCE SHEET

As at 30 June 2023

	Notes	GROUP		PARENT	
		2023 Actual \$	2022 Actual \$	2023 Actual \$	2022 Actual \$
<b>GOVERNMENT EQUITY</b>					
Accumulated Funds		92,450,394	85,772,957	87,071,147	81,068,575
Donor Trust Funds	7	1,673,871	7,073,349	1,673,871	7,073,349
Other Funds & Reserves		2,186,387	2,149,660	0	0
<b>TOTAL GOVERNMENT EQUITY</b>		<b>96,310,652</b>	<b>94,995,966</b>	<b>88,745,018</b>	<b>88,141,924</b>
<b>REPRESENTED BY:</b>					
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash & Cash Equivalents	8, 13	24,850,896	20,530,250	17,346,254	13,172,324
Inventories	9	2,213,785	2,584,276	865,210	1,505,441
Current Portion of Long Term Loans	11	1,444,918	1,911,604	0	0
Debtors	10	4,032,392	3,297,637	5,817,601	4,798,093
<b>Total Current Assets</b>		<b>32,541,991</b>	<b>28,323,767</b>	<b>24,029,065</b>	<b>19,475,858</b>
<b>Non Current Assets</b>					
Loans	11	10,914,480	9,936,294	0	0
Other Investments	12	0	0	11,845,547	11,845,547
Property, Plant & Equipment	14	75,636,991	75,224,695	73,120,287	72,819,616
Software	15	192,292	110,160	30,365	47,809
<b>Total Non Current Assets</b>		<b>86,743,763</b>	<b>85,271,149</b>	<b>84,996,199</b>	<b>84,712,972</b>
<b>TOTAL ASSETS</b>		<b>119,285,754</b>	<b>113,594,916</b>	<b>109,025,264</b>	<b>104,188,830</b>
<b>LIABILITIES</b>					
<b>Less Current Liabilities</b>					
Trade and Other Creditors	16	8,270,413	7,653,323	5,998,693	5,518,870
Employee Entitlements	17	1,311,844	1,357,723	1,119,826	1,226,573
Revenue in Advance		12,355,325	8,554,068	12,140,000	8,290,000
<b>Total Current Liabilities</b>		<b>21,937,582</b>	<b>17,565,114</b>	<b>19,258,519</b>	<b>15,035,443</b>
<b>Non Current Liabilities</b>					
Employee Entitlements	17	1,037,520	1,033,836	1,021,727	1,011,463
<b>Total Non Current Liabilities</b>		<b>1,037,520</b>	<b>1,033,836</b>	<b>1,021,727</b>	<b>1,011,463</b>
<b>TOTAL LIABILITIES</b>		<b>22,975,102</b>	<b>18,598,950</b>	<b>20,280,246</b>	<b>16,046,906</b>
<b>TOTAL NET ASSETS</b>		<b>96,310,652</b>	<b>94,995,966</b>	<b>88,745,018</b>	<b>88,141,924</b>

The accompanying notes form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY**  
For the year ended 30 June 2023

	GROUP		PARENT	
	2023 Actual \$	2022 Actual \$	2023 Actual \$	2022 Actual \$
Accumulated Funds as at 1 July	85,772,957	75,769,035	81,068,575	71,864,644
Net Surplus/(Deficit)	1,314,686	1,585,057	603,094	1,101,002
Transfers from/(to) Donor Trust Funds	5,399,478	8,714,761	5,399,478	8,102,929
Transfers from/(to) Other Funds and Reserves	(36,727)	(295,896)	0	0
<b>Accumulated Funds as at 30 June</b>	<b>92,450,394</b>	<b>85,772,957</b>	<b>87,071,147</b>	<b>81,068,575</b>
Donor Trust Funds as at 1 July	7,073,349	15,788,110	7,073,349	15,176,278
Transfers from/(to) Accumulated Funds	(5,399,478)	(8,714,761)	(5,399,478)	(8,102,929)
<b>Donor Trust Funds as at 30 June</b>	<b>1,673,871</b>	<b>7,073,349</b>	<b>1,673,871</b>	<b>7,073,349</b>
Other Funds as at 1 July	2,149,660	1,853,764	0	0
Other Transfers from/(to) Accumulated Funds	36,727	295,896	0	0
<b>Other Funds as at 30 June</b>	<b>2,186,387</b>	<b>2,149,660</b>	<b>0</b>	<b>0</b>
<b>TOTAL EQUITY AS AT 30 JUNE</b>	<b>96,310,652</b>	<b>94,995,966</b>	<b>88,745,018</b>	<b>88,141,924</b>

The accompanying notes form part of these financial statements.



# STATEMENT OF CASH FLOWS

For the year ended 30 June 2023

	Notes	GROUP		PARENT	
		2023 Actual \$	2022 Actual \$	2023 Actual \$	2022 Actual \$
<b>Cash Flows from/(used in) operating activities</b>					
Receipts from Taxpayers		12,576,892	9,208,257	12,067,897	9,878,556
Receipts from Donors		28,271,512	35,306,677	28,269,457	35,288,970
Receipts from Customers		14,198,332	10,498,757	7,678,701	6,420,001
Interest Receipts		180,757	63,903	58,086	35,484
Payments to Employees		(20,465,720)	(20,886,821)	(18,112,766)	(18,869,433)
Payments to Suppliers		(19,662,274)	(12,266,070)	(15,001,566)	(12,651,136)
Subsidies & Welfare Payments		(5,139,764)	(6,249,609)	(5,491,509)	(6,620,556)
<b>Net Cash Flows from/(used in) operating activities</b>		<b>9,959,735</b>	<b>15,675,094</b>	<b>9,468,300</b>	<b>13,481,886</b>
<b>Cash Flows from/(used in) investing activities</b>					
Proceeds from Sales of Property, Plant & Equipment		393,395	(60,826)	393,395	6,283
Purchases of Property, Plant & Equipment		(6,410,197)	(7,471,829)	(5,687,765)	(6,812,863)
Investments in Subsidiaries and Affiliates		0	0	0	(1,043,174)
Loan Repayments Received from Customers		4,012,680	3,907,772	0	0
Loans Advanced to Customers		(3,634,967)	(3,563,808)	0	0
<b>Net Cash Flows from/(used in) investing activities</b>		<b>(5,639,089)</b>	<b>(7,188,691)</b>	<b>(5,294,370)</b>	<b>(7,849,754)</b>
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQ.</b>		<b>4,320,646</b>	<b>8,486,403</b>	<b>4,173,930</b>	<b>5,632,132</b>
Cash & cash equivalents as at 1 July		20,530,250	12,043,847	13,172,324	7,540,192
<b>CASH &amp; CASH EQUIVALENTS AS AT 30 JUNE</b>	<b>8</b>	<b>24,850,896</b>	<b>20,530,250</b>	<b>17,346,254</b>	<b>13,172,324</b>

## RECONCILIATION FROM NET SURPLUS TO NET CASH FLOWS FROM OPERATIONS

	GROUP		PARENT	
	2023 Actual \$	2022 Actual \$	2023 Actual \$	2022 Actual \$
<b>Net surplus/(deficit)</b>	<b>1,314,686</b>	<b>1,585,057</b>	<b>603,094</b>	<b>1,101,002</b>
<b>Adjustments for non cash and non operating items</b>				
Depreciation and Amortisation	5,323,750	5,060,249	4,926,149	4,631,479
(Gains)/Losses on Disposals of Assets	303,974	157,177	190,344	40,245
Donated Assets	(105,350)	(63,744)	(105,350)	(63,744)
Change in Provision for Doubtful Debts	83,024	655,936	44,063	573,762
Other Impairments and Reversals	0	0	0	(1,052,205)
<b>Total adjustments for non cash and non op. items</b>	<b>5,605,398</b>	<b>5,809,618</b>	<b>5,055,206</b>	<b>4,129,537</b>
<b>Movements in assets and liabilities</b>				
(Increase)/Decrease in Debtors	(1,706,992)	(2,758,144)	(1,063,571)	(9,965)
(Increase)/Decrease in Inventories	370,491	29,048	640,231	(715,202)
Increase/(Decrease) in Revenue in Advance	3,801,257	8,165,453	3,850,000	7,940,776
Increase/(Decrease) in Other Liabilities	574,895	2,844,062	383,340	1,035,738
<b>Total movements in assets and liabilities</b>	<b>3,039,651</b>	<b>8,280,419</b>	<b>3,810,000</b>	<b>8,251,347</b>
<b>Net Cash Flows from/(used in) operating activities</b>	<b>9,959,735</b>	<b>15,675,094</b>	<b>9,468,300</b>	<b>13,481,886</b>

The accompanying notes form part of these financial statements.



## STATEMENT OF UNAUTHORISED EXPENDITURE

For the year ended 30 June 2023

		DEPARTMENTAL		
	Notes	2023 Actual \$	2023 Appropriated \$	2023 Excess \$
CALCULATION OF PERMITTED EXCESS:				
Total Appropriation of Expenditure			52,252,271	
PERMITTED EXCESS	2.2		1.5%	<u>783,784</u>
VOTES WITH UNAUTHORISED EXPENDITURE:				
Niue Power		3,919,236	2,138,500	1,780,736
Bulk Fuel		7,141,254	6,147,000	994,254
Recurrent Unauthorised Expenditure		<u>11,060,490</u>	<u>8,285,500</u>	<u>2,774,990</u>
Capital expenditure (recurrent)		336,228	100,000	236,228
Other Unauthorised Expenditure		<u>336,228</u>	<u>100,000</u>	<u>236,228</u>
CALCULATION OF TOTAL UNAUTHORISED EXPENDITURE		<u>11,396,718</u>	<u>8,385,500</u>	<u>3,011,218</u>
UNAUTHORISED EXPENDITURE EXCEEDED THE PERMITTED EXCESS BY:				<u>2,227,434</u>

The permitted excess is where Cabinet can approve additional expenditure in excess of up to 1.5% of appropriated expenditure.

The unauthorised expenditure in excess of 1.5% of appropriated expenditure, amounting to \$2,227,434, which requires a supplementary appropriation, has not been authorised by an appropriation act, which is a breach of articles 56(3) and 59(4) of the Constitution and section 19 of the Public Revenues Act 1959.

On 29 June 2023, Cabinet gave retrospective blanket approval to overspend up to \$0.5m recurrent expenditure and \$3.5m project expenditure (CM(22)714).

Unauthorised expenditure of \$3,011,218 was not approved by Cabinet under article 59(4) of the Constitution, which is a breach of article 59(4) of the Constitution.

*The accompanying notes form part of these financial statements.*

*The Statement of Unauthorised Expenditure should be read in conjunction with the Statement of Appropriation on page 4 and with Note 3.4.*

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

### 1 REPORTING ENTITY

The Consolidated Financial Statements of the Government of Niue include the Financial Statements of the Government of Niue ("Parent"), corporations that operate under statute, and other subsidiaries ("Group"). During the current and the previous financial year, the Group consisted of the following reporting entities:

- The Government of Niue (the Parent).
- Telecom Niue Limited, which is wholly owned by the Government of Niue and which operates under the Companies Act 2006.
- The Niue Development Bank, which is wholly owned by the Government of Niue and which operates under the Niue Development Bank Act 1993.
- Niue Commercial Enterprises Limited, which is wholly owned by the Government of Niue and operates under the Companies Act 2006, acts as an agent for Kiwibank to provide over-the-counter banking services in Niue.
- The Broadcasting Corporation of Niue, which is wholly owned by the Government of Niue and which operates under the Broadcasting Act 1989 and the Broadcasting Amendment Act 1997.
- The Niue Philatelic and Numismatic Corporation, which is wholly owned by the Government of Niue and which operates under the Niue Philatelic and Numismatic Act 1996 and the Niue Philatelic and Numismatic Amendment Act 2011.
- The Niue Bond Liquor Company Limited, which is wholly owned by the Government of Niue and operates under the Companies Act 2006.
- The Niue Bank, which is wholly owned by the Government of Niue and which operated under the Niue Bank Act 1994 and the Niue Bank Amendment Act 2013. Under the Niue Bank Amendment Act 2013, the Niue Bank supervises the provision of banking services by New Zealand banks through local agents.

In 2004, the Government of New Zealand established a Trust Fund to contribute to the long term financial stability and viability of Niue by enabling it to meet financial commitments from the proceeds of investments. On 25 October 2006 a Trust Deed was executed to establish the Niue International Trust Fund. The Trust Fund operates under the Niue Trust Fund Act 2004. The Trustees represent the Governments of Niue, New Zealand and Australia, which are the main contributors to the Trust Fund. The Government of Niue does not control the Trust Fund, and the Financial Statements of the Trust Fund are therefore not included in the Consolidated Financial Statements of the Group.

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of Preparation

The Consolidated Financial Statements and the Financial Statements of the individual reporting entities that are the basis for consolidation are prepared on a historical cost basis, except for financial instruments which are recorded at fair value.

The Financial Statements are presented in New Zealand dollars, and all monetary values are rounded to whole dollars, unless mentioned otherwise.

The Income Statement, the Balance Sheet and the Statement of Changes in Equity are prepared on an accrual basis. Non-cash transactions (such as depreciation, accruals and provisions) are not appropriated.

The Statement of Appropriation and the Statement of Unauthorised Expenditure are prepared on a cash basis, and compare actual expenditure of each Government department to the funds appropriated by the Assembly.

The Statement of Cash Flows shows the sources and uses of cash and cash equivalents during the year. Cash and cash equivalents comprise mainly cash at bank and call and short term deposits.

Except for the Statement of Appropriation, the Financial Statements of all Group entities are consolidated on a line by line basis. Material transactions and balances between Group entities and departments are eliminated; these relate mostly to supplies that are not available from other suppliers, and include: the delivery of fuel for the generation of electricity, the supply of electricity to Group entities, and the supply of communication services to Group entities. Most other transactions between Group entities are small stand-alone transactions performed on an arms' length basis, and are not eliminated. Also, import duties, which are payable by law when goods cross the border, are not eliminated.

The Government of Niue occupies a significant proportion of economic life in Niue; the country's private sector is small by comparison to other countries. Consequently, many routine transactions that otherwise would be with external parties, are conducted between Government departments and/or trading entities. These transactions are conducted on the same terms as transactions concerning the same goods or services with external parties. Therefore the Government does not consider it beneficial to the readability of these Financial Statements to disclose transactions and balances between related parties.

The Consolidated Financial Statements are based on consistent accounting policies for the Financial Statements of all included Group entities. Adjustments are made for any material differences that arise from different accounting policies used in the Group entities' own Financial Statements. All Group entities have a balance date of 30 June. The Statement of Appropriation and the Statement of Unauthorised Expenditure reflect only the expenditure of the departments of the Government of Niue ("Parent") and of subsidiaries with appropriated expenditure.



## 2.2 Statement of Compliance

The Consolidated Financial Statements and the Financial Statements of the individual reporting entities are prepared in accordance with the accounting policies of the Government of Niue. The Consolidated Financial Statements also comply with specific requirements in the Constitution of Niue and with applicable statutes:

- Article 58(1) of the Constitution requires all expenditure of public money to be appropriated by the Assembly. The latest approved version of the budget is shown in the Financial Statements.
- Article 59(4) of the Constitution allows for expenditure in excess of appropriated expenditure of up to 1.5% of total appropriated expenditure. Article 59(6) requires inclusion of a Statement of Unauthorised Expenditure in the Financial Statements.
- Article 60 of the Constitution appoints the Office of the Auditor General of New Zealand as the auditor of the Government's Financial Statements.
- Section 25 of the Public Revenues Act 1959 requires the Financial Secretary to prepare Financial Statements as soon as possible after the end of the financial year, which should then be audited and submitted (with audit report) to the Assembly.
- Section 40 of the Public Revenues Act 1959 requires a statement of investments to be included in the Financial Statements, showing details of public securities held during the financial year.

Separate legal requirements exist for some of the Group's subsidiaries' Financial Statements. These requirements do not apply to the Consolidated Financial Statements.

The above Statement of Compliance refers to financial reporting requirements only. In addition, the Government is subject to significant constitutional requirements that restrict expenditure. Compliance or non-compliance with these requirements are disclosed separately in the Statement of Unauthorised Expenditure, above.

## 2.3 Translation of Foreign Currency Transactions

Both the functional and presentation currencies of the Government of Niue and the Group are the New Zealand dollar. Transactions in foreign currencies are initially recorded in the New Zealand dollar at the exchange rates ruling at the dates of the transactions. At balance date, monetary assets and liabilities are translated at the exchange rates ruling at the balance date. Resulting exchange differences are recognised in the Income Statement.

## 2.4 Impairment of Assets

Current assets are reviewed regularly for impairment. Impairment factors may include: obsolescence, default risk, and other factors. Where an indication of impairment exists and where the carrying value exceeds the estimated recoverable amount, the asset is written down to its recoverable amount. Where indications exist that a previously recognised impairment loss may have reversed, the recoverable amount will be re-estimated, and the resulting reversal is included in the Income Statement. Non-current assets are not regularly reviewed for impairment, but impairment adjustments are made if indications of impairment exist.

## 2.5 Cash & Cash Equivalents

Cash & Cash Equivalents comprise mainly cash at bank and call and short term deposits (deposits with an original maturity of one year or less).

## 2.6 Inventories

Inventories are measured at the lower of cost and net realisable value, calculated on a first in first out basis. Costs include all expenses incurred in bringing inventory items to their present location and condition, including freight and import duties.

## 2.7 Debtors

Debtors are measured at their expected realisable value, which is generally the original amount less a provision for uncollectible amounts. Bad debts are written off when this is approved by Cabinet or the Board of a subsidiary.

## 2.8 Loans

Loans are valued at the lower of cost and realisable value. The current portion of long term loans is classified under Current Assets.

## 2.9 Other Investments

Other Investments include investments in subsidiaries and other associated parties and investments in shares in non controlled entities. Investments are measured at the lower of cost and impaired value.

At each balance date, an impairment assessment of investments in subsidiaries is performed. Impairment indicators include but are not necessarily restricted to: the carrying value of an investment in a subsidiary in the Parent's books exceeding total equity in the subsidiary's own Financial Statements, or a multi-year forecast indicating that this may happen in the foreseeable future. Impairments, if any, are recognised as an expense in the Income Statement. Where indications exist that a previously recognised impairment loss may have reversed, the recoverable amount will be re-estimated, and the resulting reversal is included in the Income Statement.

## 2.10 Property, Plant & Equipment

Land and Buildings were first recognised in the Financial Statements in the year ended 30 June 1998. The valuation was performed by Darroch Limited, Registered Valuers, on 30 March 1998. This valuation is considered an appropriate estimate of deemed costs as at 1 July 1997. Subsequent additions are initially measured at cost.

Property, Plant & Equipment is stated at cost less accumulated depreciation and accumulated impairment losses (if any). Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. The estimated useful lives and resulting depreciation rates of currently held assets can be summarised as follows.

- Land	indefinite	none
- Infrastructural assets:		
- Roads	5-25 years	4 - 20%
- Sea tracks and other parks	5-20 years	5 - 20%
- Cabling, pipes and towers	5-40 years	2.5 - 20%
- Airport runway	60 years	1.7%
- Water tanks and equipment	10 years	10%
- Buildings:		
- Substantial concrete buildings	50 years	2%
- General concrete buildings	35-50 years	2 - 2.8%
- Light construction, metal clad or timber buildings	5-30 years	3.3 - 20%
- Miscellaneous structures and fitouts	3-25 years	4 - 33%
- Plant & Equipment:		
- Electronic equipment including computers	2-20 years	5 - 50%
- Mechanical plant and equipment	2.5-20 years	5 - 40%
- Furniture and fittings	2-20 years	5 - 50%
- Bulk fuel tanks	5-20 years	5 - 20%
- Airport electrical equipment	10 years	10%
- Vehicles (including vessels)	3-20 years	5 - 33.3%

(These estimated useful lives and resulting depreciation rates result from application of the Group's accounting policies, but are themselves not part of these accounting policies.)

Internally developed assets, whether funded from recurrent funds or by donors, are initially measured at cost. Cost includes the cost of labour where this can be measured reliably. Expenditure is capitalised when incurred; assets that are still under development at the balance date are included in Work in Progress at the cost incurred to that date.

Assets donated by aid partners are recognised upon completion, which is deemed to be when the rights and responsibilities associated with the use of the assets are vested in the Group and the assets are available for their intended use.

## 2.11 Software

Computer software includes separately acquired software and the directly attributable cost of developing and implementing comprehensive computer-based information systems. The cost of hardware on which computer software runs, is carried under Property, Plant and Equipment.

Software is stated at cost less accumulated amortisation and accumulated impairment losses (if any). Amortisation is calculated on a straight-line basis over the estimated useful lives of the assets. Useful lives of software are estimated between 2.5 and 14 years, with resulting depreciation rates of 7 to 40%.

## 2.12 Creditors

Subject to more detailed policies described below, creditors are recognised for benefits that were received by balance date but had not been paid for. They are measured at the expected amounts to be paid after balance date.



## 2.13 Employee Entitlements

The monetary value of benefits earned but not yet enjoyed by employees is recognised as a liability if employees are entitled to monetary compensation upon resigning or retiring, or if they are certain to enjoy the benefits after a minimum length of service. Employee entitlements comprise mainly accrued salaries, annual leave, and accrued long service leave and retiring leave.

Accrued salaries comprise the portion of salaries that is earned prior to balance date but is paid after balance date. Annual leave is the value of leave days granted at the beginning of each leave year but not yet taken at balance date, valued using the salaries at balance date.

The provisions for long service leave and retiring leave are measured by first calculating the expected future value of these entitlements at the time that employees are expected to become entitled to them. This future value of these entitlements is increased by estimated average salary increases over time, and decreased by an estimated average resignation rate and by a discount rate reflecting the passage of time. Only the portion of the expected future value that reflects past service at balance date is recognised as a liability, calculated pro rata over the period during which the benefits are expected to be earned.

Benefits that have been earned and are due within one year from balance date, are recognised as current liabilities; the likelihood of these benefits being enjoyed by employees is deemed high enough, and the measurement of them accurate enough, to consider the accrued value to be a liability. The non current portion of long service leave and retiring leave entitlements is recognised as a non current provision.

## 2.14 Equity

Government Equity consists of Accumulated Funds, Donor Trust Funds and Other Funds & Reserves. Donor Trust Funds represent cash received from donors for specified projects (see Note 2.15, below) that has not yet been spent. Other Funds & Reserves include legal reserves that some of the Government's subsidiaries are required to recognise under the Acts under which they operate.

Equity recognised by entities over which the Government exerts significant control may include Capital, which represents the Government's investment in these subsidiaries. This Capital takes the form of Share Capital for those subsidiaries that are companies under the Companies Act 2006. Subsidiaries' Capital is eliminated against the Parent's investment in these subsidiaries upon consolidation.

## 2.15 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will be received and can be reliably measured.

Revenue from the provision of goods and services is recognised when the goods or services have been delivered.

Revenue earned by the Parent entity from taxes, duties and other levies is recognised as follows:

- Revenue from income tax and Niue Consumption Tax is recognised when it can be measured with reasonable certainty. This is usually when a return has been received or an assessment has been issued. A provision is recognised for the expected amount of individual income tax refunds for the fiscal year (which ends on 31 March).
- Import duties are payable when imported goods pass into the country, and revenue from import duties is recognised at that moment.
- Revenue from fishing rights is recognised in the period that it relates to, or - when this cannot be reliably established - in the period that it is received.
- Revenue from other levies is recognised when it is received or invoiced.

Revenue from donors is recognised as follows:

- Financial support for ongoing activities such as budget support and administrative assistance is recognised in the period to which the grants relate.
- Funding for investment and development projects is recognised as income upon receipt. At balance date the unspent portion of these receipts is recognised under Donor Trust Funds as a part of Equity through a transfer from (increase in Donor Trust Funds) or to (decrease in Donor Trust Funds) Accumulated Funds.
- Donated assets are usually measured at the cost incurred by the donor, and the associated revenue is recognised in the Income Statement in the period that the assets are completed and made available to the Government of Niue. Donated services are recognised as income, and are usually measured at the cost incurred by the donor. This cost is also deemed to be the fair value of the related expense, which is recognised as donor-/project-related expenditure in the Income Statement.

## **2.16 Niue Consumption Tax**

Accounts Receivable and Accounts Payable are measured inclusive of NCT (where applicable). Other transactions are measured net of NCT to the extent that the NCT is payable (for revenue) or recoverable (for purchases).

The Parent entity recognises the net amount of NCT payable to or recoverable from the Tax Office as an increase or decrease (respectively) of Tax Revenue in the period that it relates to. The other reporting entities recognise a corresponding liability or debtor until payment is made to or received from the Tax Office.

Cash flows are included in the Statement of Cash Flows exclusive of NCT. The NCT component of cash flows is recognised under operating cash flows (to the extent that the NCT is payable or recoverable).

Commitments and contingencies are disclosed net of NCT.

## **2.17 Appropriated Amounts**

The Parent Financial Statements show the amounts appropriated by the last (supplementary) Appropriation Bill that relates to the current financial year. Appropriations are on a cash basis, as a result of which the Statement of Appropriation (which is also on a cash basis) provides a better comparison between actual and appropriated expenditure than the Income Statement does. No estimates are prepared for the Balance Sheet or the Statement of Cash Flows.

## **2.18 Changes in Accounting Policies**

Changes in accounting policies are applied retrospectively, and comparatives are restated. The effect of these changes, if any, is disclosed in Note 3.1, below.

New accounting policies may be adopted for types of transactions that have become material to the Financial Statements for the first time. These are not considered changes in accounting policies. Likewise, some accounting policies may be reworded to better reflect the treatment of transactions; such rewording is also not considered a change in accounting policies.

## **2.19 Changes in Accounting Estimates**

Material effects of changes in accounting estimates are recognised in the Income Statement in the current year to the extent that they have an effect on the current year or previous years. They are disclosed in Note 3.2, below.

## **2.20 Material Prior Year Errors**

If errors are detected that have a material impact on prior years, then these are applied retrospectively, and comparatives are restated. The effect of such errors, if any, is disclosed in Note 3.3, below.

# **3 EVENTS AND DECISIONS WITH SIGNIFICANT ACCOUNTING IMPACTS**

## **3.1 Changes in Accounting Policies and Treatments**

There have been no changes in accounting policies and treatments during the year ended 30 June 2023.

## **3.2 Changes in Accounting Estimates**

There have been no changes in accounting estimates during the year ended 30 June 2023.

## **3.3 Prior Year Errors**

No prior year errors were found for the year ended 30 June 2023.

## **3.4 Budget Approval**

The Assembly passed the budget for the financial year on 23 June 2022, appropriating expenditure to a limit of \$44,944,000 (rounded) recurrent plus \$7,308,000 donor funded; total appropriated expenditure for the Government amounted to \$52,252,000. Estimated revenue amounted to \$42,254,000 resulting in a budgeted deficit of \$9,998,000.

The Appropriation Acts apply to the Parent only. Most subsidiaries prepare a budget that is tabled in the Assembly, but these budgets do not have the legal status of appropriations. Therefore, the comparatives in the Income Statement show only the budget for the Parent.



Furthermore, appropriated expenditure includes capital items and transactions between Government departments and entities that are eliminated from the accrual-based Income Statement. Budgeted surplus or deficit as shown in an Appropriation Act therefore differs from budgeted surplus or deficit as shown in the Appropriation column in the Income Statement. The budgeted surplus according to the Supplementary Appropriation Act can be reconciled to the accrual-based Income Statement as follows.

	<b>PARENT 2023 Appropriated \$</b>
<b>Budgeted Revenue - Appropriation Act</b>	42,253,990
Eliminate: Sales between Departments	(1,813,300)
<b>Budgeted Revenue - Income Statement</b>	<u>40,440,690</u>
<b>Budgeted Expenditure - Appropriation Act</b>	52,252,271
Eliminate: Sales between Departments	(1,813,300)
Deduct: Capital Expenditure	(100,000)
<b>Budgeted Expenditure - Income Statement</b>	<u>50,338,971</u>
<b>BUDGETED SURPLUS/(DEFICIT) - APPROPRIATION ACT</b>	(9,998,281)
Add back: Capital Expenditure (including Telecom)	100,000
<b>BUDGETED SURPLUS/(DEFICIT) - INCOME STATEMENT</b>	<u>(9,898,281)</u>

No adjustments are made for accrual-based expense items that are not appropriated. Examples include capitalised project expenditure, depreciation and impairment losses and reversals.

### 3.5 Major events

No major events occurred during the year that may have had a significant impact on these Financial Statements.

### 3.6 Subsequent Events

No significant events occurred after balance date that may have had a significant impact on these Financial Statements.

## 4 RECONCILIATION OF STATEMENT OF APPROPRIATION TO INCOME STATEMENT

	<b>GROUP</b>		<b>PARENT</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Expenditure According to Statement of Appropriation</b>	45,391,928	44,426,103	45,391,928	44,426,103
Add: Movements in accruals	551,161	1,263,898	551,161	1,263,898
Add: Depreciation	4,926,149	4,631,479	4,926,149	4,631,479
Add: Disposals and impairments	198,401	0	198,401	0
Add: (Increase)/Decrease in Inventories	640,230	(715,202)	640,230	(715,202)
Add: (Increase)/Decrease in Provision for Doubtful Debts	44,063	571,069	44,063	571,069
Deduct: Internal Transactions	(3,612,346)	(2,065,086)	(3,612,346)	(2,065,086)
Deduct: Capital Expenditure	(336,228)	(126,901)	(336,228)	(126,901)
Deduct: Capitalisation of Niue Development Bank	0	(1,000,000)	0	(1,000,000)
<b>Adjusting items (Parent)</b>	<u>2,411,430</u>	<u>2,559,257</u>	<u>2,411,430</u>	<u>2,559,257</u>
<b>Add: Subsidiaries without Appropriation</b>	6,361,832	5,131,081	0	0
<b>EXPENDITURE ACCORDING TO INCOME STATEMENT</b>	<u>54,165,190</u>	<u>52,116,441</u>	<u>47,803,358</u>	<u>46,985,360</u>
Recurrent Expenditure (Income Statement)	43,987,759	38,071,489	37,445,927	32,940,408
Project Expenditure (Note 7, below)	10,177,431	14,044,952	10,357,431	14,044,952
<b>EXPENDITURE ACCORDING TO INCOME STATEMENT</b>	<u>54,165,190</u>	<u>52,116,441</u>	<u>47,803,358</u>	<u>46,985,360</u>

## 5 EXPENDITURE

### Recurrent

	GROUP		PARENT	
	2023 \$	2022 \$	2023 \$	2022 \$
Cost of Sales	7,585	11,293	7,585	11,293
Personnel Expenses	3,898,078	3,742,982	3,898,078	3,742,982
Subsidies & Welfare Payments	(68,857)	185,696	200,289	185,696
Depreciation & Amortisation (see Notes 14-15)	1,545,028	1,351,066	1,545,028	1,351,066
Maintenance & Materials	186,808	156,834	186,808	156,834
Travel & Transport	503,080	256,672	503,080	256,672
Other Expenses	585,663	715,811	620,117	752,335
<b>Central Agencies</b>	<b>6,657,385</b>	<b>6,420,354</b>	<b>6,960,985</b>	<b>6,456,878</b>
Personnel Expenses	1,040,231	996,586	1,040,231	996,586
Subsidies & Welfare Payments	298,848	(2,730)	298,848	391,028
Depreciation & Amortisation (see Notes 14-15)	75,439	(12,596)	75,439	(12,596)
Maintenance & Materials	72,420	53,237	72,420	53,237
Travel & Transport	11,481	28,690	11,481	28,690
Other Expenses	290,431	105,024	312,752	142,430
<b>Finance</b>	<b>1,788,850</b>	<b>1,168,211</b>	<b>1,811,171</b>	<b>1,599,375</b>
Cost of Sales	20,177	4,059	20,177	4,059
Personnel Expenses	4,769,431	4,801,704	4,769,431	4,801,704
Subsidies & Welfare Payments	4,176,121	3,886,376	4,176,121	3,886,376
Depreciation & Amortisation (see Notes 14-15)	1,129,964	1,106,205	1,129,964	1,106,205
Maintenance & Materials	712,825	760,409	712,825	760,409
Travel & Transport	622,630	595,680	622,630	595,680
Other Expenses	895,197	592,648	922,284	610,669
<b>Social Services</b>	<b>12,326,345</b>	<b>11,747,081</b>	<b>12,353,432</b>	<b>11,765,102</b>
Cost of Sales	0	1,608	0	1,608
Personnel Expenses	1,359,165	1,225,051	1,359,165	1,225,051
Subsidies & Welfare Payments	18,898	14,476	18,898	14,476
Depreciation & Amortisation (see Notes 14-15)	179,232	189,784	179,232	189,784
Maintenance & Materials	120,890	104,157	120,890	104,157
Travel & Transport	128,391	104,754	128,391	104,754
Other Expenses	15,740	18,932	30,343	35,761
<b>Natural Resources</b>	<b>1,822,316</b>	<b>1,658,762</b>	<b>1,836,919</b>	<b>1,675,591</b>
Cost of Sales	49,472	9,844	49,472	9,844
Personnel Expenses	2,611,322	2,667,585	2,611,322	2,667,585
Depreciation & Amortisation (see Notes 14-15)	1,836,163	1,855,256	1,836,163	1,855,256
Maintenance & Materials	1,011,120	646,542	1,011,120	646,542
Travel & Transport	668,665	485,799	668,665	485,799
Other Expenses	129,326	489,580	163,170	523,082
<b>Infrastructure</b>	<b>6,306,068</b>	<b>6,154,606</b>	<b>6,339,912</b>	<b>6,188,108</b>
Cost of Sales	9,051,002	5,853,637	6,899,400	4,054,933
Personnel Expenses	2,945,800	2,451,822	538,558	491,686
Subsidies & Welfare Payments	116,072	50,274	18,671	0
Depreciation & Amortisation (see Notes 14-15)	557,924	570,534	160,323	141,764
Maintenance & Materials	585,411	465,330	156,416	138,556
Travel & Transport	306,786	254,874	117,353	108,834
Other Expenses	1,523,800	1,276,004	252,787	319,581
<b>Commercial &amp; Trading</b>	<b>15,086,795</b>	<b>10,922,475</b>	<b>8,143,508</b>	<b>5,255,354</b>
<b>Total Recurrent Expenditure</b>	<b>43,987,759</b>	<b>38,071,489</b>	<b>37,445,927</b>	<b>32,940,408</b>



	GROUP		PARENT	
	2023	2022	2023	2022
	\$	\$	\$	\$
<b>Donors &amp; Projects</b>				
Cost of Sales	2,929	19,175	2,929	19,175
Personnel Expenses	3,799,498	5,106,103	3,799,498	5,106,103
Subsidies & Welfare Payments	598,682	2,115,517	778,682	2,142,980
Maintenance & Materials	2,026,029	2,700,037	2,026,029	2,700,037
Travel & Transport	784,553	659,383	784,553	659,383
Other Expenses	2,965,740	3,444,737	2,965,740	3,417,274
<b>Total Donor &amp; Projects Expenditure</b>	<b>10,177,431</b>	<b>14,044,952</b>	<b>10,357,431</b>	<b>14,044,952</b>
<b>TOTAL EXPENDITURE</b>	<b>54,165,190</b>	<b>52,116,441</b>	<b>47,803,358</b>	<b>46,985,360</b>

The Ministry of Finance was established as a new Ministry from 1 July 2022. The comparatives above have been restated for comparison purposes.

## 6 AUDIT FEES

Other Departmental Expenses include the cost of auditing the Group's Financial Statements, as follows.

	GROUP		PARENT	
	2023	2022	2023	2022
	\$	\$	\$	\$
Agreed Audit Fees	829,464	745,574	488,348	439,110
Disbursements	90,000	90,000	90,000	90,000
Fees paid by the Government for Niue Bank	4,499	3,998	4,499	3,998
<b>TOTAL AUDIT FEES</b>	<b>923,963</b>	<b>839,572</b>	<b>582,847</b>	<b>533,108</b>

## 7 DONORS AND PROJECTS

### 7.1 Donors and Projects

	GROUP		PARENT	
	2023	2022	2023	2022
	\$	\$	\$	\$
Project Funding Received	6,129,457	14,098,970	6,129,457	14,098,970
Donated Assets (paid by donors)	105,350	63,744	105,350	63,744
<b>Income from Donors and Projects</b>	<b>6,234,807</b>	<b>14,162,714</b>	<b>6,234,807</b>	<b>14,162,714</b>
Project Expenditure	(10,177,431)	(14,044,952)	(10,357,431)	(14,044,952)
<b>Expenditure relating to Donors and Projects</b>	<b>(10,177,431)</b>	<b>(14,044,952)</b>	<b>(10,357,431)</b>	<b>(14,044,952)</b>
<b>Capitalised Expenditure</b>	<b>2,680,663</b>	<b>3,813,835</b>	<b>2,680,663</b>	<b>3,813,835</b>
<b>DONORS AND PROJECTS - NET</b>	<b>(1,261,961)</b>	<b>3,931,597</b>	<b>(1,441,961)</b>	<b>3,931,597</b>

Most projects are funded by external donors, but some are funded internally by the Government.

Project Funding Received relates to funding received by the Government from external donors for specific development projects (including, but not limited to the development of assets) that are controlled by the Government and/or its subsidiaries. Some external funding may be received from time to time for projects that are considered mostly Government funded. The spending of this project funding is recognised under Project Expenditure. Unused funds for externally funded projects are recognised under Donor Trust Funds as a part of Equity.

Donated Assets consist of assets that are purchased or developed by donors and under their control, and transferred to the Government of Niue upon completion, at which time they usually become available for use.

Donated Services represent the fair value of services performed or acquired by donors and under their control, for the benefit of the Government and/or its subsidiaries.

## 7.2 Movements in Donor Trust Funds

Project funds that have been received for externally funded projects but not yet spent, are recognised under Donor Trust Funds as a part of Equity. This does not apply to internally funded projects. Movements in Donor Trust Funds were as follows.

	GROUP		PARENT	
	2023 \$	2022 \$	2023 \$	2022 \$
Opening balance as at 1 July	7,073,349	15,788,110	7,073,349	15,176,278
Project funding received during the year	6,129,457	14,098,970	6,129,457	14,098,970
Deduct: internal funding	(502,043)	(709,808)	(502,043)	(709,808)
Project funds spent during the year	(10,177,431)	(14,044,952)	(10,357,431)	(14,044,952)
Assets purchased from project funds	(2,670,875)	(2,915,291)	(2,670,875)	(2,915,291)
Add back: internally funded expenditure	1,821,414	(5,143,680)	2,001,414	(4,531,848)
<b>TOTAL DONOR TRUST FUNDS</b>	<b>1,673,871</b>	<b>7,073,349</b>	<b>1,673,871</b>	<b>7,073,349</b>

## 7.3 Summary of Donor Trust Funds

The Donor Trust Funds as balance date can be summarised as follows.

	GROUP		PARENT	
	2023 \$	2022 \$	2023 \$	2022 \$
NZAID: asset management	(2,401,604)	(4,494,199)	(2,401,604)	(4,494,199)
NZAID: tourism development	1,196,699	2,512,603	1,196,699	2,512,603
NZAID: technical assistance	2,586,206	4,506,577	2,586,206	4,506,577
NZAID: education/scholarships	0	300,602	0	300,602
NZAID: health support	0	847,455	0	847,455
NZAID: COVID support	0	250,000	0	250,000
European Union: EDF10	44,095	13,991	44,095	13,991
UNESCO: education	151,888	58,133	151,888	58,133
AUSAID: 18/19	449,378	2,204,815	449,378	2,204,815
UNDP: Ridge to Reef	196,214	395,631	196,214	395,631
Other donors	(549,005)	477,741	(549,005)	477,741
<b>TOTAL DONOR TRUST FUNDS</b>	<b>1,673,871</b>	<b>7,073,349</b>	<b>1,673,871</b>	<b>7,073,349</b>

Negative donor trust fund balances comprise projects or project groups for which as at balance date the expenditure incurred exceeded the project funding received.

## 7.4 Movements per Category of Donor Trust Funds

	GROUP		PARENT	
	2023 \$	2022 \$	2023 \$	2022 \$
Opening balance as at 1 July	(4,494,199)	(5,025,010)	(4,494,199)	(5,025,010)
Project funding received during the year	4,032,114	2,125,000	4,032,114	2,125,000
Project funds spent during the year	(2,776,501)	(2,867,078)	(2,776,501)	(2,867,078)
Transfers from/(to) other projects	836,982	1,272,889	836,982	1,272,889
<b>NZAID: asset management</b>	<b>(2,401,604)</b>	<b>(4,494,199)</b>	<b>(2,401,604)</b>	<b>(4,494,199)</b>
Opening balance as at 1 July	2,512,603	1,316,112	2,512,603	1,316,112
Project funding received during the year	0	2,007,800	0	2,007,800
Project funds spent during the year	(186,390)	(520,835)	(186,390)	(520,835)
Transfers from/(to) other projects	(1,129,514)	(290,474)	(1,129,514)	(290,474)
<b>NZAID: tourism development</b>	<b>1,196,699</b>	<b>2,512,603</b>	<b>1,196,699</b>	<b>2,512,603</b>
Opening balance as at 1 July	4,506,577	1,842,262	4,506,577	1,842,262
Project funding received during the year	20,000	3,800,000	20,000	3,800,000
Project funds spent during the year	(612,584)	(1,135,685)	(612,584)	(1,135,685)
Transfers from/(to) other projects	(1,327,787)	0	(1,327,787)	0
<b>NZAID: technical assistance</b>	<b>2,586,206</b>	<b>4,506,577</b>	<b>2,586,206</b>	<b>4,506,577</b>



	GROUP		PARENT	
	2023	2022	2023	2022
	\$	\$	\$	\$
Opening balance as at 1 July	300,602	1,082,138	300,602	1,082,138
Project funding received during the year	0	300,000	0	300,000
Project funds spent during the year	(141,296)	(458,057)	(141,296)	(458,057)
Transfers from/(to) other projects	(159,306)	(623,479)	(159,306)	(623,479)
<b>NZAID: education/scholarships</b>	<b>0</b>	<b>300,602</b>	<b>0</b>	<b>300,602</b>
Opening balance as at 1 July	847,455	1,023,780	847,455	1,023,780
Project funding received during the year	0	400,000	0	400,000
Project funds spent during the year	(173,644)	(173,507)	(173,644)	(173,507)
Transfers from/(to) other projects	(673,811)	(402,818)	(673,811)	(402,818)
<b>NZAID: health support</b>	<b>0</b>	<b>847,455</b>	<b>0</b>	<b>847,455</b>
Opening balance as at 1 July	250,000	10,724,542	250,000	10,724,542
Transfers from/(to) other projects	(250,000)	(10,474,542)	(250,000)	(10,474,542)
<b>NZAID: COVID Support</b>	<b>0</b>	<b>250,000</b>	<b>0</b>	<b>250,000</b>
Opening balance as at 1 July	0	134,650	0	134,650
Project funds spent during the year	0	(267,684)	0	(267,684)
Transfers from/(to) other projects	0	133,034	0	133,034
<b>FFA: Project Development Funds</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Opening balance as at 1 July	13,991	(13,513)	13,991	(13,513)
Project funding received during the year	420	81	420	81
Project funds spent during the year	(62)	(30)	(62)	(30)
Transfers from/(to) other projects	29,746	27,453	29,746	27,453
<b>European Union: EDF10</b>	<b>44,095</b>	<b>13,991</b>	<b>44,095</b>	<b>13,991</b>
Opening balance as at 1 July	58,133	107,888	58,133	107,888
Project funding received during the year	144,858	0	144,858	0
Project funds spent during the year	(41,292)	(50,009)	(41,292)	(50,009)
Transfers from/(to) other projects	(9,811)	254	(9,811)	254
<b>UNESCO: education</b>	<b>151,888</b>	<b>58,133</b>	<b>151,888</b>	<b>58,133</b>
Opening balance as at 1 July	0	(7,002)	0	(7,002)
Transfers from/(to) other projects	0	7,002	0	7,002
<b>AUSAID: Regional Fund</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Opening balance as at 1 July	2,204,815	2,565,239	2,204,815	2,565,239
Project funding received during the year	0	1,052,000	0	1,052,000
Project funds spent during the year	(955,437)	(1,416,185)	(955,437)	(1,416,185)
Transfers from/(to) other projects	(800,000)	3,761	(800,000)	3,761
<b>AUSAID: Funds 18/19</b>	<b>449,378</b>	<b>2,204,815</b>	<b>449,378</b>	<b>2,204,815</b>
Opening balance as at 1 July	395,631	1,077,182	395,631	1,077,182
Project funding received during the year	(2,429)	676,263	(2,429)	676,263
Project funds spent during the year	(196,988)	(1,431,542)	(196,988)	(1,431,542)
Transfers from/(to) other projects	0	73,728	0	73,728
<b>UNDP: Ridge to Reef</b>	<b>196,214</b>	<b>395,631</b>	<b>196,214</b>	<b>395,631</b>
Opening balance as at 1 July	477,741	959,842	477,741	348,010
Project funding received during the year	1,432,451	3,028,018	1,432,451	3,028,018
Project funds spent during the year	(2,439,263)	(2,706,394)	(2,439,263)	(2,706,394)
Transfers from/(to) other projects	(19,934)	(803,725)	(19,934)	(191,893)
<b>Other donors</b>	<b>(549,005)</b>	<b>477,741</b>	<b>(549,005)</b>	<b>477,741</b>
<b>TOTAL DONOR TRUST FUNDS</b>	<b>1,673,871</b>	<b>7,073,349</b>	<b>1,673,871</b>	<b>7,073,349</b>

## 8 CASH & CASH EQUIVALENTS

	GROUP		PARENT	
	2023	2022	2023	2022
	\$	\$	\$	\$
Cash and bank balances	16,118,560	15,123,763	12,182,936	12,223,023
Call and short term deposits	3,214,851	3,565,661	4,717	4,882
<b>Recurrent funds</b>	<b>19,333,411</b>	<b>18,689,424</b>	<b>12,187,653</b>	<b>12,227,905</b>
Cash and bank balances	378,612	839,834	19,728	(56,573)
Call and short term deposits	5,138,873	1,000,992	5,138,873	1,000,992
<b>Donor and trust funds</b>	<b>5,517,485</b>	<b>1,840,826</b>	<b>5,158,601</b>	<b>944,419</b>
<b>TOTAL CASH &amp; CASH EQUIVALENTS</b>	<b>24,850,896</b>	<b>20,530,250</b>	<b>17,346,254</b>	<b>13,172,324</b>

The cash actually held in the donor and trust funds bank accounts is more than sufficient to complete the current projects (refer Note 7, above). However, funds received for other projects have been used to cover overexpenditure of \$2,950,609 in asset management and some other projects.

## 9 INVENTORIES

	GROUP		PARENT	
	2023	2022	2023	2022
	\$	\$	\$	\$
Fuel (wholesale)	858,766	1,402,959	858,766	1,402,959
Bond Store (retail and wholesale)	1,209,941	813,271	0	0
Other inventories for resale	145,078	329,704	6,444	64,140
<b>Inventories for resale</b>	<b>2,213,785</b>	<b>2,545,934</b>	<b>865,210</b>	<b>1,467,099</b>
Other inventories (fuel and spare parts for internal use)	0	38,342	0	38,342
<b>TOTAL INVENTORIES</b>	<b>2,213,785</b>	<b>2,584,276</b>	<b>865,210</b>	<b>1,505,441</b>

## 10 DEBTORS

	GROUP		PARENT	
	2023	2022	2023	2022
	\$	\$	\$	\$
Trade debtors	3,624,007	3,094,224	1,946,939	1,649,114
Taxes receivable	679,501	673,895	3,264,962	3,038,686
Other receivables	236,762	118,553	954,965	530,901
Accrued income	479,935	369,482	456,395	365,654
Prepaid expenses	87,505	61,853	72,635	47,970
<b>Carrying amount of Debtors</b>	<b>5,107,710</b>	<b>4,318,007</b>	<b>6,695,896</b>	<b>5,632,325</b>
Deduct: Provision for doubtful debts	(1,075,318)	(1,020,370)	(878,295)	(834,232)
<b>NET VALUE OF ACCOUNTS RECEIVABLE</b>	<b>4,032,392</b>	<b>3,297,637</b>	<b>5,817,601</b>	<b>4,798,093</b>

## 11 LOANS

	GROUP		PARENT	
	2023	2022	2023	2022
	\$	\$	\$	\$
Rent-to-buy and Other Housing loans	284,442	290,941	0	0
Other loans	1,236,411	1,640,370	0	0
<b>Gross carrying amount of long term loans</b>	<b>1,520,853</b>	<b>1,931,311</b>	<b>0</b>	<b>0</b>
Deduct: Provision for doubtful debts	(75,935)	(19,707)	0	0
<b>Net value of Long Term Loans - Current Portion</b>	<b>1,444,918</b>	<b>1,911,604</b>	<b>0</b>	<b>0</b>
Rent-to-buy and Other Housing loans	3,317,955	2,957,708	0	0
Other loans	7,712,708	7,130,824	0	0
<b>Gross carrying amount of long term loans</b>	<b>11,030,663</b>	<b>10,088,532</b>	<b>0</b>	<b>0</b>
Deduct: Provision for doubtful debts	(116,183)	(152,238)	0	0
<b>Net value of Long Term Loans - Non Current Portion</b>	<b>10,914,480</b>	<b>9,936,294</b>	<b>0</b>	<b>0</b>
<b>NET VALUE OF OF LONG TERM LOANS</b>	<b>12,359,398</b>	<b>11,847,898</b>	<b>0</b>	<b>0</b>



## 12 OTHER INVESTMENTS

	GROUP		PARENT	
	2023 \$	2022 \$	2023 \$	2022 \$
Investment in Niue Development Bank	0	0	9,940,370	9,940,370
Investment in Niue Philatelic & Numismatic Corporation	0	0	1,095,378	1,095,378
Investment in Niue Bond Liquor Company Limited	0	0	459,799	459,799
Investment in Niue Commercial Enterprises Limited	0	0	350,000	350,000
<b>TOTAL OTHER INVESTMENTS</b>	<b>0</b>	<b>0</b>	<b>11,845,547</b>	<b>11,845,547</b>

Movements in the value of the Government's investments in its subsidiaries and in non-controlled entities can be summarised as follows.

	PARENT	
	2023 \$	2022 \$
Carrying amount as at 1 July	11,845,547	5,959,768
Transfer of net assets from Niue Bond Liquor Company Limited	0	1
Additional investments in Niue Development Bank	0	4,790,400
Transfer of assets to Broadcasting Corporation of Niue	0	43,172
Impairment loss reversals/(losses) in investments in subsidiaries	0	1,052,206
<b>CARRYING AMOUNT AS AT 30 JUNE</b>	<b>11,845,547</b>	<b>11,845,547</b>

## 13 STATEMENT OF INVESTMENTS

Section 40 of the Public Revenues Act 1959 requires disclosure of details of public securities, being securities representing the investment of any public moneys.

	GROUP		PARENT	
	2023 \$	2022 \$	2023 \$	2022 \$
Investments in recurrent cash & cash eq. (see Note 8, above)	3,214,851	3,565,661	4,717	4,882
Investments in donor cash & cash equivalents (see Note 8, above)	5,138,873	1,000,992	5,138,873	1,000,992
Investments in subsidiaries (see Note 12, above)	0	0	11,845,547	11,845,547
Loans - gross carrying amount (see Note 11, above)	12,551,516	12,019,843	0	0
<b>TOTAL INVESTMENTS</b>	<b>20,905,240</b>	<b>16,586,496</b>	<b>16,989,137</b>	<b>12,851,421</b>

## 14 PROPERTY, PLANT & EQUIPMENT

### 14.1 Movements in Property, Plant & Equipment

	GROUP		PARENT	
	2023 \$	2022 \$	2023 \$	2022 \$
Gross carrying amount as at 1 July	120,744,772	115,087,788	112,805,811	106,589,445
Additions	6,351,756	7,508,307	5,775,263	6,867,697
Disposals	(4,660,288)	(1,851,323)	(4,257,658)	(651,331)
<b>Gross carrying amount as at 30 June</b>	<b>122,436,240</b>	<b>120,744,772</b>	<b>114,323,416</b>	<b>112,805,811</b>
Accumulated depreciation as at 1 July	45,520,077	42,301,298	39,986,195	36,019,661
Depreciation charge for the year	5,247,813	4,973,751	4,890,853	4,571,337
Disposals	(3,968,641)	(1,754,972)	(3,673,919)	(604,803)
<b>Accumulated depreciation as at 30 June</b>	<b>46,799,249</b>	<b>45,520,077</b>	<b>41,203,129</b>	<b>39,986,195</b>
<b>NET BOOK VALUE - PROPERTY, PLANT AND EQUIPMENT</b>	<b>75,636,991</b>	<b>75,224,695</b>	<b>73,120,287</b>	<b>72,819,616</b>

## 14.2 Asset Classes

	GROUP		PARENT	
	2023 \$	2022 \$	2023 \$	2022 \$
Land	5,518,617	5,518,617	5,013,642	5,013,642
Infrastructural assets	27,946,984	29,428,254	27,509,630	28,972,124
Buildings and site improvements	29,054,564	28,195,929	28,417,973	27,468,431
Machinery	4,772,191	3,630,731	4,207,084	3,401,451
Vehicles	5,085,345	5,089,903	4,933,042	4,892,320
Electronic equipment	2,966,731	3,049,393	2,860,209	2,885,450
Furniture and Fittings	292,559	311,868	178,707	186,198
<b>NET BOOK VALUE - PROPERTY, PLANT AND EQUIPMENT</b>	<b>75,636,991</b>	<b>75,224,695</b>	<b>73,120,287</b>	<b>72,819,616</b>

The Government does not own all the land which its buildings occupy. However, because the Government effectively controls the land and receives the benefits from its use, all land that the Government uses has been recognised as assets.

Infrastructural assets include the Airport runway and the Alofi wharf. Other infrastructural assets, such as roads, street lights and underground cables, are also owned by the Government. These have historically been treated as operating expenditure. Most of these assets have been in use for a considerable time and would, if they had been recognised as assets and depreciated in accordance with the Government's normal depreciation rules, have been almost fully depreciated. New infrastructural assets will be recognised as assets in accordance with the Government's accounting policies.

Buildings and site improvements include: buildings, sheds, bulk fuel tanks, site preparation, landscaping, paths and lawns around buildings used by the Government, and storage containers.

Vehicles include boats.

Electronic equipment includes computer equipment and peripherals, network equipment to service the Government's internal network, medical equipment, etc.

## 14.3 Movements per Asset Class

	GROUP		PARENT	
	2023 \$	2022 \$	2023 \$	2022 \$
<b>Land</b>				
Gross carrying amount as at 1 July	5,518,617	5,141,142	5,013,642	5,013,642
Additions	0	377,475	0	0
<b>Net Book Value - Land</b>	<b>5,518,617</b>	<b>5,518,617</b>	<b>5,013,642</b>	<b>5,013,642</b>
<b>Infrastructural Assets</b>				
Gross carrying amount as at 1 July	41,546,176	40,929,202	39,395,961	38,778,987
Additions	234,182	651,245	234,182	651,245
Disposals	(12,578)	(34,271)	(12,578)	(34,271)
<b>Gross carrying amount as at 30 June</b>	<b>41,767,780</b>	<b>41,546,176</b>	<b>39,617,565</b>	<b>39,395,961</b>
Accumulated depreciation as at 1 July	12,117,922	10,341,349	10,423,837	8,678,490
Depreciation charge for the year	1,715,213	1,810,844	1,696,437	1,779,618
Disposals	(12,339)	(34,271)	(12,339)	(34,271)
<b>Accumulated depreciation as at 30 June</b>	<b>13,820,796</b>	<b>12,117,922</b>	<b>12,107,935</b>	<b>10,423,837</b>
<b>Net Book Value - Infrastructural Assets</b>	<b>27,946,984</b>	<b>29,428,254</b>	<b>27,509,630</b>	<b>28,972,124</b>
<b>Buildings and Site Improvements</b>				
Gross carrying amount as at 1 July	44,062,963	40,716,011	41,336,445	37,898,012
Additions	2,325,824	3,505,413	2,252,953	3,483,433
Disposals	(1,108,774)	(158,461)	(975,441)	(45,000)
<b>Gross carrying amount as at 30 June</b>	<b>45,280,013</b>	<b>44,062,963</b>	<b>42,613,957</b>	<b>41,336,445</b>
Accumulated depreciation as at 1 July	15,867,034	14,891,457	13,868,014	12,880,874
Depreciation charge for the year	1,383,749	1,086,063	1,296,166	987,140
Disposals	(1,025,334)	(110,486)	(968,196)	0
<b>Accumulated depreciation as at 30 June</b>	<b>16,225,449</b>	<b>15,867,034</b>	<b>14,195,984</b>	<b>13,868,014</b>
<b>Net Book Value - Buildings and Site Improvements</b>	<b>29,054,564</b>	<b>28,195,929</b>	<b>28,417,973</b>	<b>27,468,431</b>



	GROUP		PARENT	
	2023	2022	2023	2022
	\$	\$	\$	\$
<b>Machinery</b>				
Gross carrying amount as at 1 July	8,803,184	8,849,776	8,192,494	7,917,335
Additions	1,586,128	499,650	1,168,411	470,100
Disposals	(910,671)	(546,242)	(893,435)	(194,941)
<b>Gross carrying amount as at 30 June</b>	<b>9,478,641</b>	<b>8,803,184</b>	<b>8,467,470</b>	<b>8,192,494</b>
Accumulated depreciation as at 1 July	5,172,453	5,251,117	4,791,043	4,626,645
Depreciation charge for the year	442,470	439,397	362,778	359,339
Disposals	(908,473)	(518,061)	(893,435)	(194,941)
<b>Accumulated depreciation as at 30 June</b>	<b>4,706,450</b>	<b>5,172,453</b>	<b>4,260,386</b>	<b>4,791,043</b>
<b>Net Book Value - Machinery</b>	<b>4,772,191</b>	<b>3,630,731</b>	<b>4,207,084</b>	<b>3,401,451</b>
<b>Vehicles</b>				
Gross carrying amount as at 1 July	12,301,225	11,552,251	11,183,225	10,027,339
Additions	1,322,202	1,464,029	1,295,035	1,411,200
Disposals	(657,076)	(715,055)	(622,343)	(255,314)
<b>Gross carrying amount as at 30 June</b>	<b>12,966,351</b>	<b>12,301,225</b>	<b>11,855,917</b>	<b>11,183,225</b>
Accumulated depreciation as at 1 July	7,211,322	7,178,060	6,290,905	5,889,078
Depreciation charge for the year	749,468	729,462	678,782	655,613
Disposals	(79,784)	(696,200)	(46,812)	(253,786)
<b>Accumulated depreciation as at 30 June</b>	<b>7,881,006</b>	<b>7,211,322</b>	<b>6,922,875</b>	<b>6,290,905</b>
<b>Net Book Value - Vehicles</b>	<b>5,085,345</b>	<b>5,089,903</b>	<b>4,933,042</b>	<b>4,892,320</b>
<b>Electronic Equipment</b>				
Gross carrying amount as at 1 July	7,520,493	6,808,753	7,020,500	6,335,541
Additions	817,830	916,583	793,557	800,899
Disposals	(1,657,531)	(204,843)	(1,564,373)	(115,940)
<b>Gross carrying amount as at 30 June</b>	<b>6,680,792</b>	<b>7,520,493</b>	<b>6,249,684</b>	<b>7,020,500</b>
Accumulated depreciation as at 1 July	4,471,100	3,850,984	4,135,050	3,497,721
Depreciation charge for the year	887,671	824,958	818,074	753,269
Disposals	(1,644,710)	(204,842)	(1,563,649)	(115,940)
<b>Accumulated depreciation as at 30 June</b>	<b>3,714,061</b>	<b>4,471,100</b>	<b>3,389,475</b>	<b>4,135,050</b>
<b>Net Book Value - Electronic Equipment</b>	<b>2,966,731</b>	<b>3,049,393</b>	<b>2,860,209</b>	<b>2,885,450</b>
<b>Furniture and Fittings</b>				
Gross carrying amount as at 1 July	992,114	1,090,653	663,544	618,589
Additions	65,590	93,912	31,125	50,820
Disposals	(313,658)	(192,451)	(189,488)	(5,865)
<b>Gross carrying amount as at 30 June</b>	<b>744,046</b>	<b>992,114</b>	<b>505,181</b>	<b>663,544</b>
Accumulated depreciation as at 1 July	680,246	788,331	477,346	446,853
Depreciation charge for the year	69,242	83,027	38,616	36,358
Disposals	(298,001)	(191,112)	(189,488)	(5,865)
<b>Accumulated depreciation as at 30 June</b>	<b>451,487</b>	<b>680,246</b>	<b>326,474</b>	<b>477,346</b>
<b>Net Book Value - Furniture and Fittings</b>	<b>292,559</b>	<b>311,868</b>	<b>178,707</b>	<b>186,198</b>
<b>NET BOOK VALUE - PROPERTY, PLANT AND EQUIPMENT</b>	<b>75,636,991</b>	<b>75,224,695</b>	<b>73,120,287</b>	<b>72,819,616</b>

#### 14.4 Work in progress

The total amount of assets in the course of construction included in the cost of Property, Plant and Equipment is \$6.6 mln (2022: \$4.2 mln). Depreciation on these assets had not been started by 30 June.

## 15 SOFTWARE

	GROUP		PARENT	
	2023	2022	2023	2022
	\$	\$	\$	\$
Gross carrying amount as at 1 July	603,420	620,499	459,699	450,789
Additions	163,791	27,266	17,852	8,910
Disposals	(109,841)	(44,345)	(70,837)	0
<b>Gross carrying amount as at 30 June</b>	<b>657,370</b>	<b>603,420</b>	<b>406,714</b>	<b>459,699</b>
Accumulated amortisation as at 1 July	493,260	451,107	411,890	351,748
Amortisation charge for the year	75,937	86,498	35,296	60,142
Disposals	(104,119)	(44,345)	(70,837)	0
<b>Accumulated amortisation as at 30 June</b>	<b>465,078</b>	<b>493,260</b>	<b>376,349</b>	<b>411,890</b>
<b>NET BOOK VALUE - SOFTWARE</b>	<b>192,292</b>	<b>110,160</b>	<b>30,365</b>	<b>47,809</b>

Software includes separately acquired computer programmes and the directly attributable cost of implementing comprehensive computer-based information systems.

## 16 TRADE AND OTHER CREDITORS

	GROUP		PARENT	
	2023	2022	2023	2022
	\$	\$	\$	\$
Trade creditors	7,366,995	5,531,687	5,045,654	4,204,971
Tax liabilities (refunds)	724,688	310,975	710,772	1,068,164
Other creditors	178,730	1,810,661	242,267	245,735
<b>TOTAL AND OTHER CREDITORS</b>	<b>8,270,413</b>	<b>7,653,323</b>	<b>5,998,693</b>	<b>5,518,870</b>

## 17 EMPLOYEE ENTITLEMENTS

	GROUP		PARENT	
	2023	2022	2023	2022
	\$	\$	\$	\$
Accrued salaries (current)	367,416	398,480	332,763	374,350
Leave entitlements (see below for classification)	1,981,948	1,993,079	1,808,790	1,863,686
<b>EMPLOYEE ENTITLEMENTS</b>	<b>2,349,364</b>	<b>2,391,559</b>	<b>2,141,553</b>	<b>2,238,036</b>

Leave entitlements include current and non current entitlements, as follows.

	2023	2022	2023	2022
	\$	\$	\$	\$
Current entitlements	944,428	959,243	787,063	852,223
Non current entitlements	1,037,520	1,033,836	1,021,727	1,011,463
<b>LEAVE ENTITLEMENTS</b>	<b>1,981,948</b>	<b>1,993,079</b>	<b>1,808,790</b>	<b>1,863,686</b>

Movements in leave entitlements can be summarised as follows.

	2023	2022	2023	2022
	\$	\$	\$	\$
Balance as at 1 July	1,993,079	1,958,115	1,863,686	1,766,269
Effect of salary increases	29,243	28,319	27,347	27,160
Effect of changes in staff numbers	127,359	134,202	127,359	134,202
Effect of discounting	(63,554)	(55,359)	(61,333)	(52,576)
Effect of early resignations	(50,399)	(43,732)	(49,066)	(42,061)
Net effect of additional and utilised entitlements	(53,780)	(28,466)	(99,203)	30,692
<b>LEAVE ENTITLEMENTS AS AT 30 JUNE</b>	<b>1,981,948</b>	<b>1,993,079</b>	<b>1,808,790</b>	<b>1,863,686</b>

## 18 FINANCIAL INSTRUMENTS

### 18.1 Credit risk

The Government of Niue and its associated entities incur credit risk from financial institutions, loan debtors, tax debtors, trade debtors and other debtors. The Government has placed its funds as cash and interest bearing deposits with the Westpac Banking Corporation and Kiwibank in New Zealand. Loans are only advanced to borrowers that meet certain credit criteria.



## 18.2 Interest rate risk

The Government places surplus funds on short term interest bearing deposits that are subject to normal market fluctuations.

## 18.3 Currency risk

The Government does not keep assets in foreign currencies.

## 18.4 Fair value

Financial instruments are recorded at their fair value.

## 19 COMMITMENTS

	GROUP		PARENT	
	2023	2022	2023	2022
	\$	\$	\$	\$
Property, Plant & Equipment	3,230,821	1,112,825	3,230,821	1,112,825
<b>Capital Commitments</b>	<b>3,230,821</b>	<b>1,112,825</b>	<b>3,230,821</b>	<b>1,112,825</b>
<b>Loans approved but not yet drawn by borrowers</b>	<b>1,650,346</b>	<b>1,128,896</b>	<b>0</b>	<b>0</b>
Not later than one year	310,927	325,290	0	0
Later than one year and not later than five years	282,151	342,576	0	0
Later than five years	409,549	662,862	0	0
<b>Operating Lease Commitments</b>	<b>1,002,627</b>	<b>1,330,728</b>	<b>0</b>	<b>0</b>
Not later than one year	416,360	550,963	393,479	221,763
Later than one year and not later than five years	187,560	245,679	187,560	140,192
<b>Other Operating Commitments</b>	<b>603,920</b>	<b>796,642</b>	<b>581,039</b>	<b>361,955</b>
<b>TOTAL COMMITMENTS</b>	<b>6,487,714</b>	<b>4,369,091</b>	<b>3,811,860</b>	<b>1,474,780</b>

The Group comparatives have been restated to reclassify a contract from Operating Lease Commitments to Other Operating Commitments.

## 20 CONTINGENT LIABILITY: COIN ISSUES

The Niue Philatelic and Numismatic Corporation issues coin for the numismatic collectors' market. This coin is legal tender only in Niue. Coins may therefore be redeemed against the Niue Philatelic and Numismatic Corporation or the Government of Niue. However, because of the nature of the coins and because they are only legal tender within Niue, it is considered unlikely that any material amount will be redeemed.

## 21 FINANCIAL SUSTAINABILITY

Niue is a self governing country in free association with New Zealand. Through the Niue Constitution Act 1974, New Zealand has committed itself to providing Niue with the necessary economic and administrative assistance.

Niue relies on New Zealand's ongoing support, which presently includes: (a) annual budget support, (b) annual sector support, (c) annual funding for administrative and technical assistance, and (d) funding for specified development projects. New Zealand has committed to a 2 year Annual Consolidated Budget Support of \$24,090,000 for the two years 2021/22 and 2022/23, of \$12,790,000 for the year 2023/24, and of \$15,000,000 For the year 2024/25. Also, New Zealand provided additional support of \$10,000,000 in 2022/23 and \$10,000,000 in 2023/24. This is considered sufficient to meet the Government of Niue's operational commitments and ensure adequate capital investment in Niue's key assets.

## 22 REVENUE WITH UNCERTAINTY RELATING TO COMPLETENESS

Necessary controls were not in place to provide the auditors with sufficient assurance around the complete recognition of all revenue from NCT, import duties, port charges and income tax, which are included in Taxes, Duties and Fines. The line "Taxes, Duties & Fines" in the Income Statement can be specified as follows.

	GROUP		PARENT	
	2023	2022	2023	2022
	\$	\$	\$	\$
NCT, import duties and port charges	5,031,645	4,142,153	5,031,645	4,142,153
Income tax	4,580,698	3,295,188	4,580,698	3,295,188
Other taxes	882,966	134,806	882,966	134,806
Fines, fishing rights, landing rights, and other registration fees	2,156,256	1,875,057	2,156,256	1,875,057
Intercompany eliminations of income tax	(482,780)	86,816	0	0
<b>TOTAL TAXES, DUTIES &amp; FINES</b>	<b>12,168,785</b>	<b>9,534,020</b>	<b>12,651,565</b>	<b>9,447,204</b>

Necessary controls were not in place to provide the auditors with sufficient assurance around the complete recognition of all revenue from Telecom Niue Ltd and the Broadcasting Corporation of Niue which is included in Sale of Goods and Services. The line "Sale of Goods and Services" in the Income Statement can be specified as follows.

Government departments	8,175,430	6,232,373	8,175,430	6,232,373
Telecom Niue Ltd	2,721,883	2,327,188	0	0
Niue Development Bank	132,134	93,707	0	0
Broadcasting Corporation of Niue	154,625	181,880	0	0
Niue Philatelic & Numismatic Corporation	94,435	55,755	0	0
Niue Bond Liquor Company Ltd	1,608,623	1,526,728	0	0
Niue Commercial Enterprises Ltd	62,920	62,222	0	0
Intercompany eliminations	(909,423)	(1,158,587)	0	0
<b>TOTAL SALE OF GOODS &amp; SERVICES</b>	<b>12,040,627</b>	<b>9,321,266</b>	<b>8,175,430</b>	<b>6,232,373</b>