



Pacific Immigration Directors Conference
2017 Regular Annual Meeting,
June 20 – 22, Apia, Samoa

Agenda item 7(a)(i): Financial Update

Recommendation

The PIDC Regular Annual Meeting is invited to:

1. **acknowledge** the implementation of the financial system for the Secretariat; and
 2. **note** the financial update and the underspent of the Secretariat.
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Purpose

1. The purpose of this paper is to provide an update on the financial expenditure and revenue for the 2016 – 2017 financial year.

Background

2. With the transfer of the PIDC Secretariat from Suva to Apia and the establishment of legal entity status, the Secretariat since August 2016 has taken on the PIDC financial management responsibility from Immigration New Zealand Suva office. To assist the Secretariat in managing its finances, the Secretariat has acquired the financial software “XERO” which has now been installed with transaction records updated to May 2017.

Expenditure

3. Table 1 below summarises PIDC Secretariat expenditure for 2016-2017:

		Budget 2016/17 WST\$	Actuals 2016/17 WST\$	Forecast June 17	Variance WST\$
Salary Related Expenditure		609,000	475,600	45,006	88,394
Operation Costs		550,000	199,009		299,051
	Admin	280,000	139,032	12,639	
	Capacity Development	200,000	41,977	20,000	
	Audit	20,000	-	16,000	
	Depreciation	50,000	<u>18,000.</u>	<u>3,301</u>	
Meeting		474,000	198,333	263,000	12,667
Programme		350,000	279,172	70,782	45.95
Total		1,983,000	1,152,114	422,728	400,158

Table 1: Summary of 2016/17 Expenditure

4. Total expenditure as of May 2017 stands at 58% and is forecasted to increase to 79% of the total budget by the end of the financial year. Significant underspend has been projected for: (a) operating cost expenditure due to 2016/17 being a baseline year, which is reflected by the 54% underspent; (b) Salary Related Expenditure of 15% as a result of lower

Special Drawing Rights (SDR) rates than budgeted; and (c) meeting expenditure where it is anticipated that there will be underspend of around 20,667 which represents 4%.

Revenue

5. The 2016/17 budget revenue was estimated at WST\$1,999,000. The table below provides a summary of income received against budgeted.

	Budget		Actual WST	Forecast June 17	Variance WST	Outstanding
		WST				
Revenue						
Australia	WST 909,000	909,000	909,000	-	-	
NZ MFAT	NZ\$ 350,000	614,000	567,037		46,963	Q4-NZ\$ 26,836
NZ MBIE	NZ\$ 200,000	350,000		315,000	35,000	NZ\$ 20,000
Members	NZ\$ 72,000	126,000	46,853	79,147	-	
Prior Years Contribution	0	0	185,258	5,217	195,475	0
Total		1,999,000	1,708,148	399,364	-108,512	
In Kind						
Australia	227,000	227,000	227,000	-		
New Zealand	130,000	228,000	228,000	-		
Samoa	60,000	60,000	60,000	-		
Total		515,000	397,000	-		

Table 2: Summary of 2016/17 Revenue

Donor Contribution

6. Australia an PIDC has a three-year funding agreement commencing in the 2016/17 financial year. Australia has paid its dues in full for 2016/17.

7. New Zealand had signed two agreements in 2016 totalling NZ\$ 530,000. A total of NZ\$ 350,000 from Ministry of Foreign Affairs and Trade (NZ MFAT) and NZ\$ 180,000 from Ministry of Business Innovation and Employment (NZ MBIE). The Secretariat has received the bulk of the New Zealand funds and is in the process of reconciling outstanding amounts. A new one year funding agreement is anticipated to be signed off for the 2017/18 financial year.

Membership Contribution Fund

8. The Secretariat received prior years' Members contribution from NZ MBIE of NZ\$ 92,426.72 (equivalent of WST\$ 169,872) which had not been included in the 2016/17 Budget Revenue. Tonga, Nauru and Vanuatu had made direct payments to the Secretariat of outstanding contributions for 2015/16 financial year, bringing the unbudgeted prior years' Members contribution to WST 185, 258. Kiribati, 2015/16 outstanding of WST\$ 5,217, has committed to clearing its dues. Prior years' Membership contributions will be carried over in 2017/18 budget.

9. A thank you to Vanuatu, Tonga and Nauru for paying its 2015/16 dues. Kiribati has also shown its commitment to update its payments.

10. The Secretariat would like to show its appreciation to Papua New Guinea, Solomon Islands, Cook Islands, Samoa, Fiji and Tuvalu for the contributions made for the current financial year.

11. As part of this update, please find below a table detailing payments received. Some Members have been in communication with the Secretariat in arranging for their dues to be cleared by 30 June 2017.

Tier	Country	2015/16	2016/17
		NZ \$	WST \$
Tier 1	French Polynesia	5,000	
Tier 1	Papua New Guinea	5,000	8,696
Tier 1	New Caledonia	5,000	
Tier 1	Samoa	5,000	8,696
Tier 2	Fiji	4,000	6,957
Tier 2	Solomon Islands	4,000	6,957
Tier 2	Vanuatu	4,000	
Tier 2	Cook Islands	4,000	6,957
Tier 3	Tonga	3,000	
Tier 3	Kiribati		
Tier 3	Marshall Islands	3,000	
Tier 4	Palau	2,000	
Tier 4	Nauru	2,000	
Tier 4	Tuvalu	2,000	2,672
Tier 4	Wallis et Futuna	2,000	
Tier 4	Niue	2,000	
Tier 4	Micronesia, Federated States of	2,000	

Table 3: Summary of payment received for 2015/16 and 2016/17 Membership Contribution