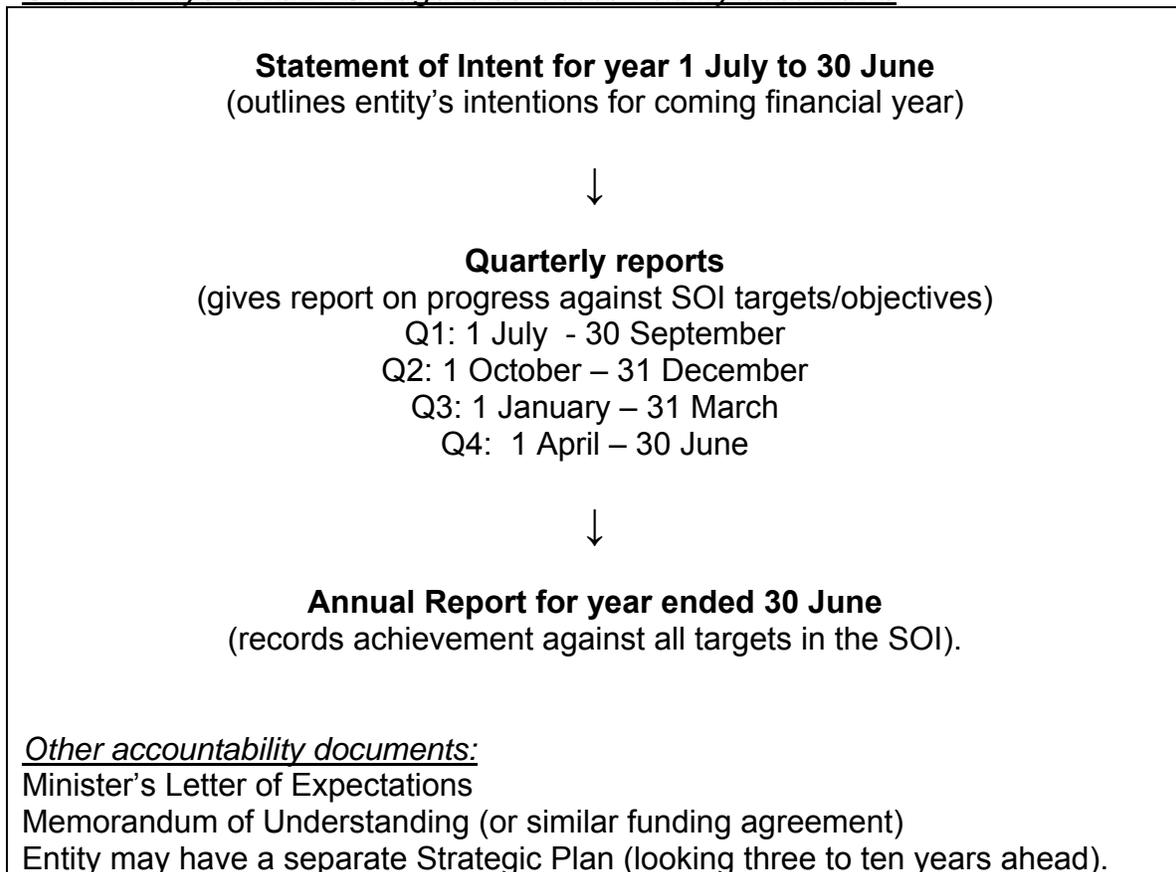


## 2007 Annual Reports

For most Crown entities, the annual report is the means by which they report to Parliament and the general public on their performance for the financial year ending 30 June. As such, it is the final part of the annual accountability cycle that begins with the Statement of Intent (SOI) that is prepared at the start of the financial year (see diagram). The results of the agency's financial and non-financial performance are compared with the targets and budgets it set itself at the start of the year in the SOI's statement of objectives and forecast financial performance. The annual report is a public document, independently audited and presented to the House of Representatives. It is usually published in hard copy although there is a growing trend for web-only versions (a printed version is still required to be tabled in the House). The annual report is often the starting-point for a consideration of an entity's performance at select committee (eg, financial review committee).

### Crown entity / Other MCH agencies' accountability documents



### Guiding legislation

Prior to 2006/07, the guiding legislation was the Public Finance Act 1989. However, from the 2006/07 financial year, the guiding legislation for Crown

entities is the Crown Entities Act 2004 (the CE Act). Annual reports for the year ended 30 June 2007 are required to comply with the requirements of the CE Act.

## Process

- Prior to **30 September** (three months from the end of the financial year for entities with a year-end of 30 June), a Crown entity must forward all relevant material to its nominated auditor (who undertakes the audit on behalf of the Auditor-General). This information includes its annual financial statements, statement of service performance, and any other information that is required. The draft annual report must also be provided, in a timely manner, to be considered as part of the audit review. (*s150(1)b of the CE Act*).
- Most agencies funded by MCH will, in their Memorandum of Understanding (MOU), have a specified date by which they must share a copy of the draft annual report to MCH for its comment.
- The Auditor-General has until **31 October** (four months after the end of the financial year) to audit these statements and provide an audit report to the entity. The report is published in the entity's annual report and will state whether the report is 'unqualified' or 'qualified' (restricted). The report is accompanied by a more detailed audit management letter.
- Most agencies funded by MCH will, in their Memorandum of Understanding (MOU), have an agreement to forward MCH a copy of the audit management letter **within one week of receipt** by the entity. This assists MCH to prepare the report for the Minister, who is responsible for tabling the report in the House.
- Once the audit report has been received by the entity, the entity has **15 working days** to provide the report to the Minister, as per *s150(1)b of the CE Act*.
- The Minister then has **5 days** to present the annual report to the House of Representatives. If the House isn't in session, this must be done as soon as possible on the commencement of the next session. (*s150(3) of the CE Act*)
- The Crown entity must publish its annual report as soon as practicable after it has been presented to the House but in any case not later than 10 working days after the annual report is received by the Minister. By 'publish', it is meant 'make publicly available', eg. through its website.

## Presentation to the House of Representatives

Annual reports are presented as non-parliamentary papers unless they have a shoulder number. For example, NZ On Air and the Broadcasting Standards Authority's annual reports are non-parliamentary papers, whereas New Zealand Film Commission and Creative New Zealand's annual reports are parliamentary papers.

For full instructions, see the paper:

<http://www.clerk.parliament.govt.nz/NR/rdonlyres/713D091A-5590-45B3-BFFE-8EA96CAA90DC/36135/presentationofpapers92.pdf>

Some of the key points to be aware of are:

- 90 copies of parliamentary papers or 60 copies of non-parliamentary papers are required to be sent to the House, which must be delivered to the Office of the Clerk (attention Bills Office) on the morning of the day on which the report is due to be presented and not later than 1pm. An electronic copy (in PDF format) is also required by the Bills Office for parliamentary papers, but not for non-parliamentary papers.
- The Minister's office should also have 2 copies of the printed document
- It is the Minister's office's responsibility to ensure that the established procedures for presentation to the House are followed, after this point
- Papers may be presented to the House on any working day throughout the year (except for the period 25 December to 15 January)
- Papers are not publicly released until they have been presented
- Once the Crown entity has confirmation that the report has been presented, distribution is the responsibility of the Crown entity
- Papers presented are listed daily on the Parliament website (*www.parliament.nz*).

For queries on the presentation process, contact Kathy Chard at the Bills Office by phone on 04 471 9437 or by email to: [katherine.chard@parliament.govt.nz](mailto:katherine.chard@parliament.govt.nz).

## Checklist

The statutory requirements for the form and content of the report are set out in s151 of the Crown Entities Act 2004: the content requirements in s151(1) should contain the information needed to enable an overall assessment of the entity's performance, as outlined in s152(2).

- Statement of service performance (SSP) as per s153, except for any exemptions that have been given under s143(2)
- The statutory requirements for the form and content of the report are set out in s151 of the Crown Entities Act 2004: the content requirements in (1)

should contain the information needed to enable an overall assessment of the entity's performance, as outlined in (2)

- Annual financial statements as per s154
- Statement of responsibility as per s155, which is dated and signed on behalf of the board by 2 members
- Audit report as per s156
- Any written directions given to the entity by the Minister during the year
- Information on compliance on obligations to be a good employer, including having an EEO programme
- Disclosure of payments to board members, committee members, and employees (including no. of employees earning over \$100k, shown in brackets of \$10k), as per s152
- Any transactions invalid under s19
- Any permissions to act despite an interest under s68
- Any matters that relate to or affect the entity's operation that the entities is otherwise required, or has undertaken, or wishes to report on in its annual report
- Any instructions given by Minister of Finance under s174 have been adhered to
- Dated and signed by two board members on behalf of the board (s151[3])