

Statement of Commitments as at 30 June 2015

2014		2015
Actual		Actual
(\$000)		(\$000)
Capital Commitments		
922	Buildings	19,092
732,202	Specialist Military Equipment	649,841
434	Plant & Equipment	911
733,558	Total Capital Commitments	669,844
Non-Cancellable Operating Lease Commitments		
24,369	Not later than one year	24,447
62,996	Later than one year and not later than five years	65,268
65,524	Later than five years	70,043
152,889	Total Non-Cancellable Operating Lease Commitments	159,758
886,447	Total Commitments	829,602

Capital Commitments

The majority of the capital commitments are with the Ministry of Defence who manage the procurement of major military assets on behalf of the NZDF. The value of the capital commitments with the Ministry of Defence this year is \$599.9 million (2014: \$672.0 million). Under the Defence Act 1990 the Ministry of Defence manages for the NZDF, the acquisition process of Specialist Military Equipment costing in excess of \$7.0 million.

Non-Cancellable Operating Lease Commitments

The lease commitments for premises, planes and simulators are based on lease review dates that range from 2 months to 22 years.

Statement of Contingent Liabilities as at 30 June 2015

2014		2015
Actual		Actual
(\$000)		(\$000)
1,698	Potential claims from legal proceedings and disputes	1,395
1,829	Restructuring cost	1,922
3,527	Total quantifiable contingent liabilities	3,317

The potential claims from legal proceedings and disputes represent the amounts claimed by plaintiffs in relation to the performance of the NZDF's statutory role. The NZDF is currently disputing these claims. The NZDF is jointly responsible for redundancy compensation payments if a restructuring of the dockyard contract occurs.

The accompanying notes form part of these financial statements.