

Forecast Financial Statements

Ministry for Culture and Heritage

Statement of Forecast Financial Performance for the year ending 30 June 2009

	Note	2006/07 Actual \$000	2007/08 Budgeted \$000	2007/08 Estimated Actual \$000	2008/09 Budgeted \$000
Income					
Crown		15,921	15,056	15,056	15,900
Department(s)		284	346	346	166
Other revenue		288	129	129	-
Gains		4	-	-	-
Interest		-	-	-	-
Total Income		16,497	15,531	15,531	16,066
Expenses					
Personnel		7,028	7,826	7,826	8,215
Operating	1	7,829	7,256	6,521	7,386
Depreciation and amortisation		243	334	334	380
Capital charge		106	115	115	85
Finance costs		-	-	-	-
Other		770	-	-	-
Total Expenses		15,976	15,531	14,796	16,066
Net Surplus / (Deficit)		521	-	735	-

Statement of Forecast Changes in Taxpayers' Funds for the year ending 30 June 2009

	Note	2006/07 Actual \$000	2007/08 Budgeted \$000	2007/08 Estimated Actual \$000	2008/09 Budgeted \$000
Balance at 1 July					
General funds		1,280	882	882	1,132
Revaluation reserve		-	-	-	-
Other reserves		-	-	-	-
Taxpayers' Funds Opening Balance		1,280	882	882	1,132
Changes in Taxpayers' Funds					
Income and Expense for the Period					
Net surplus / (deficit) for the year		521	-	735	-
Total gains / (losses) taken to equity		-	-	-	-
Total Income and Expense for the Period		521	-	735	-
Other Changes					
Repayment of surplus		(1,176)	-	(735)	-
Capital contribution		257	250	250	-
Capital withdrawal		-	-	-	-
Other		-	-	-	-
Total Changes in Taxpayers' Funds		(398)	250	250	-
Balance at 30 June					
General funds		882	1,132	1,132	1,132
Revaluation reserve		-	-	-	-
Other reserves		-	-	-	-
Taxpayers' Funds Closing Balance		882	1,132	1,132	1,132

Forecast Statement of Financial Position as at 30 June 2009

	Note	2006/07 Actual \$000	2007/08 Budgeted \$000	2007/08 Estimated Actual \$000	2008/09 Budgeted \$000
Assets					
Current Assets					
Cash and cash equivalents		507	93	828	1,093
Debtors and other receivables		1,810	1,150	1,150	150
Prepayments		90	80	80	80
Inventories		-	-	-	-
Other current assets		-	-	-	-
Total Current Assets		2,407	1,323	2,058	1,323
Non-current Assets					
Property, plant and equipment		853	1,098	1,098	1,098
Intangible assets		35	41	41	41
Other non-current assets		-	-	-	-
Total Non-current Assets		888	1,139	1,139	1,139
Total Assets		3,295	2,462	3,197	2,462
Liabilities					
Current Liabilities					
Creditors and other payables		786	845	845	845
Repayment of surplus		1,176	-	735	-
Employee entitlements		361	395	395	395
Other current liabilities		-	-	-	-
Total Current Liabilities		2,323	1,240	1,975	1,240
Non-current Liabilities					
Provisions		-	-	-	-
Employee entitlements		90	90	90	90
Other non-current liabilities		-	-	-	-
Total Non-current Liabilities		90	90	90	90
Total Liabilities		2,413	1,330	2,065	1,330
Taxpayers' Funds					
General funds		882	1,132	1,132	1,132
Revaluation reserve		-	-	-	-
Other reserves		-	-	-	-
Total Taxpayers' Funds		882	1,132	1,132	1,132
Total Liabilities and Taxpayers' Funds		3,295	2,462	3,197	2,462

Statement of Forecast Cash Flows for the year ending 30 June 2009

	Note	2006/07 Actual \$000	2007/08 Budgeted \$000	2007/08 Estimated Actual \$000	2008/09 Budgeted \$000
Cash Flows from Operating Activities					
Receipts from:					
Crown		15,605	15,665	15,665	16,900
Department(s)		244	361	361	166
Other		245	165	165	-
Interest		-	-	-	-
Payments to:					
Suppliers		(8,022)	(7,189)	(6,454)	(7,427)
Employees		(6,955)	(7,790)	(7,790)	(8,174)
Capital charge		(106)	(115)	(115)	(85)
Goods and services tax (net)		200	-	-	-
Other operating activities		-	-	-	-
Net Cash from Operating Activities	2	1,211	1,097	1,832	1,380
Cash Flow from Investing Activities					
Receipts from:					
Sale of property, plant and equipment		4	-	-	-
Sale of intangible assets		-	-	-	-
Sale of other non-current assets		-	-	-	-
Purchase of:					
Property, plant and equipment		(924)	(520)	(520)	(350)
Intangible assets		-	(65)	(65)	(30)
Other non-current assets		-	-	-	-
Net Cash from Investing Activities		(920)	(585)	(585)	(380)
Cash Flow from Financing Activities					
Capital contribution		257	250	250	-
Other financing cash inflows		-	-	-	-
Repayment of surplus		(1,547)	(1,176)	(1,176)	(735)
Capital withdrawal		-	-	-	-
Other financing cash outflows		-	-	-	-
Net Cash from Financing Activities		(1,290)	(926)	(926)	(735)
Net Increase / (Decrease) in Cash		(999)	(414)	321	265
Cash at the beginning of the year		1,506	507	507	828
Cash at the end of the year		507	93	828	1,093

Statement of Significant Assumptions

These forecast financial statements have been compiled on the basis of existing government policies and Ministerial expectations at the time the statements were finalised.

The main assumptions are as follows:

- The activities of the Ministry for Culture and Heritage will remain substantially the same as for the previous year.
- Personnel costs are based on 111 staff positions (104.95 full time equivalents).
- Operating costs are based on historical experience. The general historical pattern is expected to continue.
- Estimated year end information for 2007/08 is used as the opening position for the 2008/09 forecasts.

These assumptions are adopted as at 16 April 2008.

Factors that could lead to material differences between the forecast financial statements and the 2008/09 actual financial statements include changes to the baseline budget through new initiatives, or technical adjustments.

Department-Specific Accounting Policies

The Ministry for Culture and Heritage has applied the accounting policies set out in Statement of Common Accounting Policies included in this document, except as stated below.

Reporting Entity

These are the prospective financial statements of Ministry for Culture and Heritage, prepared in accordance with section 38 of the Public Finance Act 1989.

The Ministry for Culture and Heritage is a Government Department as defined by section 2 of the Public Finance Act 1989. For the purposes of financial reporting the Ministry for Culture and Heritage is a public benefit entity.

Authorisation Statement

These forecast financial statements were authorised for issue by the Chief Executive of the Ministry for Culture and Heritage on 16 April 2008. The Chief Executive is responsible for the forecast financial statements presented, including the appropriateness of the assumptions underlying the forecast financial statements and all other required disclosure.

Statement of Entity-Specific Accounting Policies

Revenue

Third-party revenue is predominantly derived through the undertaking of historical projects on a full cost-recovery basis.

Property, plant and equipment

Capitalisation thresholds applied are set out below:

- Computer equipment - \$2,000.
- All other property, plant and equipment - \$1,000.

Depreciation

The estimated useful lives of property, plant and equipment are set out below:

- Personal computers - 3 years.
- Computer equipment other than personal computers - 4 years.
- Office equipment - 5 years.
- Works of art - 100 years.

Intangible assets

The capitalisation threshold for software licensing is \$5,000.

The estimated useful life of software licensing is 1 year.

Cost allocation

The Ministry has derived the costs of outputs shown in these statements using a cost-allocation system which assigns direct costs to outputs and indirect costs to outputs based on staff numbers.

Notes to the Financial Statements

Note 1 - Operating Expenses

	2006/07 Actual \$000	2007/08 Budgeted \$000	2007/08 Estimated Actual \$000	2008/09 Budgeted \$000
Other expenses include:				
Consultants' fees	105	240	250	250
Overseas travel	324	30	30	40
Domestic travel	182	190	195	200
Other	7,218	6,796	6,046	6,896
Total operating expenses	7,829	7,256	6,521	7,386

Note 2 - Reconciliation of Net Surplus to Net Cash Flows from Operating Activities for the Year Ending 30 June 2009

	2006/07 Actual \$000	2007/08 Budgeted \$000	2007/08 Estimated Actual \$000	2008/09 Budgeted \$000
Net surplus / (deficit)	521	-	735	-
Add/ (less) non-cash items				
Depreciation and amortisation expense	243	334	334	380
Add/ (less) items classified as investing or financing activities				
(Gains)/ losses on disposal property, plant and equipment	(4)	-	-	-
(Gains)/ losses on expensing internally developed website under NZ IFRS	770	-	-	-
Total items classified as investing or financing activities	766	-	-	-
Add/ (less) movements in working capital items				
(Inc)/ Dec in debtors and other receivables	(284)	660	660	1,000
(Inc)/ Dec in prepayments	(78)	10	10	-
Inc/ (Dec) in creditors and other payables	-	59	59	-
Inc/ (Dec) in employee entitlements	86	34	34	-
Net movements in working capital items	(276)	763	763	-
Add/ (less) movements in non-current liabilities				
Inc/ (Dec) in employee entitlements	(43)	-	-	-
Net cash from operating activities	1,211	1,097	1,832	1,380