

Forecast Financial Statements

*Office of the Clerk of the
House of Representatives*

Statement of Forecast Comprehensive Income for the year ending 30 June 2010

	Note	2007/08	2008/09		2009/10
		Actual \$000	In 2008 Budget \$000	Estimated Actual \$000	Budgeted \$000
Income					
Crown		19,506	18,596	19,982	17,880
Department(s)	1, 2	148	178	215	235
Other revenue		-	-	90	-
Gains		-	-	-	-
Interest		-	-	-	-
Total Income		19,654	18,774	20,287	18,115
Expenses					
Personnel		8,543	8,420	10,000	9,694
Operating		7,831	8,933	9,082	6,816
Depreciation and amortisation		516	1,005	792	1,137
Capital charge		281	416	413	468
Finance costs		-	-	-	-
Other		1	-	-	-
Total Expenses		17,172	18,774	20,287	18,115
Net Surplus / (Deficit)		2,482	-	-	-
Other comprehensive income		-	-	-	-
Total Comprehensive Income		2,482	-	-	-

Statement of Forecast Changes in Taxpayers' Funds for the year ending 30 June 2010

	Note	2007/08	2008/09		2009/10
		Actual \$000	In 2008 Budget \$000	Estimated Actual \$000	Budgeted \$000
Balance at 1 July					
General funds		3,738	4,529	4,766	6,243
Revaluation reserve		-	-	-	-
Other reserves		-	-	-	-
Taxpayers' Funds Opening Balance		3,738	4,529	4,766	6,243
Changes in Taxpayers' Funds					
Comprehensive income for the period		2,482	-	-	-
Repayment of surplus		(2,482)	-	-	-
Capital contribution		1,028	998	1,477	-
Capital withdrawal		-	-	-	-
Other		-	-	-	-
Total Changes in Taxpayers' Funds		1,028	998	1,477	-
Balance at 30 June					
General funds		4,766	5,527	6,243	6,243
Revaluation reserve		-	-	-	-
Other reserves		-	-	-	-
Taxpayers' Funds Closing Balance		4,766	5,527	6,243	6,243

Forecast Statement of Financial Position as at 30 June 2010

		2007/08	2008/09		2009/10
	Note	Actual \$000	In 2008 Budget \$000	Estimated Actual \$000	Budgeted \$000
Assets					
Current Assets					
Cash and cash equivalents		7,349	3,185	2,699	2,974
Debtors and other receivables		282	30	1,589	1,313
Prepayments		92	82	82	82
Inventories		-	-	-	-
Other current assets		-	-	-	-
Total Current Assets		7,723	3,297	4,370	4,369
Non-current Assets					
Property, plant and equipment		710	4,171	1,386	1,483
Intangible assets		1,076	-	2,224	2,150
Other non-current assets		-	-	-	-
Total Non-current Assets		1,786	4,171	3,610	3,633
Total Assets		9,509	7,468	7,980	8,002
Liabilities					
Current Liabilities					
Creditors and other payables		1,266	720	720	720
Repayment of surplus		2,482	-	-	-
Employee entitlements		493	792	515	537
Other current liabilities		-	-	-	-
Total Current Liabilities		4,241	1,512	1,235	1,257
Non-current Liabilities					
Provisions		-	-	-	-
Employee entitlements		502	429	502	502
Other non-current liabilities		-	-	-	-
Total Non-current Liabilities		502	429	502	502
Total Liabilities		4,743	1,941	1,737	1,759
Taxpayers' Funds					
General funds		4,766	5,527	6,243	6,243
Revaluation reserve		-	-	-	-
Other reserves		-	-	-	-
Total Taxpayers' Funds		4,766	5,527	6,243	6,243
Total Liabilities and Taxpayers' Funds		9,509	7,468	7,980	8,002

Statement of Forecast Cash Flows for the year ending 30 June 2010

		2007/08	2008/09		2009/10
	Note	Actual \$000	In 2008 Budget \$000	Estimated Actual \$000	Budgeted \$000
Cash Flows from Operating Activities					
Receipts from:					
Crown		19,506	18,596	18,423	18,156
Department(s)		(68)	178	467	235
Other		-	-	90	-
Interest		-	-	-	-
Payments to:					
Suppliers		(7,578)	(8,933)	(9,617)	(6,816)
Employees		(8,557)	(8,312)	(9,978)	(9,672)
Capital charge		(281)	(416)	(413)	(468)
Goods and services tax (net)		13	-	-	-
Other operating activities		-	-	-	-
Net Cash from Operating Activities		3,035	1,113	(1,028)	1,435
Cash Flow from Investing Activities					
Receipts from:					
Sale of property, plant and equipment		-	-	-	-
Sale of intangible assets		-	-	-	-
Sale of other non-current assets		-	-	-	-
Purchase of:					
Property, plant and equipment		(687)	(2,617)	(717)	(560)
Intangible assets		-	-	(1,900)	(600)
Other non-current assets		-	-	-	-
Net Cash from Investing Activities		(687)	(2,617)	(2,617)	(1,160)
Cash Flow from Financing Activities					
Capital contribution		1,028	998	1,477	-
Other financing cash inflows		-	-	-	-
Repayment of surplus		(817)	-	(2,482)	-
Capital withdrawal		-	-	-	-
Other financing cash outflows		-	-	-	-
Net Cash from Financing Activities		211	998	(1,005)	-
Net Increase / (Decrease) in Cash		2,559	(506)	(4,650)	275
Cash at the beginning of the year		4,790	3,691	7,349	2,699
Cash at the end of the year		7,349	3,185	2,699	2,974

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 department's activities will remain substantially the same as for the previous year.
- Personnel costs are based on 130 full-time equivalent staff positions.
- Operating costs are based on historical experience. The general historical pattern is expected to continue.
- Estimated year end information for 2008/09 is used as the opening position for the 2009/10 forecasts.

These assumptions are adopted as at 20 April 2009.

Factors that could lead to material differences between the forecast financial statements and the 2009/10 actual financial statements include:

- Changes to the baseline budget through new initiatives, or technical adjustments.

Statement of Entity-Specific Accounting Policies

The Office of the Clerk of the House of Representatives has applied the accounting policies set out in Statement of Accounting Policies Standard included in this document, except as stated below.

Reporting Entity

These are the prospective financial statements of Office of the Clerk of the House of Representatives, prepared in accordance with section 38 of the Public Finance Act 1989.

Office of the Clerk of the House of Representatives is a Government Department as defined by section 2 of the Public Finance Act 1989. For the purposes of financial reporting Office of the Clerk of the House of Representatives is a public benefit entity.

Authorisation Statement

These forecast financial statements were authorised by the Clerk of the House of Representatives on 20 April 2009. The Clerk of the House of Representatives is responsible for the forecast financial statements presented, including the appropriateness of the assumptions underlying the forecast financial statements and other required disclosure.

Specific Accounting Policies

Property, Plant and Equipment

The initial cost of a fixed asset is the value of the consideration given to acquire or create the asset and any directly attributable costs of bringing the asset to working condition for its intended use.

The capital threshold for all fixed assets is \$2,000.

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

- IT equipment / hardware - 3 to 5 years.
- Furniture, fittings and office equipment - 5 to 10 years.

The estimated useful lives of intangible assets are set out below:

- Computer software - 3 to 8 years.

Cost Allocation

The Office has derived the costs of outputs using the cost allocation system outlined below.

Cost allocation policy

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities based on cost drivers and related activity/usage information.

Criteria for direct and indirect costs

"Direct Costs" are those costs directly attributed to an output.

"Indirect Costs" are those costs that cannot be identified, in an economically feasible manner, with a specific output.

Direct costs assigned to outputs

Direct costs are charged directly to outputs. Depreciation and capital charge are charged on the basis of asset utilisation. Personnel costs are charged on an assessment of the time spent on functions contained in each output.

Basis for assigning indirect and corporate costs to outputs

Indirect costs are expenses incurred in the Corporate Office and are assigned to outputs based on a proportion of direct staff costs used for each output.

Employee entitlements

Provision is made in respect of the Office's liability for annual, long service and retirement leave and time off in lieu. Annual leave and time off in lieu have been calculated on an actual entitlement basis at current rates of pay while the other provisions have been calculated on an actuarial basis based on the present value of expected future entitlements.

Financial instruments

The Office is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, short-term deposits, debtors, creditors and foreign currency forward contracts. The Office enters into the foreign currency forward contracts to hedge currency transactions. Any exposure to gains or losses on those contracts is generally offset by a related loss or gain on the item being hedged.

Except for those items covered by a separate accounting policy, all financial instruments are shown at their estimated fair value.

Notes to the Financial Statements

Note 1 - Operating Expenses

	2007/08	2008/09		2009/10
	Actual \$000	In 2008 Budget \$000	Estimated Actual \$000	Budgeted \$000
Operating expenses include:				
Consultant's fees	290	607	607	477
Overseas travel	32	61	61	61
Domestic travel	28	46	46	46
Other	16,822	19,573	19,573	17,161
Total	17,172	20,287	20,287	18,115

Note 2 - Reconciliation of Net Surplus to Net Cash Flows from Operating Activities for the year ending 30 June 2010

	2007/08	2008/09		2009/10
	Actual \$000	In 2008 Budget \$000	Estimated Actual \$000	Budgeted \$000
Net surplus / (deficit)	2,482	-	-	-
Add/ (less) non-cash items				
Depreciation and amortisation expense	516	1,005	792	1,137
Increase in non-current employee entitlements	(48)	-	-	-
Total non-cash items	468	1,005	792	1,137
Add/ (less) movements in working capital items				
(Inc)/ Dec in debtors and prepayments	(226)	-	(1,297)	276
Inc/(Dec) in creditors and other payables	276	-	(545)	-
Inc/ (Dec) in employee entitlements	34	108	22	22
Net movements in working capital items	84	108	(1,820)	298
Add/ (less) investing activity items				
Net (Gain) on sale of physical assets	1	-	-	-
Total investing activity items	1	-	-	-
Net cash flow from operating activities	3,035	1,113	(1,028)	1,435