

Forecast Financial Statements

*National Library of
New Zealand*

Statement of Forecast Comprehensive Income 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
Income					
Crown		59,093	63,559	61,768	64,854
Department(s)		1,231	750	785	797
Other revenue		4,108	3,154	4,825	4,893
Gains		3	-	484	-
Interest		-	-	-	-
Total Income		64,435	67,463	67,862	70,544
Expenses					
Personnel		23,466	28,883	26,568	26,463
Operating	1	18,350	22,860	22,984	25,968
Depreciation and amortisation		15,770	8,150	11,871	10,268
Capital charge		6,587	7,409	7,537	7,701
Finance costs		195	-	100	-
Other		(8,812)	-	-	-
Total Expenses		55,556	67,302	69,060	70,400
Net Surplus / (Deficit)		8,879	161	(1,198)	144
Other comprehensive income		7,767	-	-	-
Total Comprehensive Income		16,646	161	(1,198)	144

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		100,704	100,921	106,155	102,989
Revaluation reserve		-	-	7,767	7,767
Other reserves		-	-	-	-
Taxpayers' Funds Opening Balance		100,704	100,921	113,922	110,756
Changes in Taxpayers' Funds					
Comprehensive income for the period		16,646	161	(1,198)	144
Repayment of surplus		-	-	(1,920)	-
Capital contribution		5,572	12,261	252	3,900
Capital withdrawal		(9,000)	-	(300)	(26)
Other		-	-	-	-
Total Changes in Taxpayers' Funds		13,218	12,422	(3,166)	4,018
Balance at 30 June					
General funds		106,155	113,343	102,989	107,007
Revaluation reserve		7,767	-	7,767	7,767
Other reserves		-	-	-	-
Taxpayers' Funds Closing Balance		113,922	113,343	110,756	114,774

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		18,700	17,766	12,476	11,071
Debtors and other receivables		8,691	5,810	8,607	8,607
Prepayments		1,880	1,781	2,121	2,121
Inventories		76	78	79	79
Other current assets		-	-	570	-
Total Current Assets		29,347	25,435	23,853	21,878
Non-current Assets					
Property, plant and equipment		87,212	82,447	87,399	95,439
Intangible assets		6,506	15,498	8,912	7,027
Other non-current assets		936	950	695	695
Total Non-current Assets		94,654	98,895	97,006	103,161
Total Assets		124,001	124,330	120,859	125,039
Liabilities					
Current Liabilities					
Creditors and other payables		5,810	7,438	5,812	5,914
Repayment of surplus		-	-	-	-
Employee entitlements		2,083	1,839	2,174	2,234
Other current liabilities		2,158	1,710	2,117	2,117
Total Current Liabilities		10,051	10,987	10,103	10,265
Non-current Liabilities					
Provisions		-	-	-	-
Employee entitlements		-	-	-	-
Other non-current liabilities		28	-	-	-
Total Non-current Liabilities		28	-	-	-
Total Liabilities		10,079	10,987	10,103	10,265
Taxpayers' Funds					
General funds		106,155	113,343	102,989	107,007
Revaluation reserve		7,767	-	7,767	7,767
Other reserves		-	-	-	-
Total Taxpayers' Funds		113,922	113,343	110,756	114,774
Total Liabilities and Taxpayers' Funds		124,001	124,330	120,859	125,039

Statement of Forecast Cash Flows 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
Cash Flows from Operating Activities	2				
Receipts from:					
Crown		56,618	54,742	61,768	64,854
Department(s)		1,292	750	785	797
Other		3,782	3,104	4,431	5,072
Interest		-	-	-	-
Payments to:					
Suppliers		(20,144)	(23,886)	(23,051)	(25,486)
Employees		(20,852)	(19,202)	(26,359)	(26,284)
Capital charge		(6,612)	(7,409)	(7,537)	(7,599)
Goods and services tax (net)		221	-	-	(1)
Other operating activities		(25)	-	(601)	(601)
Net Cash from Operating Activities		14,280	8,099	9,436	10,752
Cash Flow from Investing Activities					
Receipts from:					
Sale of property, plant and equipment		7	-	-	-
Sale of intangible assets		-	-	-	-
Sale of other non-current assets		-	-	-	-
Purchase of:					
Property, plant and equipment		(4,572)	(16,937)	(10,185)	(15,491)
Intangible assets		(2,584)	(6,325)	(3,507)	(540)
Other non-current assets		-	-	-	-
Net Cash from Investing Activities		(7,149)	(23,262)	(13,692)	(16,031)
Cash Flow from Financing Activities					
Capital contribution		5,572	12,261	252	3,900
Other financing cash inflows		-	-	-	-
Repayment of surplus		(618)	-	(1,920)	-
Capital withdrawal		(9,000)	-	(300)	(26)
Other financing cash outflows		-	-	-	-
Net Cash from Financing Activities		(4,046)	12,261	(1,968)	3,874
Net Increase / (Decrease) in Cash		3,085	(2,902)	(6,224)	(1,405)
Cash at the beginning of the year		15,615	20,668	18,700	12,476
Cash at the end of the year		18,700	17,766	12,476	11,071

Statement of Significant Assumptions

These statements have been compiled on the basis of the Government's policies and the National Library's Output Plan with the Minister Responsible for the National Library at the time the statements were finalised.

These forecast financial statements include all the activities of the National Library of New Zealand as constituted by the National Library of New Zealand (Te Puna Mātauranga o Aotearoa) Act 2003 and reported as required by the Public Finance Act 1989, and comply with generally accepted accounting practice. The measurement base applied is historical cost unless otherwise stated.

Actual results achieved for the year to 30 June 2010 are likely to vary from the information presented in these statements and the variations may be material.

The factors that may lead to a material difference include changes to the baseline budget through new initiatives or technical adjustments.

Statement of Entity-Specific Accounting Policies

The National Library of New Zealand 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 National Library of New Zealand, prepared in accordance with section 38 of the Public Finance Act 1989.

National Library of New Zealand is a Government Department as defined by section 2 of the Public Finance Act 1989. For the purposes of financial reporting National Library of New Zealand is a public benefit entity.

The activities of the National Library comprise the maintenance of collections for current and future use, the provision of information and advisory services, and the development of policy advice on information issues.

Authorisation Statement

Specific Accounting Policies

Non-Current Assets

Collections

The General Collections and Schools Collection are recorded at cost less accumulated depreciation and accumulated impairment losses.

Property, plant and equipment

Property, Plant and Equipment is stated at cost less accumulated depreciation. Land and buildings are revalued at least every five years or whenever the carrying amount differs materially to fair value. The last revaluation was completed as at 1 June 2005.

Intangible assets

Intangible assets with finite lives are recorded at cost less accumulated depreciation and accumulated impairment losses. The National Library records Computer software as an intangible asset, with a useful life of between 3 to 8 years.

Depreciation

Depreciation is provided on the General Collections and Schools Collection on a straight-line basis at rates which will write off the cost of the collections over their useful lives. The estimated useful lives of the collections range from 5 to 50 years.

Depreciation is provided on Property, Plant and Equipment on a straight-line basis at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. Buildings are depreciated over 41 to 58 years and furniture, building fit-out and equipment over 3 to 30 years.

Depreciation is not charged on land, artworks, or capital work in progress.

Cost Allocation

The National Library has determined the cost 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 which cannot be identified with a specific output in an economically feasible manner.

Method of assigning direct costs to outputs

Direct charging of costs to outputs includes capital charge and depreciation (which are charged on the basis of assets utilised), personnel costs (which are charged by recording time spent on each output) and operating costs (such as property maintenance charges which are charged on the basis of the floor area occupied by each output).

Bases for assigning indirect costs to outputs

Indirect costs are pro-rated to outputs on the proportion of direct employee costs used in each output, with the exception of the National Library's Finance unit costs which are pro-rated on the proportion of direct total costs used in each output.

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:				
Consultants' fees	3,827	7,597	6,097	8,484
Overseas travel	432	347	347	347
Domestic travel	398	276	276	276
Other	12,979	15,940	15,520	16,130
Total operating expenses	17,636	24,160	22,240	25,237

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)	9,072	161	(1,198)	144
Add/(less) non-cash items				
Depreciation and amortisation expense	15,769	8,150	11,871	10,268
Gain on revaluation of land and buildings	(8,939)	-	-	-
Revenue from donations and legal deposit	(360)	(292)	(392)	(392)
NZ IFRS adjustment for lease make-good	(103)	(100)	(100)	-
Net foreign exchange losses (gains)	27	-	(843)	-
Total non-cash items	6,394	7,758	10,536	9,876
Add/ (less) items classified as investing or financing activities				
(Gains)/ losses on disposal property, plant and equipment	(2)	-	-	-
Add/ (less) movements in working capital items				
(Inc)/ Dec in debtors and other receivables	(3,094)	137	(89)	-
(Inc)/ Dec in prepayments	(85)	-	-	-
(Inc)/ Dec in inventories	2	-	-	-
(Inc)/ Dec in creditors and other payables	1,720	43	825	162
(Inc)/ Dec in current provisions	204	-	-	-
(Inc)/ Dec in employee entitlements	100	-	-	-
(Inc)/ Dec in derivative financial instruments	(31)	-	(638)	570
Net movements in working capital items	(1,184)	180	98	733
Net cash from operating activities	14,280	8,099	9,436	10,752