

Forecast Financial Statements

Ministry of Pacific Island Affairs

Statement of Forecast Comprehensive Income for the year ending 30 June 2011

	Note	2008/09	2009/10		2010/11
		Actual \$000	In 2009 Budget \$000	Estimated Actual \$000	Budgeted \$000
Income					
Crown		6,478	6,035	6,035	6,235
Department(s)		56	60	72	60
Other revenue		80	169	174	-
Gains		17	-	-	-
Interest		-	-	-	-
Total Income		6,631	6,264	6,281	6,295
Expenses					
Personnel		3,899	3,912	4,017	4,097
Operating	1	2,412	2,127	2,066	1,984
Depreciation and amortisation		102	155	121	134
Capital charge		70	70	77	80
Finance costs		-	-	-	-
Other		-	-	-	-
Total Expenses		6,483	6,264	6,281	6,295
Net Surplus/(Deficit)		148	-	-	-
Other comprehensive income		-	-	-	-
Total Comprehensive Income		148	-	-	-

Statement of Forecast Changes in Taxpayers' Funds for the year ending 30 June 2011

	Note	2008/09	2009/10		2010/11
		Actual \$000	In 2009 Budget \$000	Estimated Actual \$000	Budgeted \$000
Balance at 1 July					
General funds		853	1,023	1,023	1,023
Revaluation reserve		-	-	-	-
Other reserves		-	-	-	-
Taxpayers' Funds Opening Balance		853	1,023	1,023	1,023
Changes in Taxpayers' Funds					
Comprehensive income for the period		148	-	-	-
Repayment of surplus		(148)	-	-	-
Capital contribution		170	-	-	90
Capital withdrawal		-	-	-	-
Other		-	-	-	-
Total Changes in Taxpayers' Funds		170	-	-	90
Balance at 30 June					
General funds		1,023	1,023	1,023	1,113
Revaluation reserve		-	-	-	-
Other reserves		-	-	-	-
Taxpayers' Funds Closing Balance		1,023	1,023	1,023	1,113

Forecast Statement of Financial Position as at 30 June 2011

		2008/09	2009/10		2010/11
	Note	Actual \$000	In 2009 Budget \$000	Estimated Actual \$000	Budgeted \$000
Assets					
Current Assets					
Cash and cash equivalents		1,449	1,131	471	597
Debtors and other receivables		27	80	822	828
Prepayments		42	1	2	10
Inventories		-	-	-	-
Other current assets		-	-	-	-
Total Current Assets		1,518	1,212	1,295	1,435
Non-current Assets					
Property, plant and equipment		467	562	363	343
Intangible assets		61	-	55	37
Other non-current assets		-	-	-	-
Total Non-current Assets		528	562	418	380
Total Assets		2,046	1,774	1,713	1,815
Liabilities					
Current Liabilities					
Creditors and other payables		483	551	373	389
Repayment of surplus		148	-	-	-
Employee entitlements		185	112	272	272
Other current liabilities		67	-	-	-
Total Current Liabilities		883	663	645	661
Non-current Liabilities					
Provisions		99	-	-	-
Employee entitlements		41	88	45	41
Other non-current liabilities		-	-	-	-
Total Non-current Liabilities		140	88	45	41
Total Liabilities		1,023	751	690	702
Taxpayers' Funds					
General funds		1,023	1,023	1,023	1,113
Revaluation reserve		-	-	-	-
Other reserves		-	-	-	-
Total Taxpayers' Funds		1,023	1,023	1,023	1,113
Total Liabilities and Taxpayers' Funds		2,046	1,774	1,713	1,815

Statement of Forecast Cash Flows for the year ending 30 June 2011

		2008/09	2009/10		2010/11
	Note	Actual \$000	In 2009 Budget \$000	Estimated Actual \$000	Budgeted \$000
Cash Flows from Operating Activities					
Receipts from:					
Crown		6,478	6,035	5,216	6,235
Department(s)		54	60	72	43
Other		119	169	174	-
Interest		-	-	-	-
Payments to:					
Suppliers		(2,540)	(2,749)	(2,384)	(2,136)
Employees		(3,770)	(3,290)	(3,791)	(3,940)
Capital charge		(70)	(70)	(77)	(76)
Goods and services tax (net)		-	-	-	-
Other operating activities		-	-	-	-
Net Cash from Operating Activities	2	271	155	(790)	126
Cash Flow from Investing Activities					
Receipts from:					
Sale of property, plant and equipment		21	-	-	-
Sale of intangible assets		-	-	-	-
Sale of other non-current assets		-	-	-	-
Purchase of:					
Property, plant and equipment		(73)	(40)	-	(90)
Intangible assets		(73)	-	(40)	-
Other non-current assets		-	-	-	-
Net Cash from Investing Activities		(125)	(40)	(40)	(90)
Cash Flow from Financing Activities					
Capital contribution		170	-	-	90
Other financing cash inflows		-	-	-	-
Repayment of surplus		(95)	-	(148)	-
Capital withdrawal		-	-	-	-
Other financing cash outflows		-	-	-	-
Net Cash from Financing Activities		75	-	(148)	90
Net Increase/(Decrease) in Cash		221	115	(978)	126
Cash at the beginning of the year		1,228	1,016	1,449	471
Cash at the end of the year		1,449	1,131	471	597

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 of Pacific Island Affairs will remain substantially the same as for the previous year.
- Personnel costs are based on 47 staff positions.
- Operating costs are based on historical experience. The general historical pattern is expected to continue.
- Estimated year end information for 2009/10 is used as the opening position for the 2010/11 forecasts.

These assumptions are adopted as at 22 April 2010.

Factors that could lead to material differences between the forecast financial statements and the 2010/11 actual financial statements include changes to the baseline budget through new initiatives, or technical adjustments.

Statement of Entity-Specific Accounting Policies

The Ministry of Pacific Island Affairs 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 Ministry of Pacific Island Affairs, prepared in accordance with section 38 of the Public Finance Act 1989.

Ministry of Pacific Island Affairs is a Government Department as defined by section 2 of the Public Finance Act 1989. For the purposes of financial reporting Ministry of Pacific Island Affairs is a public benefit entity.

Authorisation Statement

These forecast financial statements were authorised for issue by the Chief Executive of the Ministry for Pacific Island Affairs on 22 April 2010. 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.

Specific Accounting Policies

Property, Plant and Equipment

All property, plant and equipment costing more than \$3,000 are capitalised and recorded at historical cost. Assets below \$3,000 can be capitalised as a group of assets when the benefits from them are expected to be received in more than one period.

Depreciation

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

- Furniture and fittings - 8 years.
- Office equipment - 3 to 4 years.
- Motor vehicles - 4 to 5 years.
- IT equipment - 3 to 4 years.

Notes to the Financial Statements

Note 1 - Operating Expenses

	2008/09	2009/10		2010/11
	Actual \$000	In 2009 Budget \$000	Estimated Actual \$000	Budgeted \$000
Operating Expenses Include:				
Consultants' fees	414	300	253	193
Overseas travel	10	5	2	2
Domestic travel	219	215	200	215
Other	1,861	1,741	1,611	1,474
Total	2,412	2,127	2,066	1,884

Note 2 - Reconciliation of Net Surplus to Net Cash Flows from Operating Activities for the year ended 30 June 2011

	2008/09	2009/10		2010/11
	Actual \$000	In 2009 Budget \$000	Estimated Actual \$000	Budgeted \$000
Net Surplus/(Deficit)	148	-	-	-
Add/(Less) Non-Cash Items:				
Depreciation & Amortisation Expense	102	155	121	134
Gains on Disposal of Property Plant & Equipment	(17)	-	-	-
Total Non Cash Items	85	155	121	134
Add/(Less) Movements in Working Capital Items				
(Inc)/Dec in Debtors and other receivables	63	(30)	(795)	6
(Inc)/Dec in Prepayments	32	30	40	(10)
(Inc)/Dec in Creditors and other payables	(83)	(20)	(247)	(8)
(Inc)/Dec in Employee Entitlements	26	20	91	4
Net Movement in Working Capital	40	-	(911)	(8)
Net Cash from Operating Activities	271	155	(790)	126