

# *Forecast Financial Statements*

*Statistics New Zealand*

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## 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
<b>Income</b>					
Crown		87,621	98,422	95,722	135,153
Department(s)		4,265	7,279	8,868	7,549
Other revenue		4,296	1,964	1,964	1,964
Gains		-	-	-	-
Interest		-	-	-	-
<b>Total Income</b>		<b>96,182</b>	<b>107,665</b>	<b>106,554</b>	<b>144,666</b>
<b>Expenses</b>					
Personnel		57,307	68,402	69,708	97,495
Operating	1	22,134	25,254	23,528	32,334
Depreciation and amortisation		8,729	10,239	9,548	10,875
Capital charge	2	3,581	3,770	3,770	3,962
Finance costs		-	-	-	-
Other		3,152	-	-	-
<b>Total Expenses</b>		<b>94,903</b>	<b>107,665</b>	<b>106,554</b>	<b>144,666</b>
<b>Net Surplus/(Deficit)</b>		<b>1,279</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other comprehensive income		-	-	-	-
<b>Total Comprehensive Income</b>		<b>1,279</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 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
<b>Balance at 1 July</b>					
General funds		47,753	50,262	50,262	50,262
Revaluation reserve		-	-	-	-
Other reserves		-	-	-	-
<b>Taxpayers' Funds Opening Balance</b>		47,753	50,262	50,262	50,262
<b>Changes in Taxpayers' Funds</b>					
Comprehensive income for the period		1,279	-	-	-
Repayment of surplus		(1,279)	-	-	-
Capital contribution		2,509	2,485	-	2,681
Capital withdrawal		-	-	-	-
Other		-	-	-	-
<b>Total Changes in Taxpayers' Funds</b>		2,509	2,485	-	2,681
<b>Balance at 30 June</b>					
General funds		50,262	52,747	50,262	52,943
Revaluation reserve		-	-	-	-
Other reserves		-	-	-	-
<b>Taxpayers' Funds Closing Balance</b>		50,262	52,747	50,262	52,943

## 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
<b>Assets</b>					
<b>Current Assets</b>					
Cash and cash equivalents		33,314	30,341	32,427	30,951
Debtors and other receivables	3	(159)	957	983	983
Prepayments		852	650	650	650
Inventories		-	-	-	-
Other current assets		-	-	-	-
<b>Total Current Assets</b>		<b>34,007</b>	<b>31,948</b>	<b>34,060</b>	<b>32,584</b>
<b>Non-current Assets</b>					
Property, plant and equipment		14,165	8,653	16,512	18,924
Intangible assets		18,150	28,203	18,732	20,752
Other non-current assets		76	-	-	-
<b>Total Non-current Assets</b>		<b>32,391</b>	<b>36,856</b>	<b>35,244</b>	<b>39,676</b>
<b>Total Assets</b>		<b>66,398</b>	<b>68,804</b>	<b>69,304</b>	<b>72,260</b>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Creditors and other payables		6,523	8,576	9,273	9,591
Repayment of surplus		1,279	-	-	-
Employee entitlements		4,430	3,997	5,128	5,058
Other current liabilities	4	50	10	10	10
<b>Total Current Liabilities</b>		<b>12,282</b>	<b>12,583</b>	<b>14,411</b>	<b>14,659</b>
<b>Non-current Liabilities</b>					
Provisions		-	-	-	-
Employee entitlements		3,854	3,474	4,631	4,658
Other non-current liabilities		-	-	-	-
<b>Total Non-current Liabilities</b>		<b>3,854</b>	<b>3,474</b>	<b>4,631</b>	<b>4,658</b>
<b>Total Liabilities</b>		<b>16,136</b>	<b>16,057</b>	<b>19,042</b>	<b>19,317</b>
<b>Taxpayers' Funds</b>					
General funds		50,262	52,747	50,262	52,943
Revaluation reserve		-	-	-	-
Other reserves		-	-	-	-
<b>Total Taxpayers' Funds</b>		<b>50,262</b>	<b>52,747</b>	<b>50,262</b>	<b>52,943</b>
<b>Total Liabilities and Taxpayers' Funds</b>		<b>66,398</b>	<b>68,804</b>	<b>69,304</b>	<b>72,260</b>

## 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
<b>Cash Flows from Operating Activities</b>					
<b>Receipts from:</b>					
Crown		88,387	98,422	94,561	135,153
Department(s)		4,199	7,279	9,068	7,549
Other		4,456	1,964	1,783	1,964
Interest		-	-	-	-
<b>Payments to:</b>					
Suppliers		(22,796)	(24,987)	(21,028)	(31,675)
Employees		(57,126)	(68,095)	(69,401)	(97,188)
Capital charge		(3,581)	(3,770)	(3,770)	(3,962)
Goods and services tax (net)		(6)	-	-	-
Other operating activities		-	-	-	-
<b>Net Cash from Operating Activities</b>	5	13,533	10,813	11,213	11,841
<b>Cash Flow from Investing Activities</b>					
<b>Receipts from:</b>					
Sale of property, plant and equipment		25	-	-	-
Sale of intangible assets		-	-	-	-
Sale of other non-current assets		-	-	-	-
<b>Purchase of:</b>					
Property, plant and equipment		(8,722)	(4,369)	(6,903)	(7,000)
Intangible assets		(3,730)	(8,467)	(5,197)	(9,000)
Other non-current assets		-	-	-	-
<b>Net Cash from Investing Activities</b>		(12,427)	(12,836)	(12,100)	(16,000)
<b>Cash Flow from Financing Activities</b>					
Capital contribution		2,509	2,485	-	2,681
Other financing cash inflows		-	-	-	-
Repayment of surplus		(319)	-	-	2
Capital withdrawal		-	-	-	-
Other financing cash outflows		-	-	-	-
<b>Net Cash from Financing Activities</b>		2,190	2,485	-	2,683
<b>Net Increase/(Decrease) in Cash</b>		3,296	462	(887)	(1,476)
Cash at the beginning of the year		30,018	29,879	33,314	32,427
<b>Cash at the end of the year</b>		33,314	30,341	32,427	30,951

## 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.
- 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.
- On the basis that the resources provided for will enable Statistics New Zealand to deliver the outputs as specified in the "Statement of Objectives Specifying the Performance Forecast for Official Statistics MCOA and 2011 Census of Population and Dwellings - MYA.
- On the basis of historical cost.

These assumptions are adopted as at 19 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.
- The 2009/10 budgeted figures are those represented in the Estimates for 2009/10 as amended by the Supplementary Estimates.
- The 2010/11 budgeted figures are those represented in the Main Estimates for 2010/11.

Variations and changes to the forecast financial statements

- While every attempt has been made to accurately forecast final results for 2009/10, actual results achieved for the year ending 30 June 2010 are likely to vary from the forecast information presented, and this variation could be material.
- Once the Statement of Intent is presented, Statistics New Zealand will not be updating the forecasts for any changes to appropriations or forecast financial statements made in ensuing Supplementary Estimates. However, subsequent changes, and any material error in these forecasts will be reported in the Annual Report of Statistics New Zealand for the year ended 30 June 2011.

## Statement of Entity-Specific Accounting Policies

Statistics New Zealand has applied the accounting policies set out in the Statement of Accounting Policies Standard included in this document, except as stated below.

### Reporting Entity

These are the prospective financial statements of Statistics New Zealand, prepared in accordance with section 38 of the Public Finance Act 1989.

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

## Authorisation Statement

These forecast financial statements were authorised for issue by the Chief Executive on 8 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

### *Going Concern*

The financial statements of Statistics New Zealand are prepared on a going concern basis.

### *Property, Plant and Equipment*

Capitalisation thresholds applied are set out below:

- Physical assets costing more than \$1,000 (except for Computer Equipment that form an integral part of the asset) are capitalised and recorded at cost. Any write-down of an item to its recoverable amount is recognised in the Statement of Financial Performance.

### *Depreciation*

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

- Leasehold improvements - 10 years or remaining term of lease.
- IT Equipment / Hardware - 3 to 5 years.
- Motor vehicles - 3 to 5 years.
- Furniture and fittings - 7 Years.
- Office Equipment - 5 years.

### *Intangible Assets*

Capitalisation thresholds applied are:

- Intangible assets costing more than \$1,000 are capitalised and recorded at cost. The cost of an internally generated intangible asset represents expenditure incurred in the development of the asset. Internally developed software (work-in-progress) is valued at the lower of cost and net realisable value. No depreciation is charged against work in progress.

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

- Purchased software - 3 to 5 years.
- Internally developed software - 3 to 10 years.

### *Cost Allocation*

Statistics New Zealand will derive the costs of outputs shown in these statements using cost drivers to assign indirect costs. Direct costs are assigned to outputs based on direct charging and time recording. Direct costs are the significant cost driver in allocating indirect costs to outputs.

### *Revenue Allocation*

Statistics New Zealand will allocate revenue Crown to outputs based on the Vote appropriation. Within each output, revenue Crown is allocated to respective outputs based on direct and allocated costs.

Revenue Crown for the 2011 Census of Population and Dwellings - MYA will be allocated on an actual basis in the current year and any surplus will be returned to the Crown in the final year of the MYA.

### *Changes in Accounting Policies*

There have been no major changes in accounting policies, since the date of the last audited financial statements. All policies have been applied on a basis consistent with those used in the previous published financial reports.

Accounting policies are changed only if the change is required by an accounting standard or interpretation, or if it otherwise provides more reliable and relevant information.



# 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:				
Consultant's fees	931	500	700	566
Overseas travel	285	250	250	250
Domestic travel	1,573	1,300	1,662	4,434
Other	19,345	23,204	20,916	27,084
<b>Total</b>	<b>22,134</b>	<b>25,254</b>	<b>23,528</b>	<b>32,334</b>

The increase in domestic travel during 2010/11 is mainly due to 2011 Census.

## Note 2 - Capital Charge

The Department is required to pay capital charge on its net assets. The capital charge rate for the year ending 30 June 2011 is 7.5% per annum.

## Note 3 - Debtors and Other Receivables

	2008/09	2009/10		2010/11
	Actual \$000	In 2009 Budget \$000	Estimated Actual \$000	Budgeted \$000
Debtors and other receivables include:				
Trade Debtors	1,007	988	988	988
Crown Debtor (1)	(1,161)	-	-	-
Provision for Doubtful Debts	(5)	(31)	(5)	(5)
<b>Total</b>	<b>(159)</b>	<b>957</b>	<b>983</b>	<b>983</b>

(1) - Crown Debtor (reported as a negative in the Crown Financial Information System).

## Note 4 - Other Current Liabilities

Other current liabilities contain deferred revenue which is the portion of the operating revenue received which relates to future years. It will be recognised as income in the year in which the services are provided.

**Note 5 - Reconciliation of Net Surplus to Net Cash Flows from Operating Activities for the year ending 30 June 2011.**

	2008/09	2009/10		2010/11
	Actual \$000	In 2009 Budget \$000	Estimated Actual \$000	Budgeted \$000
Net operating (deficit)/surplus	1,279	-	-	-
Add non-cash items:				
Depreciation	8,730	10,239	9,548	10,876
Inc/(Dec) in non-current employee entitlements	(2)	-	-	-
Working capital movements:				
(Inc)/Dec in debtors and receivables	19	-	-	-
(Inc)/Dec in Provision for bad debts	-	-	-	-
(Inc)/Dec advances and prepayments	(236)	-	(28)	-
(Inc)/Dec in creditors and other payables	(1,103)	574	423	(191)
(Inc)/Dec in GST payable	(150)	-	548	548
(Inc)/Dec in employee entitlements	951	-	466	466
(Inc)/Dec in deferred revenue	50	-	-	-
(Inc)/Dec in restructure provision	6	-	-	-
(Inc)/Dec in Provision - Debtor Crown	766	-	-	-
(Inc)/Dec Other items	-	-	256	142
<b>Net movements in non-current liabilities</b>	<b>313</b>	<b>574</b>	<b>1,665</b>	<b>965</b>
Investing activity items:				
(Gain)/loss on sale of fixed assets	3,223	-	-	-
Net cash flows from operating activities	13,533	10,813	11,213	11,841