

Forecast Financial Statements

State Services Commission

Statement of Forecast Comprehensive Income for the year ending 30 June 2014

	Note	2011/12	2012/13		2013/14
		Actual \$000	In 2012 Budget \$000	Estimated Actual \$000	Budgeted \$000
Income					
Crown		25,698	23,836	23,836	23,822
Department(s)	1	3,837	3,003	4,406	3,035
Other revenue	2	927	770	770	770
Gains		22	-	-	-
Interest		-	-	-	-
Total Income		30,484	27,609	29,012	27,627
Expenses					
Personnel	3	14,943	14,120	15,633	16,429
Operating	4	13,724	12,718	11,860	10,424
Depreciation and amortisation		534	381	381	358
Capital charge		551	390	390	416
Finance costs		-	-	-	-
Other		180	-	-	-
Total Expenses		29,932	27,609	28,264	27,627
Net Surplus / (Deficit)		552	-	748	-
Other comprehensive income		-	-	-	-
Total Comprehensive Income		552	-	748	-

Statement of Forecast Changes in Taxpayers' Funds for the year ending 30 June 2014

	Note	2011/12	2012/13		2013/14
		Actual \$000	In 2012 Budget \$000	Estimated Actual \$000	Budgeted \$000
Balance at 1 July					
General funds		6,893	4,872	4,872	5,201
Revaluation reserve		-	-	-	-
Other reserves		-	-	-	-
Taxpayers' Funds Opening Balance		6,893	4,872	4,872	5,201
Changes in Taxpayers' Funds					
Comprehensive income for the period		552	-	748	-
Repayment of surplus		(552)	-	(748)	-
Capital contribution		-	-	-	-
Capital withdrawal		(2,021)	-	-	-
Other		-	-	329	-
Total Changes in Taxpayers' Funds		(2,021)	-	329	-
Balance at 30 June					
General funds		4,872	4,872	5,201	5,201
Revaluation reserve		-	-	-	-
Other reserves		-	-	-	-
Taxpayers' Funds Closing Balance		4,872	4,872	5,201	5,201

Forecast Statement of Financial Position as at 30 June 2014

	Note	2011/12	2012/13		2013/14
		Actual \$000	In 2012 Budget \$000	Estimated Actual \$000	Budgeted \$000
Assets					
Current Assets					
Cash and cash equivalents		5,169	2,827	4,876	3,870
Debtors and other receivables	5	2,232	654	1,004	1,004
Prepayments		122	149	9	-
Inventories		-	-	-	-
Other current assets		-	-	-	-
Total Current Assets		7,523	3,630	5,889	4,874
Non-current Assets					
Property, plant and equipment	6	2,142	2,992	2,612	2,913
Intangible assets		102	-	91	57
Other non-current assets		-	-	-	-
Total Non-current Assets		2,244	2,992	2,703	2,970
Total Assets		9,767	6,622	8,592	7,844
Liabilities					
Current Liabilities					
Creditors and other payables	8	3,127	1,028	1,521	1,521
Repayment of surplus		552	-	748	-
Employee entitlements	9	1,129	654	1,054	1,054
Other current liabilities		-	-	-	-
Total Current Liabilities		4,808	1,682	3,323	2,575
Non-current Liabilities					
Provisions		-	-	-	-
Employee entitlements	9	87	68	68	68
Other non-current liabilities		-	-	-	-
Total Non-current Liabilities		87	68	68	68
Total Liabilities		4,895	1,750	3,391	2,643
Taxpayers' Funds					
General funds		4,872	4,872	5,201	5,201
Revaluation reserve		-	-	-	-
Other reserves		-	-	-	-
Total Taxpayers' Funds		4,872	4,872	5,201	5,201
Total Liabilities and Taxpayers' Funds		9,767	6,622	8,592	7,844

Statement of Forecast Cash Flows for the year ending 30 June 2014

	Note	2011/12	2012/13		2013/14
		Actual \$000	In 2012 Budget \$000	Estimated Actual \$000	Budgeted \$000
Cash Flows from Operating Activities	10				
Receipts from:					
Crown		25,698	23,836	23,836	23,822
Department(s)		2,007	3,002	5,634	3,035
Other		1,236	760	770	760
Interest		-	-	-	-
Payments to:					
Suppliers		(13,275)	(12,752)	(13,149)	(10,068)
Employees		(15,008)	(14,074)	(15,557)	(16,384)
Capital charge		(551)	(390)	(390)	(416)
Goods and services tax (net)		(376)	(382)	(374)	(382)
Other operating activities		-	-	-	-
Net Cash from Operating Activities		(269)	-	770	367
Cash Flow from Investing Activities					
Receipts from:					
Sale of property, plant and equipment		22	-	-	-
Sale of intangible assets		-	-	-	-
Sale of other non-current assets		-	-	-	-
Purchase of:					
Property, plant and equipment		(2,623)	(840)	(840)	(625)
Intangible assets	7	(102)	-	-	-
Other non-current assets		-	-	-	-
Net Cash from Investing Activities		(2,703)	(840)	(840)	(625)
Cash Flow from Financing Activities					
Capital contribution		-	-	-	-
Other financing cash inflows		-	-	-	-
Repayment of surplus		(2,963)	(500)	(223)	(748)
Capital withdrawal		-	-	-	-
Other financing cash outflows		-	-	-	-
Net Cash from Financing Activities		(2,963)	(500)	(223)	(748)
Net Increase / (Decrease) in Cash		(5,935)	(1,340)	(293)	(1,006)
Cash at the beginning of the year		11,104	4,167	5,169	4,876
Cash at the end of the year		5,169	2,827	4,876	3,870

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 Commission's activities will remain substantially the same as for the previous year.
- Personnel costs are based on 127 staff positions (full time equivalents).
- Operating costs are based on historical experience. The general historical pattern is expected to continue.
- Estimated year end information for 2012/13 is used as the opening position for the 2013/14 forecasts.

The assumptions are adopted as at 28 March 2013.

Factors that could lead to material differences between the forecast financial statements and the 2012/13 actual financial statements include changes to the baseline budget through new initiatives, transfer of funding across financial years, or technical adjustments.

Statement of Entity-Specific Accounting Policies

The State Services Commission 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 State Services Commission, prepared in accordance with section 38 of the Public Finance Act 1989.

State Services Commission is a Government Department as defined by section 2 of the Public Finance Act 1989. For the purposes of financial reporting State Services Commission is a public benefit entity.

Authorisation Statement

These forecast financial statements were authorised for issue by State Services Commission on 28 March 2012. The State Services Commission 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

The State Services Commission has applied the accounting policies set out in Statement of Accounting Policies Standard included in this document, except as stated below.

Property, Plant and Equipment

The capitalisation threshold for property, plant and equipment is \$1,000.

The estimated useful lives are set out below:

- furniture, fixtures and fittings 5 years

- office equipment and plant 5 years
- computer equipment 3-5 years.

Leasehold improvements (included in furniture, fixtures and fittings) are depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is shorter.

Intangible Assets

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the statement of financial performance.

The estimated useful lives of intangible assets are as follows:

- computer network design and configuration 5-7 years
- other computer software 3-5 years.

Cost Allocation

The State Services Commission has derived the costs of outputs using the cost allocation system outlined below.

Direct costs are charged directly to outputs.

The State Services Commission has a shared services arrangement for finance, information technology, information management and human resources with the Treasury and the Department of Prime Minister and Cabinet. Treasury hosts the shared services and charges State Services Commission based on budgeted service delivery levels.

Indirect costs, including expenses paid to the Central Agency Shared Services, are allocated to outputs in proportion to the number of full-time equivalents involved in the production of each output.

Notes to the Financial Statements

Note 1 - Department Revenue

	2011/12	2012/13		2013/14
	Actual \$000	In 2012 Budget \$000	Estimated Actual \$000	Budgeted \$000
Performance Improvement Framework and Gateway Revenue	2,823	3,003	3,153	3,035
Secondments	-	-	374	-
Recoveries from agencies	1,014	-	879	-
Total	3,837	3,003	4,406	3,035

Note 2 - Other Revenue

	2011/12	2012/13		2013/14
	Actual \$000	In 2012 Budget \$000	Estimated Actual \$000	Budgeted \$000
Rental income	523	-	-	-
Performance Improvement Framework and Gateway Revenue	357	762	762	762
Other	47	8	8	8
Total	927	770	770	770

Note 3 - Personnel Expenses

	2011/12	2012/13		2013/14
	Actual \$000	In 2012 Budget \$000	Estimated Actual \$000	Budgeted \$000
Salaries and wages	14,046	13,272	14,867	15,754
Employer contributions to defined contribution plans	495	469	519	507
Increase/(decrease) in employee entitlements	(126)	(119)	-	-
Other	528	498	247	168
Total	14,943	14,120	15,633	16,429

Note 4 - Operating Expenses

	2011/12	2012/13		2013/14
	Actual \$000	In 2012 Budget \$000	Estimated Actual \$000	Budgeted \$000
Operating expenses include:				
Consultancy	4,187	4,885	4,636	3,350
Leadership Development Centre funding	650	395	506	200
Chief executives recruitment costs	666	500	484	500
Legal fees	17	374	100	30
Fees to auditor	66	-	-	-
Rental and operating lease costs	1,773	750	482	482
Other occupancy costs	416	263	303	303
IT and communication costs	722	374	241	441
Travel - International	46	100	360	360
Travel - Domestic	223	281	92	92
Loss on disposal of property, plant and equipment	180	-	-	-
Sponsorship	304	313	200	100
Costs paid to Treasury for central agencies shared services	1,308	4,000	4,026	3,900
Organisational change costs	1,295	-	-	-
Restructuring costs	245	-	-	-
Other	1,626	483	430	666
Total operating expenses	13,724	12,718	11,860	10,424

Note 5 - Debtors and Other Receivables

	2011/12	2012/13		2013/14
	Actual \$000	In 2012 Budget \$000	Estimated Actual \$000	Budgeted \$000
Trade debtors	2,094	541	891	891
Accrued revenue and other receivables	138	113	113	113
Total debtors and other receivables	2,232	654	1,004	1,004

Note 6 - Property, Plant and Equipment

	Land \$000	Buildings \$000	Leasehold improvements \$000	Furniture/office equipment \$000	Other \$000	Total \$000
Cost or revaluation						
Balance as at 1 July 2013	-	-	1,463	1,962	74	3,499
Additions by purchase	-	-	-	625	-	625
Disposals	-	-	-	-	-	-
Balance as at 30 June 2014	-	-	1,463	2,587	74	4,124

	Land \$000	Buildings \$000	Leasehold improvements \$000	Furniture/office equipment \$000	Other \$000	Total \$000
Accumulated depreciation and impairment losses						
Balance as at 1 July 2013	-	-	71	774	42	887
Depreciation expense	-	-	11	309	4	324
Eliminate on disposal	-	-	-	-	-	-
Balance as at 30 June 2014	-	-	82	1,083	46	1,211
Carrying amount as at 30 June 2014	-	-	1,381	1,504	28	2,913

Note 7 - Intangible Assets

	Acquired software \$000	Internally generated software \$000	Other \$000	Total \$000
Cost				
Balance as at 1 July 2013	170	-	-	170
Additions	-	-	-	-
Disposals	-	-	-	-
Balance as at 30 June 2014	170	-	-	170
Accumulated amortisation and impairment losses				
Balance as at 1 July 2013	79	-	-	79
Amortisation expense	34	-	-	34
Balance as at 30 June 2014	113	-	-	113
Carrying amount as at 30 June 2014	57	-	-	57

Note 8 - Creditors and Other Payables

	2011/12	2012/13		2013/14
	Actual \$000	In 2012 Budget \$000	Estimated Actual \$000	Budgeted \$000
Sundry creditors	335	16	216	216
Accrued expenses	2,192	1,053	875	875
GST payable	351	(171)	199	199
Other	249	130	231	231
Total creditors and other payables	3,127	1,028	1,521	1,521

Note 9 - Employee Entitlements

	2011/12	2012/13		2013/14
	Actual \$000	In 2012 Budget \$000	Estimated Actual \$000	Budgeted \$000
Current employee entitlements				
Accrued salaries and performance pay	509	-	400	400
Annual leave	575	580	580	580
Sick leave	23	21	21	21
Retirement and long service leave	22	53	53	53
Total current employee entitlements	1,129	654	1,054	1,054
Non-current Liabilities				
Retirement leave	56	39	39	39
Long service leave	31	29	29	29
Total non-current employee entitlements	87	68	68	68
Total employee entitlements	1,216	722	1,122	1,122

Note 10 - Reconciliation of Net Surplus to Net Cash Flows from Operating Activities

	2011/12	2012/13		2013/14
	Actual \$000	In 2012 Budget \$000	Estimated Actual \$000	Budgeted \$000
Net surplus/(deficit)	552	-	748	-
Add/(less) non-cash items				
Depreciation and amortisation expense	534	381	381	358
<i>Total non-cash items</i>	<i>534</i>	<i>381</i>	<i>381</i>	<i>358</i>
Add/(less) items classified as investing or financing activities				
(Gains)/losses on disposal property, plant and equipment	158	-	-	-
<i>Total items classified as investing or financing activities</i>	<i>158</i>	<i>-</i>	<i>-</i>	<i>-</i>
Add/(less) movements in working capital items				
(Inc)/Dec in debtors and other receivables	(1,521)	-	1,228	-
(Inc)/Dec in prepayments	4	-	113	9
Inc/(Dec) in creditors and other payables	34	(381)	(1,606)	-
Inc/(Dec) in revenue in advance	-	-	-	-
Inc/(Dec) in unearned income	-	-	-	-
Inc/(Dec) in provisions	(109)	-	-	-
Inc/(Dec) in employee entitlements	79	-	(94)	-
Net movements in working capital items	(1,513)	(381)	(359)	9
Net cash from operating activities	(269)	-	770	367