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## **Generally Accepted Accounting Practice (GAAP) Series Tables**

## Forecast Financial Statements

These forecasts and projections have been prepared in accordance with the Fiscal Responsibility Act 1994.

They are based on the accounting policies and assumptions that follow on pages 108 to 122. As with all such assumptions, there is a degree of uncertainty surrounding them. This uncertainty increases as the forecast horizon extends.

The forecasts and projections have been prepared in accordance with the Statement of Responsibility and reflect the judgements and information known at the time they were prepared. They reflect all Government decisions and circumstances communicated to 11 October 1999.

Finalisation Dates	
Fiscal forecasts	11 October
Tax revenue forecasts	4 October
Economic outlook	30 September
Government decisions and circumstances	11 October
Actual asset revaluations	30 June
Foreign-exchange rates	31 August
Specific Fiscal Risks	11 October
Contingent liabilities and commitments	30 June

## Terms and Definitions

**Forecast** – prospective financial information prepared on the basis of decisions that the Government has made at the forecast finalisation date. A forecast is prepared for the 1999/2000 year.

**Projection** – prospective financial information based on decisions that the Government has made at the forecast finalisation date and on assumptions as to likely future economic conditions. There is considerably more uncertainty involved in a projection than in a forecast. Projections are prepared for the 2000/01, 2001/02 and 2002/03 years.

## Reporting Entity as at 11 October 1999

These Forecast Financial Statements are for the Crown reporting entity as specified in Part III of the Public Finance Act 1989. This comprises Ministers of the Crown and the following entities:

### Offices of Parliament

Audit Office  
Office of the Ombudsmen  
Parliamentary Commissioner for  
the Environment

### Departments

Agriculture and Forestry  
Child, Youth and Family  
Services  
Commerce  
Conservation  
Corrections  
Courts  
Crown Law  
Culture and Heritage  
Customs  
Defence  
Education  
Education Review Office  
Environment  
Fisheries  
Foreign Affairs and Trade  
Government Communications  
Security Bureau  
Health  
Housing  
Inland Revenue  
Internal Affairs  
Justice  
Labour  
Land Information New Zealand  
Māori Development  
National Library  
New Zealand Defence Force  
Office of the Clerk  
Pacific Island Affairs  
Parliamentary Counsel Office  
Parliamentary Service  
Police  
Prime Minister and Cabinet  
Research, Science and  
Technology  
Security Intelligence Service  
Serious Fraud Office  
Social Welfare  
State Services Commission  
Statistics  
Transport  
Treasury  
Women's Affairs  
Work and Income  
Youth Affairs

### State-owned enterprises

Agriquality New Zealand Limited  
Airways Corporation of  
New Zealand Limited  
Asure New Zealand Limited  
At Work Insurance Limited  
Crown Forestry Management  
Limited  
Electricity Corporation of  
New Zealand Limited  
Genesis Power Limited  
Land Corporation Limited  
Meridian Energy Limited  
Meteorological Service of  
New Zealand Limited  
Mighty River Power Limited  
New Zealand Post Limited  
New Zealand Railways  
Corporation  
Solid Energy New Zealand  
Limited  
Television New Zealand Limited  
Terralink NZ Limited  
Timberlands West Coast Limited  
Trans Power New Zealand  
Limited

**Crown entities**

Accident Rehabilitation and Compensation Insurance Corporation	Museum of New Zealand Te Papa Tongarewa
Accounting Standards Review Board	New Zealand Antarctic Institute
Agriculture and Marketing Research and Development Trust	New Zealand Artificial Limb Board
Alcoholic Liquor Advisory Council	New Zealand Business Development Board
Animal Control Products Limited	New Zealand Film Commission
Arts Council of New Zealand Toi Aotearoa	New Zealand Fire Service Commission
Asia 2000 Foundation of New Zealand	New Zealand Fish and Game Council
Broadcasting Commission	New Zealand Game Bird Habitat Trust Board
Broadcasting Standards Authority	New Zealand Government Property Corporation
Building Industry Authority	New Zealand Lotteries Commission
Careers Service	New Zealand Lottery Grants Board
Casino Control Authority	New Zealand Qualifications Authority
Civil Aviation Authority of New Zealand	New Zealand Sports Drug Agency
Commerce Commission	New Zealand Symphony Orchestra Limited
Commissioner for Children	New Zealand Tourism Board
Crown research institutes (9)	New Zealand Trade Development Board
Early Childhood Development Unit	Ngai Tahu Ancillary Claims Trust
Earthquake Commission	Office of Film and Literature Classification
Education and Training Support Agency	Pacific Islands Employment Development Board
Electoral Commission	Police Complaints Authority
Environmental Risk Management Authority	Privacy Commissioner
Fish and game councils (13)	Quotable Value New Zealand Limited
Foundation for Research, Science and Technology	Race Relations Conciliator
Government Property Service	Radio New Zealand Limited
Health and Disability Commissioner	Reserve boards (51)
Health Funding Authority	Residual Health Management Unit
Health Research Council of New Zealand	Retirement Commissioner
Health Sponsorship Council	Road Safety Trust
Hillary Commission for Sport, Fitness and Leisure	School boards of trustees (2,664)
Hospital and health services (24)	Securities Commission
Housing Corporation of New Zealand	Special Education Service
Housing New Zealand Limited	Standards Council
Human Rights Commission	Takeovers Panel
Land Transport Safety Authority of New Zealand	Te Reo Whakapuaki Irirangi (Te Mangai Paho)
Law Commission	Te Taura Whiri I Te Reo Māori (Māori Language Commission)
Learning Media Limited	Teacher Registration Board
Legal Services Board	Tertiary education institutions (39)
Management Development Centre Trust	Testing Laboratory Registration Council
Maritime Safety Authority of New Zealand	Transfund New Zealand
Mental Health Commission	Transit New Zealand
	Transport Accident Investigation Commission
	Trustees of the National Library

Reserve Bank of New Zealand

Public Trust

## Forecast Statement of Financial Performance

for the years ending 30 June

(\$ million)	Note	2000					
		1999 Actual	Previous Budget	2000 Pre-EFU	2001 Pre-EFU	2002 Pre-EFU	2003 Pre-EFU
<b>Revenue</b>							
<b>Levied through the Crown's Sovereign Power</b>							
Direct taxation	1	20,289	21,368	21,041	22,064	23,395	24,665
Indirect taxation	2	11,867	12,197	12,319	12,791	13,253	13,727
Total taxation revenue		32,156	33,565	33,360	34,855	36,648	38,392
Compulsory fees, fines, penalties and levies		300	287	287	304	310	315
<b>Total Revenue Levied through the Crown's Sovereign Power</b>		<b>32,456</b>	<b>33,852</b>	<b>33,647</b>	<b>35,159</b>	<b>36,958</b>	<b>38,707</b>
<b>Earned through the Crown's Operations</b>							
Investment income	3	2,901	927	1,146	1,034	1,141	1,202
Sales of goods and services		683	670	670	683	713	728
Other operational revenue	4	401	292	292	280	277	275
Unrealised losses arising from changes in the value of commercial forests		(84)	..	..	..	..	..
<b>Total Revenue Earned through the Crown's Operations</b>		<b>3,901</b>	<b>1,889</b>	<b>2,108</b>	<b>1,997</b>	<b>2,131</b>	<b>2,205</b>
<b>Total Revenue</b>		<b>36,357</b>	<b>35,741</b>	<b>35,755</b>	<b>37,156</b>	<b>39,089</b>	<b>40,912</b>
<b>Expenses</b>							
<b>By functional classification</b>							
Social security and welfare		12,906	13,027	12,963	13,043	13,280	13,659
GSF pension expenses		1,132	654	656	650	634	668
Health		6,573	6,822	6,816	7,041	7,127	7,211
Education		5,899	6,238	6,373	6,524	6,634	6,779
Core government services		1,705	1,682	1,677	1,692	1,645	1,627
Law and order		1,499	1,448	1,452	1,438	1,444	1,439
Defence		1,030	1,135	1,176	1,142	1,091	1,101
Transport and communications		1,029	1,027	1,075	1,096	1,148	1,197
Economic and industrial services		858	809	809	773	771	766
Primary services		334	300	307	306	308	309
Heritage, culture and recreation		316	375	388	391	389	387
Housing and community development		41	48	48	45	40	38
Other		34	149	149	146	145	145
Finance costs	5	2,516	2,294	2,310	2,422	2,478	2,394
Net foreign-exchange gains		(47)	..	(26)	..	..	..
Provision for future initiatives		..	250	10	310	920	1,470
Contingency expense provision		..	100	..	..	..	..
<b>Total Expenses</b>	5	<b>35,825</b>	<b>36,358</b>	<b>36,183</b>	<b>37,019</b>	<b>38,054</b>	<b>39,190</b>
<b>Revenue Less Expenses</b>		<b>532</b>	<b>(617)</b>	<b>(428)</b>	<b>137</b>	<b>1,035</b>	<b>1,722</b>
Surplus attributable to State-owned enterprises and Crown entities	9	1,789	861	907	977	985	1,030
Dividends and other distributions	9	(544)	(280)	(465)	(318)	(361)	(411)
<b>Net surplus attributable to State-owned enterprises and Crown entities</b>		<b>1,245</b>	<b>581</b>	<b>442</b>	<b>659</b>	<b>624</b>	<b>619</b>
<b>Operating Balance</b>		<b>1,777</b>	<b>(36)</b>	<b>14</b>	<b>796</b>	<b>1,659</b>	<b>2,341</b>

The accompanying Notes are an integral part of these Statements.

## Forecast Statement of Financial Position

as at 30 June

(\$ million)	Note	2000					
		1999 Actual	Previous Budget	2000 Pre-EFU	2001 Pre-EFU	2002 Pre-EFU	2003 Pre-EFU
<b>Assets</b>							
Cash and bank balances		230	106	10	24	36	120
Marketable securities and deposits	6	11,153	8,084	8,136	7,571	7,158	7,145
Advances	7	3,628	4,299	4,008	4,474	4,827	5,350
Receivables	8	5,250	5,013	5,231	5,241	5,293	5,378
Inventories		321	316	323	320	317	317
State-owned enterprises and Crown entities	9	12,917	12,964	13,703	14,299	14,776	15,270
Other investments		270	195	278	278	278	278
Physical assets	10	15,258	15,595	15,592	15,656	15,389	15,064
Commercial forests		422	500	422	422	422	422
State highways	11	8,770	8,533	8,847	8,926	9,006	9,090
Intangible assets		4	3	4	4	4	4
Contingency capital provision		..	..	..	400	800	1,200
<b>Total Assets</b>		<b>58,223</b>	<b>55,608</b>	<b>56,554</b>	<b>57,615</b>	<b>58,306</b>	<b>59,638</b>
<b>Liabilities</b>							
Payables and provisions	12	5,005	4,204	4,496	4,546	4,478	4,298
Currency issued		1,960	2,023	1,976	1,976	1,976	1,976
Borrowings		36,712	36,096	35,476	35,719	34,873	34,070
Pension liabilities		8,524	7,865	8,527	8,499	8,445	8,419
<b>Total Liabilities</b>		<b>52,201</b>	<b>50,188</b>	<b>50,475</b>	<b>50,740</b>	<b>49,772</b>	<b>48,763</b>
<b>Total Assets Less Total Liabilities</b>		<b>6,022</b>	<b>5,420</b>	<b>6,079</b>	<b>6,875</b>	<b>8,534</b>	<b>10,875</b>
<b>Crown Balance</b>							
Accumulated operating balance		(1,197)	(1,631)	(1,183)	(387)	1,272	3,613
Revaluation reserve	13	7,219	7,051	7,262	7,262	7,262	7,262
<b>Crown Balance</b>		<b>6,022</b>	<b>5,420</b>	<b>6,079</b>	<b>6,875</b>	<b>8,534</b>	<b>10,875</b>

The accompanying Notes are an integral part of these Statements.

## Forecast Statement of Movements in Equity

for the years ending 30 June

(\$ million)	Note	2000					
		1999 Actual	Previous Budget	2000 Pre-EFU	2001 Pre-EFU	2002 Pre-EFU	2003 Pre-EFU
<b>Opening Crown Balance</b>		<b>9,921</b>	<b>5,456</b>	<b>6,022</b>	<b>6,079</b>	<b>6,875</b>	<b>8,534</b>
Operating balance for the year		1,777	(36)	14	796	1,659	2,341
Net revaluations	13	466	..	43	..	..	..
<b>Total recognised revenues and expenses</b>		<b>2,243</b>	<b>(36)</b>	<b>57</b>	<b>796</b>	<b>1,659</b>	<b>2,341</b>
Accident Rehabilitation and Compensation Insurance Corporation recognition policy changes		(6,142)	..	..	..	..	..
<b>Closing Crown Balance</b>		<b>6,022</b>	<b>5,420</b>	<b>6,079</b>	<b>6,875</b>	<b>8,534</b>	<b>10,875</b>

The accompanying Notes are an integral part of these Statements.

## Forecast Statement of Cash Flows

for the years ending 30 June

(\$ million)	2000		2000 Pre-EFU	2001 Pre-EFU	2002 Pre-EFU	2003 Pre-EFU
	1999 Actual	Previous Budget				
<b>Cash Flows from Operations</b>						
<b>Cash was Provided From</b>						
<i>Direct Taxation</i>						
<b>Individuals</b>						
Source deductions	12,328	12,859	12,666	12,983	13,621	14,302
Other persons	3,566	3,442	3,516	3,782	4,021	4,284
Refunds	(1,189)	(1,023)	(1,036)	(1,064)	(1,084)	(1,107)
Fringe benefit tax	329	345	326	332	338	341
<b>Total Individuals</b>	<b>15,034</b>	<b>15,623</b>	<b>15,472</b>	<b>16,033</b>	<b>16,896</b>	<b>17,820</b>
<b>Companies</b>						
Gross companies	4,467	4,906	4,739	5,044	5,340	5,592
Refunds	(646)	(551)	(602)	(540)	(553)	(560)
<b>Total Companies</b>	<b>3,821</b>	<b>4,355</b>	<b>4,137</b>	<b>4,504</b>	<b>4,787</b>	<b>5,032</b>
Withholding taxes	1,654	1,388	1,453	1,570	1,724	1,816
Other direct taxation	2	2	2	2	2	2
<b>Total Direct Taxation</b>	<b>20,511</b>	<b>21,368</b>	<b>21,064</b>	<b>22,109</b>	<b>23,409</b>	<b>24,670</b>
<i>Indirect Taxation</i>						
<b>Goods and Services Tax</b>						
Gross goods and services tax	12,628	12,996	13,204	13,829	14,472	15,066
Refunds	(4,194)	(4,402)	(4,487)	(4,685)	(4,901)	(5,093)
<b>Total Goods and Services Tax</b>	<b>8,434</b>	<b>8,594</b>	<b>8,717</b>	<b>9,144</b>	<b>9,571</b>	<b>9,973</b>
Excise duties	1,864	2,004	1,995	2,013	2,031	2,051
Other indirect taxation	1,575	1,560	1,532	1,591	1,608	1,660
<b>Total Indirect Taxation</b>	<b>11,873</b>	<b>12,158</b>	<b>12,244</b>	<b>12,748</b>	<b>13,210</b>	<b>13,684</b>
<b>Total Taxation Receipts</b>	<b>32,384</b>	<b>33,526</b>	<b>33,308</b>	<b>34,857</b>	<b>36,619</b>	<b>38,354</b>
<b>Compulsory Fees, Fines, Penalties and Levies</b>	<b>251</b>	<b>263</b>	<b>263</b>	<b>291</b>	<b>300</b>	<b>305</b>
<b>Other Receipts</b>						
Interest, profits and dividends	1,034	742	941	810	911	955
Sales of goods and services	642	631	631	659	681	696
Other operating receipts	372	326	335	302	300	298
<b>Total Other Receipts</b>	<b>2,048</b>	<b>1,699</b>	<b>1,907</b>	<b>1,771</b>	<b>1,892</b>	<b>1,949</b>
<b>Total Cash Provided from Operations</b>	<b>34,683</b>	<b>35,488</b>	<b>35,478</b>	<b>36,919</b>	<b>38,811</b>	<b>40,608</b>
<b>Cash was Disbursed To</b>						
Departmental outputs	4,536	4,578	4,678	4,332	4,267	4,262
Other outputs	14,402	15,085	15,570	15,762	15,863	16,150
Finance costs	2,398	2,387	2,447	2,475	2,493	2,363
Subsidies	134	156	156	162	161	161
Current transfers						
Social assistance grants	12,601	12,841	12,730	12,890	13,193	13,591
Other transfers	220	231	231	240	240	240
Provision for future initiatives	..	250	10	310	920	1,470
Contingency expenditure provision	..	100	..	..	..	..
<b>Total Cash Disbursed to Operations</b>	<b>34,291</b>	<b>35,628</b>	<b>35,822</b>	<b>36,171</b>	<b>37,137</b>	<b>38,237</b>
<b>Net Cash Flows from Operations</b>	<b>392</b>	<b>(140)</b>	<b>(344)</b>	<b>748</b>	<b>1,674</b>	<b>2,371</b>

The accompanying Notes are an integral part of these Statements.

## Forecast Statement of Cash Flows (continued)

for the years ending 30 June

(\$ million)	1999 Actual	2000 Previous Budget	2000 Pre-EFU	2001 Pre-EFU	2002 Pre-EFU	2003 Pre-EFU
<b>Subtotal (brought forward)</b>	<b>392</b>	<b>(140)</b>	<b>(344)</b>	<b>748</b>	<b>1,674</b>	<b>2,371</b>
<b>Cash Flows from Investing Activities</b>						
<b>Cash was Provided From</b>						
Sale of physical assets	239	150	150	131	72	72
<b>Total Cash Provided</b>	<b>239</b>	<b>150</b>	<b>150</b>	<b>131</b>	<b>72</b>	<b>72</b>
<b>Cash was Disbursed To</b>						
Purchase of physical assets	1,142	1,240	1,561	1,005	820	779
Net increase in advances	179	314	189	336	238	364
Net sale of investments	(1,554)	(1,444)	(3,104)	(562)	(436)	(102)
Contingency capital provision	..	..	..	400	400	400
<b>Total Cash Disbursed</b>	<b>(233)</b>	<b>110</b>	<b>(1,354)</b>	<b>1,179</b>	<b>1,022</b>	<b>1,441</b>
<b>Net Cash Flows from Investing Activities</b>	<b>472</b>	<b>40</b>	<b>1,504</b>	<b>(1,048)</b>	<b>(950)</b>	<b>(1,369)</b>
<b>Net Cash Flows from Operating and Investing Activities</b>	<b>864</b>	<b>(100)</b>	<b>1,160</b>	<b>(300)</b>	<b>724</b>	<b>1,002</b>
<b>Cash Flows from Financing Activities</b>						
<b>Cash was Provided From</b>						
Issue of circulating currency	151	..	16	..	..	..
<b>Total Cash Provided</b>	<b>151</b>	<b>..</b>	<b>16</b>	<b>..</b>	<b>..</b>	<b>..</b>
<b>Cash was Disbursed To</b>						
Net (issue)/repayment of Government stock	(2,874)	228	948	(470)	467	773
Net repayment/(issue) of foreign- currency borrowing	1,060	36	549	121	312	(1)
Net repayment/(issue) of other New Zealand-dollar borrowing	2,791	(335)	(101)	35	(67)	146
<b>Total Cash Disbursed</b>	<b>977</b>	<b>(71)</b>	<b>1,396</b>	<b>(314)</b>	<b>712</b>	<b>918</b>
<b>Net Cash Flows from Financing Activities</b>	<b>(826)</b>	<b>71</b>	<b>(1,380)</b>	<b>314</b>	<b>(712)</b>	<b>(918)</b>
<b>Net Movement in Cash Held</b>	<b>38</b>	<b>(29)</b>	<b>(220)</b>	<b>14</b>	<b>12</b>	<b>84</b>
<b>Opening Cash Balance</b>	<b>171</b>	<b>135</b>	<b>230</b>	<b>10</b>	<b>24</b>	<b>36</b>
Foreign-exchange gains on opening cash balances	21	..	..	..	..	..
<b>Closing Cash Balance</b>	<b>230</b>	<b>106</b>	<b>10</b>	<b>24</b>	<b>36</b>	<b>120</b>

The accompanying Notes are an integral part of these Statements.

## Forecast Statement of Cash Flows (continued)

for the years ending 30 June

(\$ million)	1999 Actual	2000 Previous Budget	2000 Pre-EFU	2001 Pre-EFU	2002 Pre-EFU	2003 Pre-EFU
<b>Reconciliation Between the Forecast Operating Balance and Forecast Net Cash Flows from Operations</b>						
<b>Operating Balance</b>	<b>1,777</b>	<b>(36)</b>	<b>14</b>	<b>796</b>	<b>1,659</b>	<b>2,341</b>
<i>Items included in the operating balance but not in net cash flows from operations</i>						
<b>Valuation changes</b>						
Unrealised net foreign exchange gains	(44)	..	(20)	..	..	..
Unrealised gains arising from changes in the value of commercial forests	84	..	..	..	..	..
<b>Total Valuation Changes</b>	<b>40</b>	<b>..</b>	<b>(20)</b>	<b>..</b>	<b>..</b>	<b>..</b>
<b>Physical asset movements</b>						
Depreciation	765	833	833	885	902	914
Loss/(gain) on sale of assets	26	..	..	..	..	..
<b>Total Physical Asset Movements</b>	<b>791</b>	<b>833</b>	<b>833</b>	<b>885</b>	<b>902</b>	<b>914</b>
<b>Other Non-cash Items</b>						
Net surplus attributable to State-owned enterprises and Crown entities	(1,245)	(581)	(442)	(659)	(624)	(619)
Gain on sale of Contact Energy and airport companies	(1,625)	..	..	..	..	..
Gain on sale of Vehicle Testing New Zealand Limited	..	..	(14)	..	..	..
Movements in pension liabilities	429	(13)	3	(28)	(54)	(26)
Other	5	(29)	(39)	(32)	(31)	(21)
<b>Total Other Non-cash Items</b>	<b>(2,436)</b>	<b>(623)</b>	<b>(492)</b>	<b>(719)</b>	<b>(709)</b>	<b>(666)</b>
<b>Total other investing and financing items</b>	<b>69</b>	<b>(13)</b>	<b>(43)</b>	<b>(8)</b>	<b>22</b>	<b>32</b>
<b>Movements in working capital</b>						
(Increase)/decrease in taxes receivable	(135)	(55)	(68)	1	(30)	(39)
Increase/(decrease) in payables	380	(350)	(529)	(180)	(141)	(165)
(Increase)/decrease in other receivables	(75)	106	(37)	(30)	(32)	(46)
(Increase)/decrease in inventories	(19)	(2)	(2)	3	3	..
<b>Total movements in working capital</b>	<b>151</b>	<b>(301)</b>	<b>(636)</b>	<b>(206)</b>	<b>(200)</b>	<b>(250)</b>
<b>Net Cash Flows from Operations</b>	<b>392</b>	<b>(140)</b>	<b>(344)</b>	<b>748</b>	<b>1,674</b>	<b>2,371</b>

The accompanying Notes are an integral part of these Statements.

## Forecast Statement of Cash Flows (continued)

for the years ending 30 June

(\$ million)	1999 Actual	2000 Previous Budget	2000 Pre-EFU	2001 Pre-EFU	2002 Pre-EFU	2003 Pre-EFU
<b>Reconciliation of Forecast Net Cash Flows from Operations with Forecast Net Cash Proceeds from Domestic Bonds</b>						
<b>Net Cash Flows from Operations</b>	<b>392</b>	<b>(140)</b>	<b>(344)</b>	<b>748</b>	<b>1,674</b>	<b>2,371</b>
Net purchase of physical assets	(903)	(1,090)	(1,411)	(874)	(748)	(707)
Net increase in advances	(179)	(314)	(189)	(336)	(238)	(364)
Net sale of investments	1,554	1,444	3,104	562	436	102
Contingency capital provision	..	..	..	(400)	(400)	(400)
<b>Available to Repay Debt (Net Cash Flows from Operating and Investing Activities)</b>	<b>864</b>	<b>(100)</b>	<b>1,160</b>	<b>(300)</b>	<b>724</b>	<b>1,002</b>
<b>Used in:</b>						
Net (repayment)/issue of other New Zealand-dollar borrowing	(2,791)	335	101	(35)	67	(146)
(Increase)/decrease in cash	(38)	29	220	(14)	(12)	(84)
Issue of circulating currency	151	..	16	..	..	..
Net repayment of foreign-currency borrowing	(1,060)	(36)	(549)	(121)	(312)	1
	<b>(3,738)</b>	<b>328</b>	<b>(212)</b>	<b>(170)</b>	<b>(257)</b>	<b>(229)</b>
<b>Net Cash (Outflow)/Inflow to be Offset by Domestic Bonds</b>	<b>(2,874)</b>	<b>228</b>	<b>948</b>	<b>(470)</b>	<b>467</b>	<b>773</b>
<b>Gross Cash Proceeds from Domestic Bonds</b>						
Domestic bonds (market)	3,450	2,783	1,932	3,120	2,115	1,875
Domestic bonds (non-market)	977	294	277	516	298	146
Inflation bonds (market)	329	..	..	..	..	..
Inflation bonds (non-market)	..	..	148	..	..	..
<b>Total Gross Cash Proceeds from Domestic Bonds</b>	<b>4,756</b>	<b>3,077</b>	<b>2,357</b>	<b>3,636</b>	<b>2,413</b>	<b>2,021</b>
Repayment of domestic bonds (market)	(1,782)	(3,011)	(3,011)	(2,650)	(2,582)	(2,648)
Repayment of domestic bonds (non-market)	(100)	(294)	(294)	(516)	(298)	(146)
<b>Net Cash Proceeds from/(Repayments of) Domestic Bonds</b>	<b>2,874</b>	<b>(228)</b>	<b>(948)</b>	<b>470</b>	<b>(467)</b>	<b>(773)</b>

The accompanying Notes are an integral part of these Statements.

## Forecast Statement of Borrowings

as at 30 June

(\$ million)	Note	2000					2003 Pre-EFU
		1999 Actual	Previous Budget	2000 Pre-EFU	2001 Pre-EFU	2002 Pre-EFU	
<b>Outstanding Debt</b>							
<b>New Zealand-Dollar Debt</b>							
Government stock		22,701	22,490	21,735	22,177	21,693	20,912
Treasury bills		5,881	6,477	6,231	6,167	6,190	6,217
Loans and foreign-exchange contracts		299	172	230	227	154	104
Retail stock		729	490	557	546	546	546
<b>Total New Zealand-Dollar Debt</b>		<b>29,610</b>	<b>29,629</b>	<b>28,753</b>	<b>29,117</b>	<b>28,583</b>	<b>27,779</b>
<b>Foreign-Currency Debt</b>							
United States dollars		3,565	2,852	3,259	3,260	3,276	3,276
Japanese yen		1,706	1,764	1,924	1,924	1,596	1,597
European and other currencies		1,831	1,851	1,540	1,418	1,418	1,418
<b>Total Foreign-Currency Debt</b>		<b>7,102</b>	<b>6,467</b>	<b>6,723</b>	<b>6,602</b>	<b>6,290</b>	<b>6,291</b>
<b>Total Outstanding Debt</b>		<b>36,712</b>	<b>36,096</b>	<b>35,476</b>	<b>35,719</b>	<b>34,873</b>	<b>34,070</b>
<b>Less</b>							
<b>Financial Assets</b>							
<b>Marketable Securities and Deposits</b>							
New Zealand dollars		3,601	1,016	952	507	406	392
United States dollars		3,857	2,876	3,689	3,691	3,707	3,707
Japanese yen		1,827	2,356	1,717	1,717	1,389	1,390
European and other currencies		1,868	1,836	1,778	1,656	1,656	1,656
<b>Total Marketable Securities and Deposits</b>	6	<b>11,153</b>	<b>8,084</b>	<b>8,136</b>	<b>7,571</b>	<b>7,158</b>	<b>7,145</b>
<b>Advances and Cash</b>							
Advances to State-owned enterprises and Crown entities	7	299	367	323	274	197	197
Student loans	7	3,002	3,703	3,462	3,970	4,463	5,032
Other advances		327	229	223	230	167	121
Cash		230	106	10	24	36	120
<b>Total Advances and Cash</b>		<b>3,858</b>	<b>4,405</b>	<b>4,018</b>	<b>4,498</b>	<b>4,863</b>	<b>5,470</b>
<b>Total Financial Assets</b>		<b>15,011</b>	<b>12,489</b>	<b>12,154</b>	<b>12,069</b>	<b>12,021</b>	<b>12,615</b>
<b>Net Crown Debt</b>		<b>21,701</b>	<b>23,607</b>	<b>23,322</b>	<b>23,650</b>	<b>22,852</b>	<b>21,455</b>
Net New Zealand-dollar debt		22,309	24,208	23,783	24,112	23,314	21,917
Net foreign-currency debt		(608)	(601)	(461)	(462)	(462)	(462)
<b>Net Crown Debt</b>		<b>21,701</b>	<b>23,607</b>	<b>23,322</b>	<b>23,650</b>	<b>22,852</b>	<b>21,455</b>

The accompanying Notes are an integral part of these Statements.

## Statement of Actual Commitments

as at 30 June 1999

(\$ million)	As at 30 June 1999	As at 30 June 1998
<b>By Type</b>		
<b>Capital Commitments</b>		
Specialist military equipment	361	554
Land and buildings	125	73
Other plant and equipment	32	68
Investments	232	211
Commitments of State-owned enterprises and Crown entities	1,207	1,280
<b>Total Capital Commitments</b>	<b>1,957</b>	<b>2,186</b>
<b>Operating Commitments</b>		
Non-cancellable accommodation leases	638	710
Other non-cancellable leases	2,443	3,525
Non-cancellable contracts for the supply of goods and services	454	365
Other operating commitments	909	879
Commitments of State-owned enterprises and Crown entities	2,516	3,872
<b>Total Operating Commitments</b>	<b>6,960</b>	<b>9,351</b>
<b>Total Commitments</b>	<b>8,917</b>	<b>11,537</b>
<b>By Term</b>		
One year or less	3,647	3,981
From one to two years	1,212	1,557
From two to five years	1,479	2,107
Over five years	2,579	3,892
<b>Total Commitments</b>	<b>8,917</b>	<b>11,537</b>

The Statement of Actual Commitments includes commitments which are also included in the Forecast Statements of Financial Performance and Financial Position.

*The accompanying Notes are an integral part of these Statements.*

## Statement of Actual Specific Fiscal Risks

### Quantifiable contingent liabilities

(\$ million)	As at 30 June 1999	As at 30 June 1998
Guarantees and indemnities	541	496
Uncalled capital	2,820	2,922
Legal proceedings and disputes	464	362
Other contingent liabilities	1,610	1,286
<b>Total Quantifiable Contingent Liabilities</b>	<b>5,435</b>	<b>5,066</b>

Contingent liabilities of the Reserve Bank of New Zealand, State-owned enterprises and Crown entities are included in quantifiable contingent liabilities. Contingent liabilities to sub-entities are excluded.

### Non-quantifiable contingent liabilities

This part of the Statement lists those contingent liabilities of the Crown which cannot be quantified.

#### Institutional Guarantees

Commerce Commission - indemnity for damages  
 District Court Judges and Justices of the Peace  
 Earthquake Commission  
 Fletcher Challenge Limited  
 Maori Trustee  
 National Provident Fund  
 Persons exercising investigating powers  
 Public Trust Office  
 Reserve Bank of New Zealand

#### Other Unquantifiable Contingent Liabilities

Alkylammonium compound compensation  
 Bank of New Zealand  
 Contact Energy Limited  
 Contaminated sites  
 Crown research institutes  
 Development Finance Corporation New Zealand Limited (under statutory management)  
 Electricity Corporation of New Zealand Limited  
 Hospital and health services  
 Housing Corporation of New Zealand  
 Housing New Zealand Limited  
 Pharmaceutical Management Agency Limited  
 Purchasers of Crown operations  
 Sale of Crown assets  
 Solid Energy New Zealand Limited  
 Southland Electric Power Supply Consumer Trust  
 Tax liabilities  
 Treaty of Waitangi claims  
 Treaty of Waitangi claims - settlement relativity payments  
 Works Civil Construction  
 Works Consultancy Services

#### Significant events subsequent to 30 June 1999

Since 30 June 1999, IBM Limited has issued its Statement of Defence and Counterclaim in response to the Crown's original damages claim against IBM. IBM is claiming \$75 million plus additional unspecified damages in relation to the Police INCIS project.

*Actual Contingent Liabilities are discussed in detail in Chapter 4.*

## Statement of Actual Specific Fiscal Risks (continued)

### Quantified risks

	(\$ million)
Child Youth and Family Services - Services to Children, Young Persons and Their Families	up to (26) in 2000/01
Commerce and Maori affairs - Maori broadcasting	(15) in 2000/01
Conservation - biodiversity strategy	not exceeding (45) in 2000/01, 2001/02 and in 2002/03
Corrections - construction of new facilities, associated operating expenses and deferred maintenance	up to (344) of capital and (47) operating over four years
Defence - capital injections	up to capital of (210) in 2000/01, (224) in 2001/02 and (148) in 2002/03
Education - school property	capital of up to (30) in 1999/2000, and up to (250) in 2000/01, 2001/02 and in 2002/03
Education - wananga capital injections	capital up to (30) in 2000/01
Hospital and health services (HHS) - hospital projects in Auckland and Wellington	capital of (90) in 2000/01, and (100) in 2001/02 and in 2002/03
Inland Revenue - tax rate reductions	+100 for each three months of delay
International finance organisations - contributions	(18) in 1999/2000
Maori Trustee - payment for services	(25)
Treaty Settlements - Treaty heads of agreement	(112) in 1999/2000.

Many of these risks, if they crystallise, are covered by the provisions for future initiatives and therefore, have no impact on the forecasts.

### Unquantified risks

Agriculture and Forestry - South Island Landless Maori forest  
At Work Insurance Limited - workplace insurer  
Civil Defence - Disaster Recovery Plan  
Commerce - climate change policy  
Commerce - sale of spectrum licences  
Courts - information technology  
Culture and Heritage - public broadcasting fee  
Defence - East Timor  
Defence - operating increases  
Defence - real estate rationalisation  
Education - annual review of principals' pay  
Electricity - sale of small hydro stations  
Fisheries - allocation of fishing quota  
Hospital and health services - loan covenant  
Inland Revenue - restrictive covenants and lease inducements  
Inland Revenue - superannuation funds  
Police - computer system  
Police - cost pressures  
Public Trust Office - corporatisation  
TVNZ - digital TV proposal  
Work and Income - Australian social security agreement

*Risks are stated as at 11 October 1999.*

*Actual Specific Fiscal Risks are discussed in detail in Chapter 4.*

# Statement of Accounting Policies and Forecast Assumptions

## General Accounting Policies and Forecast Assumptions

### *General Accounting Policies*

#### ***Accounting policy***

These Forecast Financial Statements comply with generally accepted accounting practice. The measurement base applied is historical cost adjusted for revaluations of assets.

Revaluations are made to reflect the forecast service potential or economic benefit obtained through control of the assets. The accrual basis of accounting has been used.

These Forecast Financial Statements have been prepared on a going-concern basis, and the policies have been applied consistently throughout the forecast periods.

#### ***Forecast assumptions***

For forecast purposes no revaluations are projected.

### General Forecast Assumptions

#### ***Finalisation dates***

The Forecast Financial Statements were finalised on 11 October 1999 and incorporate all government decisions and circumstances communicated up to 11 October 1999.

#### ***Macroeconomic assumptions***

A summary of the economic assumptions that are particularly relevant to the fiscal forecasts (along with the 1999/2000 assumptions used in the 1999 Budget) is provided in the following table.

**Key economic assumptions**

June years	1999/2000	2000/01	2001/02	2002/03
	Budget	PreEFU	PreEFU	PreEFU
Real GDP <sup>1</sup>				
(annual average % change)	3.1	2.6	3.5	3.2
Nominal GDP (\$ million)	103,606	103,931	109,771	115,439
Consumers Price Index				
(annual average % change)	1.0	1.6	1.9	2.0
Interest rates				
Government 10-year bonds				
(quarterly average %)	6.6	7.1	7.6	7.4
90-day bill rate				
(quarterly average %)	5.0	5.3	6.3	7.0
Household Labour Force				
Survey unemployment rate				
(annual average %)	7.4	7.0	6.4	5.8
Full-time equivalent employment				
(annual average % change)	1.2	1.4	2.3	2.0
Wages – Hourly Earnings				
(annual average % change)	2.0	2.3	2.7	3.0
Trade Weighted Index				
(quarterly average)	59.2	56.6	57.8	59.1

Source: The Treasury

For the purposes of calculating net debt, the projections assume the nominal exchange rate remains fixed at 31 August 1999 exchange rates. Projected exchange-rate losses or gains are not included in the forecasts.

<sup>1</sup> Production-based measure.

## Specific Accounting Policies and Forecast Assumptions

### ***Forecast periods***

#### *Accounting policy*

The reporting periods covered by these Forecast Financial Statements are the years ending 30 June 2000, 30 June 2001, 30 June 2002 and 30 June 2003.

Certain State-owned enterprises and Crown entities have different reporting periods from the Crown. These entities have been combined on the basis of the balance dates outlined in Note 9.

#### *Forecast assumption*

A forecast is prepared for the first period (the year ending 30 June 2000), while projections are prepared for the latter three periods (the years ending 30 June 2001, 2002 and 2003). For simplicity, the term “forecast” is used in this Statement of Accounting Policies and Forecast Assumptions to describe all four years.

## Basis of Combination

### ***Accounting policy***

Ministers of the Crown, departments, offices of Parliament and the Reserve Bank of New Zealand are combined using the purchase method of combination. Corresponding assets, liabilities, revenues and expenses are added together line by line. Transactions and balances between these sub-entities are eliminated on combination.

State-owned enterprises, Crown entities and Public Trust are combined using an equity method of combination. This records the Crown's share of these entities' forecast net assets, including their surpluses and deficits. Unrealised surpluses and deficits on inter-entity transactions and balances not carried out on an arm's-length basis are eliminated. Other inter-entity transactions and balances are not eliminated.

Commitments and contingent liabilities of State-owned enterprises and Crown entities are reported in the Statement of Actual Commitments and the Statement of Actual Specific Fiscal Risks.

## Revenue

### ***Revenue levied through the Crown's sovereign power***

#### *Accounting policy*

The Crown provides many services and benefits that do not give rise to revenue. Further, payment of tax does not of itself entitle a taxpayer to an equivalent value of services or benefits, as there is no direct relationship between paying tax and receiving Crown services and transfers.

Such revenue is received through the exercise of the Crown's sovereign power.

Where possible, revenue is recognised at the time the debt to the Crown arises, as identified in the following table:

<b>Revenue Type</b>	<b>Revenue Recognition Point</b>
Source deductions (PAYE)	When an individual is forecast to earn income that is subject to PAYE
Residents' withholding taxes <sup>2</sup>	When an individual is forecast to receive interest or dividends subject to deduction at source
Fringe benefit tax (FBT)	When forecast benefits are provided that give rise to FBT
Provisional tax <sup>3</sup>	Forecast payment due date
Terminal tax <sup>3</sup>	Forecast assessment filed date
Goods and services tax	When the liability to the Crown is forecast to be incurred
Excise duty	When goods are forecast to be subject to duty
Road user charges and motor vehicle fees	When payment for the fee or charge is forecast to be made
Stamp, cheque and credit card duties	When the liability to the Crown is forecast to be incurred
Other indirect taxes	When the debt to the Crown is forecast to arise

<sup>2</sup> Corresponds to forecast withholding taxes on residents' interest and dividend income in Note 1 to the Forecast Financial Statements.

<sup>3</sup> Provisional and terminal taxes are paid by "other persons" and companies (refer to Note 1 to the Forecast Financial Statements).

## **Revenue earned through operations**

### *Accounting policy*

Where revenue will be earned by the Crown in exchange for the provision of outputs (products or services) to third parties, the Crown earns its revenue through operations. This revenue is recognised when it is forecast to be earned.

## **Investment income**

### *Accounting policy*

Investment income is recognised in the period in which it is forecast to be earned.

## **Premiums**

### *Accounting policy*

Premiums arising on the issue of debt instruments up to the forecast finalisation date, are treated as a reduction in the cost of borrowing. Premiums are recognised in the Forecast Statement of Financial Position on issue, and are amortised over the period of the instrument on a yield-to-maturity basis.

Premiums on forecast bond sales with the same maturity date and coupon rate as bonds already on issue are calculated using the same maturity and coupon rate information. These premiums are treated on issue as a reduction in the cost of borrowing, and in general are amortised over the period of the instrument on a yield-to-maturity basis.

The forward margin associated with forward foreign-exchange contracts is amortised over the period of the contract on a straight-line basis.

### *Forecast assumption*

Forecast bond sales with new maturity dates are assumed to be issued at par value, and therefore no premiums are forecast for these instruments.

## **Gains**

### *General*

#### [Accounting policy](#)

Realised gains arising from the sale of assets or the early repurchase of liabilities are recognised in the Forecast Statement of Financial Performance in the period in which the transactions are forecast to occur.

### *Foreign-currency monetary assets and liabilities*

#### [Accounting policy](#)

Unrealised gains are recognised in the Forecast Statement of Financial Performance.

#### [Forecast assumption](#)

Forecasts of foreign-currency monetary assets and liabilities for the year ending 30 June 2000 and the other forecast periods use the exchange rates prevailing on 31 August 1999. As a consequence, no realised or unrealised exchange gains are forecast after this date for the remainder of the forecast period.

### *Physical assets*

#### [Accounting policy](#)

To the extent that a forecast gain reverses a loss previously charged to the Statement of Financial Performance, the gain is credited to the Forecast Statement of Financial Performance.

#### [Forecast assumption](#)

For the year ended 30 June 2000 the forecasts for the value of physical assets use the actual valuations to the year ended 30 June 1999.

The value of physical assets for the other forecast periods is forecast using the same valuation as that used for the 30 June 2000 forecasts. As a consequence, no realised or unrealised gains are forecast for the entire forecast period.

### *Investments and marketable securities held for investment*

#### [Forecast assumption](#)

All investments and marketable securities held for investment that are forecast to be held after the forecast finalisation date are assumed to be held to maturity. Therefore, no gains are forecast for these assets.

## Expenses

### **General**

#### Accounting policy

Expenses are recognised in the financial periods to which they are forecast to relate.

#### *Welfare benefits*

##### [Accounting policy](#)

Welfare benefits are recognised in the reporting periods during which it is forecast an application for a benefit will be accepted and the eligibility criteria met.

#### *Grants and subsidies*

##### [Accounting policy](#)

Where grants and subsidies are discretionary until payment, the expense is recognised when the payment is forecast to be made. Otherwise, the expense is recognised when it is forecast that the specific criteria will be fulfilled and notice given to the Crown.

#### *Treaty of Waitangi settlements*

##### [Forecast assumption](#)

There is a multi-year appropriation (MYA) established for the payment of claims associated with Treaty of Waitangi settlements. The forecasts assume the remaining amount of the MYA will be spread evenly over the remaining years of the appropriation. The actual amount expensed in any one year may be greater or less than the amount forecast for that particular year, since actual expenses depend on the settlements reached.

#### *Discounts*

##### [Accounting policy](#)

Discounts arising on the issue of debt instruments up to the forecast finalisation date are treated as an increase in the cost of borrowings. Discounts are recognised in the Forecast Statement of Financial Position on issue, and are amortised over the period of the instrument on a yield-to-maturity basis.

Discounts on forecast bond sales with the same maturity date and coupon rate as bonds already on issue are calculated using the same maturity and coupon rate information. These discounts are treated on issue as an increase in the cost of borrowing, and in general are amortised over the period of the instrument on a yield-to-maturity basis.

##### [Forecast assumption](#)

Forecast bond sales with new maturity dates are assumed to be issued at par value, and therefore no discounts are forecast for these instruments.

## Losses

### *General*

#### [Accounting policy](#)

Forecast realised losses arising from the sale of assets or the early repurchase of liabilities are recognised in the Forecast Statement of Financial Performance in the period in which the transaction is forecast to occur.

### *Foreign-currency monetary assets and liabilities*

#### [Accounting policy](#)

Unrealised losses are recognised in the Forecast Statement of Financial Performance.

#### [Forecast assumption](#)

The 30 June 2000 forecasts for foreign-currency monetary assets and liabilities use the exchange rates prevailing on 31 August 1999.

Forecasts of foreign-currency monetary assets and liabilities for the other forecast periods are based on the exchange rates used for the 30 June 2000 forecasts. As a consequence, no realised or unrealised exchange losses are forecast for these years.

### *Physical assets and liabilities*

#### [Accounting policy](#)

Unrealised losses are first applied against the revaluation reserve for that class of asset. The balance, if any, is charged to the Forecast Statement of Financial Performance.

#### [Forecast assumption](#)

The 30 June 2000 forecasts for the value of physical assets uses actual valuations to the year ended 30 June 1999.

The value of physical assets for the other forecast periods is forecast using the same valuation used for the 30 June 2000 forecasts. As a consequence, no realised or unrealised losses are forecast.

### *Investments and marketable securities held for investment*

#### [Forecast assumption](#)

All investments and marketable securities held for investment that are forecast to be held after the forecast finalisation date are assumed to be held to maturity. Therefore, no losses are forecast for these assets.

## ***Foreign-currency transactions***

### *Accounting policy*

Short-term transactions covered by forward exchange contracts are translated into New Zealand dollars using the forward rates specified in those contracts.

Other transactions in foreign currencies are translated into New Zealand dollars using the exchange rates prevailing on 31 August 1999. Forecast exchange gains or losses arising on translation of these transactions are recognised in the Forecast Statement of Financial Performance.

The resulting exchange gains or losses are included in the Forecast Statement of Financial Performance in the period in which they are forecast to arise. The forward margin associated with existing forward exchange contracts is amortised over the period of the contract on a straight-line basis.

### *Forecast assumption*

Outstanding foreign-exchange contracts are translated using the exchange rate prevailing on 31 August 1999.

For forecasting purposes, the exchange rates prevailing on 31 August 1999 are assumed to prevail throughout the other forecast periods.

## ***Depreciation***

### *Accounting policy*

Depreciation is charged on a straight-line basis at rates calculated to allocate the cost or valuation of an asset, less any forecast residual value, over its estimated useful life.

Typically, the estimated useful lives of different classes of assets are as follows:

Freehold buildings	25 to 60 years
Specialist military equipment	5 to 25 years
Other plant and equipment	3 to 25 years
State highways:	
– pavement	36 years
– bridges	90 years

## Assets

### **Foreign monetary assets**

#### *Accounting policy*

Foreign monetary assets existing at the forecast finalisation date and subject to forward exchange contracts are translated at the contract rate. Other foreign-currency monetary assets are translated at the exchange rates prevailing on 31 August 1999.

#### Forecast assumption

For forecasting purposes, the exchange rates on 31 August 1999 are assumed to prevail throughout the other forecast periods.

### **Receivables and advances**

#### Accounting policy

Receivables and advances are recorded at the amounts forecast to be collected in cash.

### **Inventories**

#### Accounting policy

Inventories existing at the forecast finalisation date are recorded at the lower of cost and net current value. Inventories forecast to be acquired after that date are recorded at the forecast cost.

### **Investments**

#### *Marketable securities held for trading purposes*

#### Accounting policy

Marketable securities held for trading purposes at the forecast finalisation date are recorded at net current value.

Marketable securities that are forecast to be acquired after that date and held for trading purposes are recorded at forecast cost of acquisition.

#### *Equity investments*

#### Accounting policy

Equity investments existing at the forecast finalisation date (other than those forming part of the reporting entity) are recorded at the lower of forecast cost and net current value.

Equity investments, which are forecast to be purchased after that date, are recorded at the forecast cost.

### *Other investments*

#### [Accounting policy](#)

Other investments existing at the forecast finalisation date, including marketable securities held for investment, are recorded at the lower of cost and net current value.

Other investments that are forecast to be purchased after that date are valued at the forecast cost.

### *Investment sales*

#### [Forecast assumption](#)

The proceeds from sales of investments or entities are only included in the forecasts when those sales have been contractually confirmed at the forecast finalisation date.

### **Physical assets**

#### *Land and buildings*

##### [Accounting policy](#)

Holdings of land and buildings at the forecast finalisation date are recorded at the latest available valuation calculated on a net-current-value basis. In cases where valuations conducted in accordance with New Zealand Institute of Valuers' standards are not available, valuations conducted in accordance with the Valuation of Land Act 1951 have been used.

Land and buildings forecast to be purchased after the forecast finalisation date are valued at their forecast cost.

##### [Forecast assumption](#)

Valuations are assumed to remain constant over the forecast period.

#### *Specialist military equipment*

##### [Accounting policy](#)

Specialist military equipment existing at the forecast finalisation date is valued at depreciated replacement cost established through specialist assessment by New Zealand Defence Force advisers.

Specialist military equipment forecast to be purchased after that date is valued at forecast cost.

#### *Other plant and equipment*

##### [Accounting policy](#)

Other plant and equipment (including motor vehicles and office equipment) existing at forecast finalisation date is recorded at cost less accumulated depreciation.

Other plant and equipment forecast to be purchased after that date is recorded at forecast cost.

*Other physical assets for which an objective estimate of market value is difficult to obtain*

[Accounting policy](#)

Such assets (national parks, for example) existing at the forecast finalisation date are recorded at the best estimate of net current value.

Any such assets forecast to be acquired after that date are valued at forecast cost.

[Forecast assumption](#)

The value is assumed to be constant over the other forecast periods.

**State highways**

[Accounting policy](#)

State highways existing at the forecast finalisation date are recorded at depreciated replacement cost, based on the estimated present cost of constructing the existing asset by the most appropriate method of construction. State highways forecast to be developed after that date are valued at forecast cost.

Land associated with the state highways is valued using an opportunity cost based on adjacent use, as an approximation of net current value.

[Forecast assumption](#)

The value is assumed to be constant over the other forecast periods.

**Commercial forests**

[Accounting policy](#)

Commercial forests are recorded at forecast net current value. This takes into account age, quality of timber, market expectations and the forest management plan.

[Forecast assumption](#)

Commercial forests are valued at an estimate of net current value using discounted cash flow techniques. Post-tax cash flows and three-year rolling average log prices have been used. Log prices are assumed to be constant over the forecast period.

**Intangible assets**

[Accounting policy](#)

Intangible assets that can be sold or acquired separately from other assets are recorded at forecast net current value if a foreseeable future benefit exists. Otherwise, intangible assets are not recognised.

[Forecast assumption](#)

The value is assumed to be constant over the other forecast periods.

## Liabilities

### **Borrowings**

#### *Accounting policy*

In the Forecast Statement of Financial Position, borrowings, including currency swaps existing at the forecast finalisation date, are recorded at nominal value adjusted for the unamortised portion of the premium or discount on issue.

Borrowings forecast to be raised after that date are recorded at forecast cost.

#### *Forecast assumption*

Forecasts of borrowings incorporate a number of technical assumptions regarding the use of the Crown's fiscal surplus for domestic debt reduction. These assumptions may not reflect the actual future composition of the domestic debt programmes, as these decisions have yet to be made.

### **Foreign monetary liabilities**

#### *Accounting policy*

Foreign monetary liabilities existing at the forecast finalisation date and subject to forward exchange contracts are translated at contract rates. Other foreign-currency monetary liabilities are translated at exchange rates prevailing on 31 August 1999.

#### *Forecast assumption*

For forecasting purposes, the exchange rates prevailing on 31 August 1999 are assumed to prevail throughout the other forecast periods.

### **Pension liabilities**

#### *Forecast assumption*

Forecasts of Government Superannuation Fund pension liabilities in respect of the contributory service of superannuation scheme members are based on financial assumptions applied to the latest actuarial value of the Crown's liability for pension payments net of the scheme's assets, adjusted in future years for any projected changes in demographic assumptions.

### **Currency issued**

#### *Accounting policy*

Currency (including demonetised currency) issued at the forecast finalisation date or forecast to be issued after that date is recognised at face value. Forecast unissued currency stocks are reported as inventory (at cost) and expensed when they are forecast to be issued.

The face value of collectors' currency is recorded as a contingent liability.

## **Leases**

### *Accounting policy*

Finance leases transfer to the Crown as lessee substantially all the risks and rewards incident on the ownership of a leased asset. The obligations under such forecast leases are capitalised at the forecast present value of the minimum lease payments. The capitalised values are amortised over the period forecast for benefits from their use to arise.

Forecast operating leases, where the lessors substantially retain the risks and rewards of ownership, are recognised in a systematic manner over the forecast term of the lease.

The cost of forecast leasehold improvements is capitalised and amortised over the forecast unexpired period of the lease or the estimated useful life of the improvements, whichever is the shorter.

## **Compensated absences**

### *Accounting policy*

Forecast liabilities for annual leave are recognised as they are forecast to accrue to employees. Provision is also made for forecast long-service and retiring leave obligations to employees.

## **Other liabilities**

### *Accounting policy*

All other liabilities are recorded at the forecast obligation to pay.

## **Commitments**

The commitments reported in these forecast financial statements are **actual** commitments at 30 June 1999.

Existing commitments include operating and capital commitments arising from non-cancellable contractual or statutory obligations. Interest commitments on debts and commitments relating to employment contracts are not included.

## **Specific Fiscal Risks**

### *Accounting policy*

The specific fiscal risks reported in these forecast financial statements are the **actual** risks **existing at 11 October 1999** and contingent liabilities as at 30 June 1999. They include existing contingent liabilities, which are recognised at the point the contingency is evident. The Statement of Specific Fiscal Risks has been prepared in accordance with sections 10(3)(b) and 11 of the Fiscal Responsibility Act 1994.

## Changes in Accounting Policies

All policies have been applied on a consistent basis during the forecast period except for a change to the accounting policy in relation to the Accident Rehabilitation and Compensation Insurance Corporation (ARCIC) as advised in the 30 June 1999 Crown Financial Statements.

Up until 30 June 1999 the Crown incorporated ARCIC on the basis of the accounting policy of recognising revenue and expenses on a pay-as-you-go basis. The future costs of past claims were not recognised in ARCIC's or the Crown's financial statements, but instead were accumulated as an unfunded liability and disclosed as a note to the financial statements.

As at 30 June 1999, ARCIC recognised the ACC outstanding claims obligation (future cost of past claims) in its financial statements, and from 1 July 1999 the future costs of forecast new claims has been recognised. Forecast revenue has also been recognised on a consistent basis. The impact of this at 30 June 1999 was to significantly reduce the Crown's investment in its State-owned enterprises and Crown entities by the amount of the liability recognised, net of an adjustment to revenue.

There have been no other changes in accounting policy from those used in the Crown Financial Statements for the year ended 30 June 1999.

## Changes in Forecast Assumptions

Changes to the forecast assumptions used for the last set of forecasts published in the 1999 Budget are outlined on page 109.

## Changes to Comparative Figures

Where necessary, comparative figures have been adjusted to conform to changes in presentation and classification adopted in the forecast financial statements.

## Notes to the Forecast Financial Statements

(\$ million)	2000		2000 Pre-EFU	2001 Pre-EFU	2002 Pre-EFU	2003 Pre-EFU
	1999 Actual	Previous Budget				
<b>NOTE 1: Direct Taxation</b>						
<b>Income Tax</b>						
<b>Individuals</b>						
Source deductions	12,295	12,859	12,666	12,983	13,621	14,302
Other persons	3,024	3,061	3,115	3,338	3,610	3,867
Refunds	(701)	(652)	(650)	(668)	(681)	(695)
Fringe benefit tax	323	345	326	332	338	341
<b>Total Individuals</b>	<b>14,941</b>	<b>15,613</b>	<b>15,457</b>	<b>15,985</b>	<b>16,888</b>	<b>17,815</b>
<b>Companies</b>						
Gross companies	3,851	4,481	4,294	4,637	4,918	5,170
Refunds	(157)	(106)	(157)	(133)	(131)	(138)
<b>Total Companies</b>	<b>3,694</b>	<b>4,375</b>	<b>4,137</b>	<b>4,504</b>	<b>4,787</b>	<b>5,032</b>
<b>Withholding Taxes</b>						
Residents' interest income	864	660	683	778	891	964
Non-residents' income	717	643	689	723	756	779
Residents' dividend income	63	35	14	40	39	41
Foreign-source dividends	8	40	59	32	32	32
<b>Total Withholding Taxes</b>	<b>1,652</b>	<b>1,378</b>	<b>1,445</b>	<b>1,573</b>	<b>1,718</b>	<b>1,816</b>
<b>Total Income Tax</b>	<b>20,287</b>	<b>21,366</b>	<b>21,039</b>	<b>22,062</b>	<b>23,393</b>	<b>24,663</b>
<b>Other Direct Taxation</b>						
Estate and gift duties	2	2	2	2	2	2
<b>Total Other Direct Taxation</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>
<b>Total Direct Taxation</b>	<b>20,289</b>	<b>21,368</b>	<b>21,041</b>	<b>22,064</b>	<b>23,395</b>	<b>24,665</b>
<b>NOTE 2: Indirect Taxation</b>						
<b>Goods and Services Tax</b>						
Gross goods and services tax	12,844	13,176	13,424	14,049	14,692	15,286
Refunds	(4,440)	(4,542)	(4,667)	(4,865)	(5,081)	(5,273)
<b>Total Goods and Services Tax</b>	<b>8,404</b>	<b>8,634</b>	<b>8,757</b>	<b>9,184</b>	<b>9,611</b>	<b>10,013</b>
<b>Excise Duties</b>						
Petroleum fuels	802	840	854	867	880	894
Tobacco products	714	737	706	709	712	714
Alcoholic beverages	432	428	436	438	440	444
<b>Total Excise Duties</b>	<b>1,948</b>	<b>2,005</b>	<b>1,996</b>	<b>2,014</b>	<b>2,032</b>	<b>2,052</b>
<b>Other Indirect Taxation</b>						
Customs duty	528	567	562	536	503	507
Road user charges	468	501	510	540	573	607
Motor vehicle fees	174	169	179	183	188	192
Gaming duties	155	157	169	178	186	193
Energy resources levies	96	90	90	89	89	89
Stamp, cheque and credit card duties	94	74	56	67	71	74
<b>Total Other Indirect Taxation</b>	<b>1,515</b>	<b>1,558</b>	<b>1,566</b>	<b>1,593</b>	<b>1,610</b>	<b>1,662</b>
<b>Total Indirect Taxation</b>	<b>11,867</b>	<b>12,197</b>	<b>12,319</b>	<b>12,791</b>	<b>13,253</b>	<b>13,727</b>

## Notes to the Forecast Financial Statements

(\$ million)	1999	2000	2000	2001	2002	2003
	Actual	Previous Budget	Pre-EFU	Pre-EFU	Pre-EFU	Pre-EFU
<b>NOTE 3: Investment Income</b>						
<b>Interest Income</b>						
Marketable securities, deposits, mortgages and cash balances	343	317	344	326	346	341
Advances						
Contact Energy Limited	17	21	21	11	11	11
Student loans	229	268	253	337	379	395
Other entities	41	39	39	38	38	38
<b>Total Interest Income</b>	<b>630</b>	<b>645</b>	<b>657</b>	<b>712</b>	<b>774</b>	<b>785</b>
<b>Dividend Income</b>						
State-owned enterprises	347	152	330	208	233	268
Other	199	130	137	114	134	149
<b>Total Dividend Income</b>	<b>546</b>	<b>282</b>	<b>467</b>	<b>322</b>	<b>367</b>	<b>417</b>
<b>Other Investment Income</b>						
Gains on marketable securities and deposits	13	..	..	..	..	..
Gain on incorporation of Public Trust reserves	86	..	..	..	..	..
Gain on sale of Contact Energy Limited	1,421	..	..	..	..	..
Gains on sale of Airport companies	204	..	..	..	..	..
Gain on sale of Vehicle Testing New Zealand Limited	..	..	14	..	..	..
Other	1	..	8	..	..	..
<b>Total Other Investment Income</b>	<b>1,725</b>	<b>..</b>	<b>22</b>	<b>..</b>	<b>..</b>	<b>..</b>
<b>Total Investment Income</b>	<b>2,901</b>	<b>927</b>	<b>1,146</b>	<b>1,034</b>	<b>1,141</b>	<b>1,202</b>

### NOTE 4: Other Operational Revenue

Recoveries from the Accident Rehabilitation and Compensation Insurance Corporation	142	109	109	109	110	110
Contributions to Government Superannuation Fund	53	46	46	39	36	35
Cost recovery income from Fisheries	31	31	31	31	31	31
Petroleum royalties	26	30	30	23	23	23
Income from Earthquake Commission	10	10	10	10	10	10
Other	139	66	66	68	67	66
<b>Total Other Operational Revenue</b>	<b>401</b>	<b>292</b>	<b>292</b>	<b>280</b>	<b>277</b>	<b>275</b>

## Notes to the Forecast Financial Statements

(\$ million)	2000					
	1999 Actual	Previous Budget	2000 Pre-EFU	2001 Pre-EFU	2002 Pre-EFU	2003 Pre-EFU
<b>NOTE 5: Expenses by Input Type</b>						
Subsidies and transfer payments (see analysis below)	12,892	13,114	13,035	13,206	13,489	13,884
Operating expenses (see analysis below)	15,681	16,258	16,510	16,746	16,869	17,102
Personnel						
Personnel expenses (excluding pension expenses)	2,541	2,548	2,548	2,500	2,464	2,460
GSF pension expenses	703	667	653	678	688	694
Movement in unfunded pension liability	429	(13)	3	(28)	(54)	(26)
Other pension expenses	50	53	53	53	53	53
Depreciation						
Physical assets	684	750	750	799	814	826
State highways	81	83	83	86	88	88
Rental and leasing costs	269	254	254	247	245	245
Loss on sale of assets	26	..	..	..	..	..
Finance costs (see analysis below)	2,516	2,294	2,310	2,422	2,478	2,394
Net foreign-exchange (gains)/ losses on liabilities	(22)	..	357	..	..	..
Net foreign-exchange (gains) on assets	(25)	..	(383)	..	..	..
Provision for future initiatives	..	250	10	310	920	1,470
Contingency expense provision	..	100	..	..	..	..
<b>Total Expenses</b>	<b>35,825</b>	<b>36,358</b>	<b>36,183</b>	<b>37,019</b>	<b>38,054</b>	<b>39,190</b>
<b>Analysis of Subsidies and Transfer Payments</b>						
Social assistance grants						
New Zealand Superannuation	5,064	5,025	5,015	4,981	5,092	5,273
Community Wage	1,487	2,013	1,990	2,007	2,001	2,028
Unemployment Benefit	369	..	..	..	..	..
Domestic Purposes Benefit	1,451	1,472	1,433	1,459	1,510	1,574
Family Support	915	962	954	959	966	973
Student allowances	378	409	393	426	445	462
Other social assistance grants	2,901	2,865	2,882	2,996	3,097	3,196
Subsidies	110	138	138	139	139	139
Other transfer payments						
Official development assistance	204	213	213	223	223	223
Other	13	17	17	16	16	16
<b>Total Subsidies and Transfer Payments</b>	<b>12,892</b>	<b>13,114</b>	<b>13,035</b>	<b>13,206</b>	<b>13,489</b>	<b>13,884</b>
<b>Analysis of Operating Expenses</b>						
Education purchases						
Early childhood education	294	317	317	327	334	338
Primary and secondary education	3,146	3,332	3,443	3,511	3,560	3,677
Tertiary education and training	1,357	1,414	1,408	1,478	1,497	1,521
Health purchases	6,107	6,373	6,373	6,577	6,671	6,754
Science purchases	405	420	420	440	442	442
Other operating expenses	4,372	4,402	4,549	4,413	4,365	4,370
<b>Total Operating Expenses</b>	<b>15,681</b>	<b>16,258</b>	<b>16,510</b>	<b>16,746</b>	<b>16,869</b>	<b>17,102</b>
<b>Analysis of Finance Costs</b>						
Interest						
New Zealand dollars	2,129	1,973	1,974	2,103	2,149	2,086
Foreign currencies	343	298	313	296	306	285
Other finance costs	44	23	23	23	23	23
<b>Total Finance Costs</b>	<b>2,516</b>	<b>2,294</b>	<b>2,310</b>	<b>2,422</b>	<b>2,478</b>	<b>2,394</b>

## Notes to the Forecast Financial Statements

(\$ million)	2000					
	1999 Actual	Previous Budget	2000 Pre-EFU	2001 Pre-EFU	2002 Pre-EFU	2003 Pre-EFU

### NOTE 6: Marketable Securities and Deposits

Marketable securities held for trading purposes	3,280	4,087	3,412	3,412	3,412	3,412
Marketable securities held for investment purposes	2,027	1,539	1,554	996	579	565
Foreign-currency deposits	2,424	1,072	2,128	2,128	2,128	2,128
New Zealand-dollar deposits	3,064	1,016	657	650	654	655
Reserve position at the International Monetary Fund (IMF)	358	370	385	385	385	385
<b>Total Marketable Securities and Deposits</b>	<b>11,153</b>	<b>8,084</b>	<b>8,136</b>	<b>7,571</b>	<b>7,158</b>	<b>7,145</b>

### NOTE 7: Advances

#### Advances to State-owned enterprises and Crown entities

Housing Corporation of New Zealand	169	195	192	192	192	192
Residual Health Management Unit	127	172	89	40	5	5
Other State-owned enterprises and Crown entities	3	..	42	42	..	..
<b>Total Advances to State-owned enterprises and Crown entities</b>	<b>299</b>	<b>367</b>	<b>323</b>	<b>274</b>	<b>197</b>	<b>197</b>

#### Other Advances

Student loans	3,002	3,703	3,462	3,970	4,463	5,032
Contact Energy Limited	217	116	116	116	46	..
Forestry encouragement loans	34	37	35	35	35	35
Maori development rural lending	34	42	40	50	59	59
Catchment authorities	8	8	7	6	5	5
Other	34	26	25	23	22	22
<b>Total Other Advances</b>	<b>3,329</b>	<b>3,932</b>	<b>3,685</b>	<b>4,200</b>	<b>4,630</b>	<b>5,153</b>
<b>Total Advances</b>	<b>3,628</b>	<b>4,299</b>	<b>4,008</b>	<b>4,474</b>	<b>4,827</b>	<b>5,350</b>

### NOTE 8: Receivables

Taxes receivable	4,061	3,987	4,129	4,128	4,158	4,197
Accounts receivable	976	776	906	929	969	1,015
Receivable from the sale and purchase of Maui gas	132	112	112	95	82	82
Prepayments	81	138	84	89	84	84
<b>Total Receivables</b>	<b>5,250</b>	<b>5,013</b>	<b>5,231</b>	<b>5,241</b>	<b>5,293</b>	<b>5,378</b>

## Notes to the Forecast Financial Statements

(\$ million)	2000					
	1999 Actual	Previous Budget	2000 Pre-EFU	2001 Pre-EFU	2002 Pre-EFU	2003 Pre-EFU
<b>NOTE 9: Financial Interest in State-Owned Enterprises and Crown Entities</b>						
<b>Surplus</b>						
State-owned enterprises	777	319	315	375	418	458
Crown entities	1,012	542	592	602	567	572
<b>Total Surplus</b>	<b>1,789</b>	<b>861</b>	<b>907</b>	<b>977</b>	<b>985</b>	<b>1,030</b>
<b>Dividends and Other Distributions</b>						
State-owned enterprises	347	152	330	208	233	268
Crown entities	197	128	135	110	128	143
<b>Total Dividends and Other Distributions</b>	<b>544</b>	<b>280</b>	<b>465</b>	<b>318</b>	<b>361</b>	<b>411</b>
<b>Net Equity</b>						
State-owned enterprises	4,951	4,979	5,073	5,240	5,425	5,615
Crown entities	7,966	7,985	8,630	9,059	9,351	9,655
<b>Total Net Equity</b>	<b>12,917</b>	<b>12,964</b>	<b>13,703</b>	<b>14,299</b>	<b>14,776</b>	<b>15,270</b>

### Balance dates

All State-owned enterprises and significant Crown entities have a balance date of 30 June except for the following:

#### State-owned enterprises

Government Property Services Limited	31 March
New Zealand Post Limited	31 March
Television New Zealand Limited	31 December
Timberlands West Coast Limited	31 March

#### Significant Crown entities

School boards of trustees	31 December
Tertiary education institutions	31 December

### Minority Interests

All State-owned enterprises and Crown entities are 100% owned by the Crown.

## Notes to the Forecast Financial Statements

(\$ million)	2000		2000 Pre-EFU	2001 Pre-EFU	2002 Pre-EFU	2003 Pre-EFU
	1999 Actual	Previous Budget				
<b>NOTE 10: Physical Assets</b>						
<b>By Type</b>						
<b>Cost or Valuation</b>						
Land	1,763	1,724	1,722	1,666	1,645	1,645
Properties intended for sale	525	525	525	525	525	525
Buildings	8,228	8,786	8,632	8,917	9,169	9,419
Specialist military equipment	2,357	2,607	2,737	3,152	3,263	3,290
Other assets	2,511	2,510	2,517	2,522	2,519	2,519
Other plant and equipment	2,083	2,471	2,360	2,487	2,638	2,805
<b>Total Cost or Valuation</b>	<b>17,467</b>	<b>18,623</b>	<b>18,493</b>	<b>19,269</b>	<b>19,759</b>	<b>20,203</b>
<b>Accumulated Depreciation</b>						
Buildings	710	1,090	1,027	1,332	1,668	2,015
Specialist military equipment	356	503	499	655	825	995
Other assets	5	7	7	10	12	14
Other plant and equipment	1,138	1,428	1,368	1,616	1,865	2,115
<b>Total Accumulated Depreciation</b>	<b>2,209</b>	<b>3,028</b>	<b>2,901</b>	<b>3,613</b>	<b>4,370</b>	<b>5,139</b>
<b>Net Book Value</b>						
Land	1,763	1,724	1,722	1,666	1,645	1,645
Properties intended for sale	525	525	525	525	525	525
Buildings	7,518	7,696	7,605	7,585	7,501	7,404
Specialist military equipment	2,001	2,104	2,238	2,497	2,438	2,295
Other assets	2,506	2,503	2,510	2,512	2,507	2,505
Other plant and equipment	945	1,043	992	871	773	690
<b>Total Net Book Value</b>	<b>15,258</b>	<b>15,595</b>	<b>15,592</b>	<b>15,656</b>	<b>15,389</b>	<b>15,064</b>
<b>Movements</b>						
<b>Cost or Valuation</b>						
Opening balance	16,977	17,789	17,467	18,493	19,269	19,759
Net additions	556	834	1,026	776	490	444
Revaluations	(66)	..	..	..	..	..
<b>Total Cost or Valuation</b>	<b>17,467</b>	<b>18,623</b>	<b>18,493</b>	<b>19,269</b>	<b>19,759</b>	<b>20,203</b>
<b>Accumulated Depreciation</b>						
Opening balance	2,015	2,336	2,209	2,901	3,613	4,370
Disposals	(267)	(58)	(58)	(87)	(57)	(57)
Depreciation charged for the period	684	750	750	799	814	826
Revaluations	(223)	..	..	..	..	..
<b>Total Accumulated Depreciation</b>	<b>2,209</b>	<b>3,028</b>	<b>2,901</b>	<b>3,613</b>	<b>4,370</b>	<b>5,139</b>
<b>Net Physical Assets</b>	<b>15,258</b>	<b>15,595</b>	<b>15,592</b>	<b>15,656</b>	<b>15,389</b>	<b>15,064</b>
<b>By Holding</b>						
Freehold assets	15,213	15,536	15,533	15,597	15,330	15,005
Leasehold assets	45	59	59	59	59	59
<b>Net Physical Assets</b>	<b>15,258</b>	<b>15,595</b>	<b>15,592</b>	<b>15,656</b>	<b>15,389</b>	<b>15,064</b>

## Notes to the Forecast Financial Statements

(\$ million)	2000					
	1999 Actual	Previous Budget	2000 Pre-EFU	2001 Pre-EFU	2002 Pre-EFU	2003 Pre-EFU
<b>NOTE 11: State Highways</b>						
<b>Cost or Valuation</b>						
Opening balance	8,359	8,517	8,770	8,930	9,095	9,263
Net additions	148	180	160	165	168	172
Revaluations	263	..	..	..	..	..
<b>Total Cost or Valuation</b>	<b>8,770</b>	<b>8,697</b>	<b>8,930</b>	<b>9,095</b>	<b>9,263</b>	<b>9,435</b>
<b>Accumulated Depreciation</b>						
Opening balance	..	81	..	83	169	257
Depreciation charged for the period	81	83	83	86	88	88
Revaluations	(81)	..	..	..	..	..
<b>Total Accumulated Depreciation</b>	<b>..</b>	<b>164</b>	<b>83</b>	<b>169</b>	<b>257</b>	<b>345</b>
<b>Total State Highways</b>	<b>8,770</b>	<b>8,533</b>	<b>8,847</b>	<b>8,926</b>	<b>9,006</b>	<b>9,090</b>

### NOTE 12: Payables and Provisions

Accounts payable	1,219	1,264	1,075	1,050	1,053	992
Accruals and provisions	1,247	771	897	988	917	798
Taxes repayable	1,686	1,285	1,686	1,686	1,686	1,686
National Provident Fund guarantee	423	423	423	423	423	423
National Provident Fund Board indemnity	96	96	96	96	96	96
Provisions for employee entitlements	334	365	319	303	303	303
<b>Total Payables and Provisions</b>	<b>5,005</b>	<b>4,204</b>	<b>4,496</b>	<b>4,546</b>	<b>4,478</b>	<b>4,298</b>

### NOTE 13: Revaluation Reserve

<b>Opening Balance</b>	<b>6,789</b>	<b>7,051</b>	<b>7,219</b>	<b>7,262</b>	<b>7,262</b>	<b>7,262</b>
Net revaluations						
State-owned enterprises and Crown entities	(35)	..	43	..	..	..
Land and buildings	245	..	..	..	..	..
State highways	344	..	..	..	..	..
Specialist military equipment	(109)	..	..	..	..	..
Other assets	21	..	..	..	..	..
<b>Total Net Revaluations</b>	<b>466</b>	<b>..</b>	<b>43</b>	<b>..</b>	<b>..</b>	<b>..</b>
Transfer to accumulated operating balance	(36)	..	..	..	..	..
<b>Closing Revaluation Reserve</b>	<b>7,219</b>	<b>7,051</b>	<b>7,262</b>	<b>7,262</b>	<b>7,262</b>	<b>7,262</b>