



Summary Financial Statements of the Government of New Zealand for the year ended 30 June 2009

Fiscal Summary

for the year ended 30 June 2009

Fiscal Strategy	Financial Results	Actual		Forecast	
		30 June 2009 \$million	30 June 2008 \$million	Original Budget \$million	Estimated Actuals \$million
	Taxation as a % of GDP	30.3%	31.7%	30.5%	30.3%
Operating revenue Ensure sufficient revenue to meet the operating balance objective	Core Crown taxation revenue ...	54,681	56,747	56,523	54,053
	... combined with other core Crown revenue ...	4,801	5,072	5,368	4,821
Operating expenses Reduce the growth in government spending to ensure operating expenses are consistent with the operating balance objective	... fund core Crown expenses...	(64,002)	(56,997)	(61,883)	(62,363)
	... and with SOE and Crown entity results and core Crown gains and losses...	(5,985)	(2,438)	3,097	(5,814)
Operating balance Return to an operating surplus sufficient to meet the Government's net capital requirements, including contributions to the New Zealand Superannuation Fund, and ensure consistency with the debt objective	... result in an operating surplus or deficit...	(10,505)	2,384	3,105	(9,303)
	... with income in SOEs, CEs and the NZS Fund retained...	5,683	2,387	(3,061)	5,435
	... and some items do not impact cash ...	2,855	2,521	2,507	2,727
	... leaving operating cash flows to ...	(1,967)	7,292	2,551	(1,141)
	... build up assets in the NZS Fund ...	(2,243)	(2,104)	(2,242)	(2,242)
	... meet the capital expenditure budget ...	(1,625)	(1,433)	(1,802)	(1,503)
	... and make advances (e.g. to students and DHBs)	(2,804)	(1,698)	(1,985)	(3,572)
Debt Manage total debt at prudent levels ensuring net debt remains consistently below 40% of GDP	With the residual cash ...	(8,639)	2,057	(3,478)	(8,458)
	... when combined with opening net debt ...	10,258	13,380	12,985	10,258
	... and other fair value movements in financial assets and financial liabilities ...	(1,778)	(1,065)	(88)	(3,234)
	... results in a closing net debt ...	17,119	10,258	16,375	15,482
	... and as a % of GDP	9.5%	5.7%	8.8%	8.7%

Summary Statement of Financial Performance

for the year ended 30 June 2009

Forecast			Actual	
Original Budget	Estimated Actuals		30 June 2009	30 June 2008
\$billion	\$billion		\$billion	\$billion
Revenue				
55.9	53.5	Taxation revenue	54.1	56.4
4.0	4.1	Other sovereign revenue	4.1	3.9
59.9	57.6	Total revenue levied through the Crown's sovereign power	58.2	60.3
14.2	15.2	Sales of goods and services	15.4	15.4
3.4	3.0	Interest revenue and dividends	3.4	3.2
2.6	3.1	Other revenue	2.9	2.6
20.2	21.3	Total revenue earned through operations	21.7	21.2
80.1	79.0	Total revenue (excluding gains)	79.9	81.5
Expenses				
22.8	23.4	Social security and welfare	23.3	21.5
12.0	11.9	Health	12.0	10.8
11.0	11.8	Education	12.5	10.4
8.0	9.3	Transport and communications	9.0	7.4
22.7	22.6	Other functional expenses	23.5	22.6
2.5	3.4	Finance costs	3.5	3.1
(0.2)	(0.5)	Forecasting adjustments	-	-
78.8	81.9	Total expenses (excluding losses)	83.8	75.8
1.3	(2.9)	Operating balance before gains and losses (OBEGAL)	(3.9)	5.6
1.4	(3.3)	Net gains/(losses) on financial instruments	(2.6)	(0.6)
0.2	(3.5)	Net gains/(losses) on non-financial instruments	(4.2)	(2.9)
1.6	(6.7)	Total gains/(losses)	(6.8)	(3.5)
0.2	0.3	Net surplus/(deficit) from associates and joint ventures	0.2	0.3
3.1	(9.3)	Operating balance from continuing activities	(10.5)	2.4
-	-	Gain/(loss) from discontinued operations	-	-
3.1	(9.3)	Operating balance (including minority interest)	(10.5)	2.5
-	-	Operating balance attributable to minority interest in Air NZ	-	(0.1)
3.1	(9.3)	Operating Balance	(10.5)	2.4
0.1	(0.5)	Total income/(expense) recognised directly in Net Worth	4.5	6.3
3.2	(9.8)	Total recognised income and expense	(6.0)	8.7

Summary Statement of Cash Flows

for the year ended 30 June 2009

Forecast			Actual	
Original Budget	Estimated Actuals		30 June 2009	30 June 2008
\$billion	\$billion		\$billion	\$billion
Cash Flows From Operations				
Cash was provided from				
54.7	52.3	Taxation receipts	51.1	55.2
23.6	25.6	Other operating receipts	25.3	23.4
Cash was disbursed to				
(19.1)	(19.9)	Social assistance and official development assistance	(19.7)	(18.0)
(49.9)	(51.9)	Personnel and operating payments	(50.3)	(46.0)
(2.3)	(2.9)	Interest payments	(2.9)	(2.8)
7.0	3.2	Net cash flows from operations	3.5	11.8
Cash Flows From Investing Activities				
Cash was provided from				
27.5	29.1	Sale of shares and other securities	38.6	26.2
3.1	3.1	Other capital receipts	4.5	1.7
Cash was disbursed to				
(7.1)	(6.6)	Purchase of physical assets	(6.2)	(5.3)
(28.1)	(36.1)	Purchase of shares and other securities	(40.3)	(32.3)
(3.2)	(3.5)	Issue of advances	(4.8)	(3.8)
(0.5)	(1.5)	Purchase of other assets	(1.5)	(0.8)
0.1	0.3	Forecast adjustments	-	-
(8.2)	(15.2)	Net cash flows from investing activities	(9.7)	(14.3)
(1.2)	(12.0)	Net cash flows from operating and investing activities	(6.3)	(2.6)
Cash Flows From Financing Activities				
Cash was provided from				
0.2	0.5	Issues of circulating currency	0.5	0.1
4.3	6.0	Issue of Government stock and treasury bills	6.1	2.8
1.3	17.9	Issue other borrowing	13.2	3.4
Cash was disbursed to				
(3.1)	(3.5)	Repayment of Government stock and treasury bills	(3.8)	(1.1)
(0.4)	(7.5)	Repayment of other borrowing	(7.3)	(3.0)
2.4	13.4	Net cash flows from financing activities	8.7	2.2
1.2	1.4	Net movement in cash	2.5	(0.4)
5.2	3.8	Opening Cash Balance	3.8	4.2
6.4	5.4	Closing Cash Balance	6.3	3.8

Summary Statement of Financial Position

as at 30 June 2009

Forecast			Actual	
Original Budget	Estimated Actuals		30 June 2009	30 June 2008
\$billion	\$billion		\$billion	\$billion
Assets				
6.4	5.4	Cash and cash equivalents	6.3	3.8
12.7	13.8	Receivables	14.6	14.2
35.3	54.7	Marketable securities, deposits and derivatives in gain	45.7	41.2
13.4	10.3	Share investments	11.2	13.0
16.7	15.0	Advances	15.6	12.9
101.3	106.5	Property, plant & equipment	110.1	103.3
13.3	13.7	Other assets	13.7	12.4
0.6	(0.3)	Forecast adjustments	-	-
199.7	219.1	Total assets	217.2	200.8
Liabilities				
3.9	4.0	Issued currency	4.0	3.5
8.5	9.9	Payables	9.1	10.9
1.1	1.2	Deferred revenue	1.4	1.3
48.7	69.2	Borrowings	62.0	46.1
22.1	24.1	Insurance liabilities	26.6	20.5
8.2	10.6	Retirement plan liabilities	9.0	8.3
4.7	4.4	Provisions	5.6	4.8
97.1	123.4	Total liabilities	117.6	95.3
102.6	95.7	Total assets less total liabilities	99.5	105.5
Net Worth				
99.4	105.5	Net worth at start of year	105.5	96.8
3.1	(9.3)	Operating balance excluding minority interest	(10.5)	2.4
0.1	(0.5)	Net revaluations and other movements	4.5	6.3
102.6	95.7	Total net worth	99.5	105.5

These summary financial statements comply with generally accepted accounting practice as it relates to summary financial statements.

The information in these summary statements is drawn from and is consistent with information presented in the full financial statements of the Government for the year ended 30 June 2009. These were authorised for issue on 30 September 2009.

The Government is a public benefit entity and the full financial statements of the Government have been prepared in accordance with generally accepted accounting practice as it applies to such entities. The recognition and measurement disclosure changes resulting from the change to NZ IFRS were not significant in the context of this summary information. The full financial statements received an unqualified audit opinion.

These summary financial statements cannot be expected to provide as complete an understanding as provided by the full financial statements, which can be obtained from www.treasury.govt.nz/government/financialstatements/.