

Forecast Financial Statements

These forecasts have been prepared in accordance with the Public Finance Act 1989.

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

The forecasts 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 4 May 2010.

The finalisation dates and key assumptions that underpin the preparation of the Forecast Financial Statements are outlined on pages 81 to 84.

Statement of Accounting Policies

Significant Accounting Policies

These Forecast Financial Statements have been prepared in accordance with the accounting policies that are expected to be used in the comparable audited actual Financial Statements of the Government.

These Forecast Financial Statements comply with generally accepted accounting practice (GAAP) as required by the Public Finance Act 1989 and have been prepared in accordance with Financial Reporting Standard 42: Prospective Financial Statements.

All forecasts use the accrual basis of accounting. Forecasts have been prepared for the consolidated financial statements of the Government reporting entity, which includes all entities controlled by the Government (as defined by applicable financial reporting standards).

The specific accounting policies are reproduced in full on Treasury's website at <http://www.treasury.govt.nz/publications/guidance/reporting/accounting>.

Changes in Accounting Policies

All policies have been applied on a consistent basis during the forecast period. There have been no changes in accounting policies during the period.

Forecast Policies

These Forecast Financial Statements have been prepared on the basis of Treasury's best professional judgment.

Actual financial results for the periods covered are likely to vary from the information presented. Factors that may lead to a material difference between information in these forecast financial statements and the actual reported results in future years are set out in the chapter on Fiscal Risks on pages 85 to 118.

Key forecast assumptions used are set out on pages 81 to 84.

Government Reporting Entity as at 4 May 2010

These forecast financial statements are for the Government reporting entity as specified in Part III of the Public Finance Act 1989. This comprises Ministers of the Crown and the following entities:

Departments Agriculture and Forestry Archives New Zealand Building and Housing Conservation Corrections Crown Law Office Culture and Heritage Defence Economic Development Education Education Review Office Environment Fisheries Foreign Affairs and Trade Government Communications Security Bureau Health Inland Revenue Internal Affairs Justice Labour Land Information New Zealand		Māori Development National Library of New Zealand New Zealand Customs Service New Zealand Defence Force New Zealand Food Safety Authority New Zealand Police New Zealand Security Intelligence Service Office of the Clerk Pacific Island Affairs Parliamentary Counsel Office Parliamentary Service Prime Minister and Cabinet Research, Science and Technology Serious Fraud Office Social Development State Services Commission Statistics Transport Treasury Women's Affairs	State-owned enterprises Airways Corporation of New Zealand Limited Animal Control Products Limited AsureQuality Limited Electricity Corporation of New Zealand Limited Genesis Power Limited Kordia Group Limited Landcorp Farming Limited Learning Media Limited Meridian Energy Limited Meteorological Service of New Zealand Limited Mighty River Power Limited New Zealand Post Limited New Zealand Railways Corporation* Quotable Value Limited Solid Energy New Zealand Limited Terralink Limited (in liquidation) Timberlands West Coast Limited Transpower New Zealand Limited
Others New Zealand Superannuation Fund Reserve Bank of New Zealand	Offices of Parliament Office of the Controller and Auditor-General Office of the Ombudsmen Parliamentary Commissioner for the Environment	Air New Zealand Limited (included for disclosure purposes as if it were an SOE) *Includes KiwiRail Holdings	
Organisations named or described in Schedule 4 of the Public Finance Act 1989			
Agriculture and Marketing Research and Development Trust Asia New Zealand Foundation Auckland Transition Agency Crown Fibre Holdings Limited Fish and game councils (12) Leadership Development Centre Trust National Pacific Radio Trust New Zealand Fish and Game Council New Zealand Game Bird Habitat Trust Board New Zealand Government Property Corporation	New Zealand Lottery Grants Board Ngāi Tahu Ancillary Claims Trust Pacific Co-operation Foundation Pacific Island Business Development Trust Research and Education Advanced Network New Zealand Limited Reserves boards (24) Road Safety Trust Sentencing Council The Māori Trustee		

<p>Crown entities</p> <p>Accident Compensation Corporation Accounting Standards Review Board Alcohol Advisory Council of New Zealand Arts Council of New Zealand Toi Aotearoa Broadcasting Commission Broadcasting Standards Authority Career Services Charities Commission Children's Commissioner Civil Aviation Authority of New Zealand Commerce Commission Crown Health Financing Agency Crown research institutes (8) District health boards (20) Drug Free Sport New Zealand Earthquake Commission Electoral Commission Electricity Commission Energy Efficiency and Conservation Authority Environmental Risk Management Authority Families Commission Foundation for Research, Science and Technology Government Superannuation Fund Authority Guardians of New Zealand Superannuation Health and Disability Commissioner Health Research Council of New Zealand Health Sponsorship Council Housing New Zealand Corporation Human Rights Commission Independent Police Conduct Authority Law Commission Legal Services Agency Maritime New Zealand Mental Health Commission Museum of New Zealand Te Papa Tongarewa Board New Zealand Antarctic Institute New Zealand Artificial Limb Board New Zealand Blood Service</p>	<p>New Zealand Film Commission New Zealand Fire Service Commission New Zealand Historic Places Trust (Pouhere Taonga) New Zealand Lotteries Commission New Zealand Qualifications Authority New Zealand Symphony Orchestra New Zealand Teachers Council New Zealand Tourism Board New Zealand Trade and Enterprise New Zealand Transport Agency New Zealand Venture Investment Fund Limited New Zealand Walking Access Commission Office of Film and Literature Classification Pharmaceutical Management Agency Privacy Commissioner Public Trust Radio New Zealand Limited Real Estate Agents Authority Retirement Commissioner School boards of trustees (2,451) Securities Commission Social Workers Registration Board Sport and Recreation New Zealand Standards Council Takeovers Panel Te Reo Whakapuaki Irirangi (Te Māngai Pāho) Te Taura Whiri i te Reo Māori (Māori Language Commission) Television New Zealand Limited Tertiary Education Commission Tertiary education institutions (31) Testing Laboratory Registration Council Transport Accident Investigation Commission</p> <p>Crown entity subsidiaries are consolidated by their parents and not listed separately in this table</p>
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Forecast Statement of Financial Performance

for the years ending 30 June

		2009	2010	2010	2011	2012	2013	2014
			Previous					
	Note	Actual \$m	Budget \$m	Forecast \$m	Forecast \$m	Forecast \$m	Forecast \$m	Forecast \$m
Revenue								
Taxation revenue	1	54,145	51,052	50,234	53,457	57,441	60,911	64,698
Other sovereign revenue	1	4,118	4,860	4,663	5,759	6,052	6,499	7,027
Total revenue levied through the Crown's sovereign power		58,263	55,912	54,897	59,216	63,493	67,410	71,725
Sales of goods and services		15,356	16,049	14,335	15,399	16,540	17,145	18,024
Interest revenue and dividends	2	3,419	3,159	3,294	4,063	4,421	4,644	4,672
Other revenue		2,890	2,814	3,154	3,103	3,048	3,146	3,252
Total revenue earned through the Crown's operations		21,665	22,022	20,783	22,565	24,009	24,935	25,948
Total revenue (excluding gains)		79,928	77,934	75,680	81,781	87,502	92,345	97,673
Expenses								
Transfer payments and subsidies	3	19,962	21,175	21,400	22,628	23,273	23,959	24,595
Personnel expenses	4	18,064	18,324	18,710	19,109	19,410	19,726	19,886
Depreciation and amortisation	5	4,305	4,126	4,144	4,428	4,663	4,791	4,884
Other operating expenses	5	34,116	34,855	32,102	35,927	34,334	34,812	35,938
Interest expenses	6	3,492	3,349	3,571	4,612	5,387	5,934	6,135
Insurance expenses	7	3,882	3,890	3,135	3,725	4,292	4,762	5,154
Forecast new operating spending	8	-	254	-	394	1,609	2,815	4,179
Top-down expense adjustment	8	-	(300)	(455)	(410)	(60)	(60)	(60)
Total expenses (excluding losses)		83,821	85,673	82,607	90,413	92,908	96,739	100,711
Operating balance before gains/(losses)		(3,893)	(7,739)	(6,927)	(8,632)	(5,406)	(4,394)	(3,038)
Net gains/(losses) on financial instruments	9	(2,634)	1,416	3,916	1,250	1,471	1,626	1,841
Net gains/(losses) on non-financial instruments	10	(4,167)	205	(201)	181	187	197	202
Total gains/(losses)		(6,801)	1,621	3,715	1,431	1,658	1,823	2,043
Net surplus from associates and joint ventures		212	390	37	135	170	170	168
Operating balance from continuing activities		(10,482)	(5,728)	(3,175)	(7,066)	(3,578)	(2,401)	(827)
Gain/(loss) from discontinued operations	2	(1)	(4)	(1)	(1)	(1)	(1)	(1)
Operating balance (including minority interest)		(10,480)	(5,729)	(3,179)	(7,067)	(3,579)	(2,402)	(828)
Attributable to minority interest		(25)	-	-	-	-	-	-
Operating balance	11	(10,505)	(5,729)	(3,179)	(7,067)	(3,579)	(2,402)	(828)

The accompanying Notes and Accounting policies are an integral part of these Statements.

Forecast Statement of Financial Performance (continued) – Functional Expense Analysis

for the years ending 30 June

	2009	2010	2010	2011	2012	2013	2014
	Actual	Previous Budget	Forecast	Forecast	Forecast	Forecast	Forecast
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Total Crown Expenses							
By functional classification							
Social security and welfare	23,273	25,073	24,412	26,127	27,537	28,831	29,937
GSF pension expenses	655	370	377	363	444	541	556
Health	12,042	12,815	12,723	13,379	13,313	13,284	13,270
Education	12,465	12,147	12,642	12,861	12,894	12,902	12,993
Core government services	5,137	3,582	3,652	3,922	3,950	3,946	3,977
Law and order	3,250	3,515	3,486	3,746	3,718	3,745	3,754
Defence	1,712	1,761	1,783	1,862	1,809	1,806	1,806
Transport and communications	9,023	8,868	8,014	8,184	8,214	8,421	8,839
Economic and industrial services	7,695	8,246	7,457	8,114	8,313	8,415	8,717
Primary services	1,487	1,510	1,512	1,742	1,735	1,743	1,724
Heritage, culture and recreation	2,397	2,806	2,289	3,344	2,778	3,090	3,244
Housing and community development	1,075	1,115	1,052	1,102	1,084	1,105	1,104
Other	118	562	92	1,071	183	221	536
Finance costs	3,492	3,349	3,571	4,612	5,387	5,934	6,135
Forecast new operating spending	-	254	-	394	1,609	2,815	4,179
Top-down expense adjustment	-	(300)	(455)	(410)	(60)	(60)	(60)
Total Crown expenses excluding losses	83,821	85,673	82,607	90,413	92,908	96,739	100,711

Below is an analysis of core Crown expenses by functional classification. Core Crown expenses include expenses incurred by Ministers, Departments, Offices of Parliament, the NZS Fund and the Reserve Bank, but not Crown entities and State-owned enterprises.

	2009	2010	2010	2011	2012	2013	2014
	Actual	Previous Budget	Forecast	Forecast	Forecast	Forecast	Forecast
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Core Crown Expenses							
By functional classification							
Social security and welfare	19,382	21,139	21,234	22,120	22,953	23,775	24,694
GSF pension expenses	655	370	368	357	437	534	550
Health	12,368	13,397	13,137	14,043	13,941	13,945	13,769
Education	11,455	11,284	11,779	11,992	11,999	11,986	12,029
Core government services	5,293	3,620	3,793	3,979	4,028	4,022	4,051
Law and order	3,089	3,267	3,276	3,537	3,497	3,518	3,519
Defence	1,757	1,810	1,832	1,912	1,859	1,856	1,856
Transport and communications	2,663	2,253	2,453	2,417	2,131	2,080	2,087
Economic and industrial services	2,960	2,673	2,959	2,828	2,592	2,466	2,478
Primary services	534	611	522	757	733	738	717
Heritage, culture and recreation	1,002	1,507	1,076	2,037	1,385	1,672	1,780
Housing and community development	297	365	344	370	327	316	302
Other	118	562	109	1,088	200	238	553
Finance costs	2,429	2,470	2,364	3,230	3,833	4,323	4,545
Forecast new operating spending	-	254	-	394	1,609	2,815	4,179
Top-down expense adjustment	-	(300)	(455)	(410)	(60)	(60)	(60)
Total core Crown expenses excluding losses	64,002	65,282	64,791	70,651	71,464	74,224	77,049

The accompanying Notes and Accounting policies are an integral part of these Statements.

Forecast Statement of Cash Flows

for the years ending 30 June

	2009	2010	2010	2011	2012	2013	2014
	Actual	Previous Budget	Forecast	Forecast	Forecast	Forecast	Forecast
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Cash Flows From Operations							
Cash was provided from							
Taxation receipts	51,119	50,268	50,267	52,681	56,607	60,068	63,878
Other sovereign receipts	3,716	4,290	4,282	4,792	5,004	5,126	5,196
Sales of goods and services	16,592	16,472	14,497	15,173	16,259	16,871	17,756
Interest and dividend receipts	2,792	2,697	3,220	3,592	3,909	4,130	4,164
Other operating receipts	2,204	2,734	2,973	2,960	2,848	2,910	3,011
Total cash provided from operations	76,423	76,461	75,239	79,198	84,627	89,105	94,005
Cash was disbursed to							
Transfer payments and subsidies	19,673	21,159	21,450	22,642	23,416	24,130	24,755
Personnel and operating payments	50,391	54,128	51,586	54,693	53,940	53,655	54,891
Interest payments	2,880	3,042	2,966	3,979	5,232	5,914	6,190
Forecast new operating spending	-	254	-	394	1,609	2,815	4,179
Top-down expense adjustment	-	(300)	(455)	(410)	(60)	(60)	(60)
Total cash disbursed to operations	72,944	78,283	75,547	81,298	84,137	86,454	89,955
Net cash flows from operations	3,479	(1,822)	(308)	(2,100)	490	2,651	4,050
Cash Flows From Investing Activities							
Cash was provided from/(disbursed to)							
Net purchase of physical assets	(5,437)	(7,679)	(6,610)	(7,842)	(7,050)	(5,897)	(5,297)
Net purchase of shares and other securities	(2,338)	3,887	(1,717)	(1,088)	6,161	4,275	(1,139)
Net purchase of intangible assets	(433)	(350)	(368)	(513)	(426)	(290)	(227)
Net repayment/(issues) of advances	(1,129)	(651)	(360)	(1,426)	(754)	(631)	(716)
Net acquisition of investments in associates	(399)	(46)	(9)	(468)	7	(9)	(5)
Forecast new capital spending	-	(72)	-	(282)	(742)	(1,024)	(1,606)
Top-down capital adjustment	-	100	125	300	-	-	-
Net cash flows from investing activities	(9,736)	(4,811)	(8,939)	(11,319)	(2,804)	(3,576)	(8,990)
Net cash flows from operating and investing activities	(6,257)	(6,633)	(9,247)	(13,419)	(2,314)	(925)	(4,940)
Cash Flows From Financing Activities							
Cash was provided from/(disbursed to)							
Issues of circulating currency	475	181	34	104	106	109	112
Net issue/(repayment) of Government stock ¹	2,344	3,870	7,762	11,718	1,420	620	4,274
Net issue/(repayment) of foreign-currency borrowings	(1,836)	(3,708)	(754)	(5,320)	(1,011)	(793)	(912)
Net issue/(repayment) of other New Zealand dollar borrowings	7,752	5,968	2,203	6,898	1,819	988	1,548
Net cash flows from financing activities	8,735	6,311	9,245	13,400	2,334	924	5,022
Net movement in cash	2,478	(322)	(2)	(19)	20	(1)	82
Opening cash balance	3,804	5,353	6,268	6,143	6,126	6,148	6,149
Foreign-exchange gains/(losses) on opening cash	(14)	11	(123)	2	2	2	2
Closing cash balance	6,268	5,042	6,143	6,126	6,148	6,149	6,233

¹ Net issues of Government stock is after elimination of holdings by entities such as NZS Fund, ACC and EQC. Further information on the proceeds and repayments of Government stock ("domestic bonds") is available in note 22.

The accompanying Notes and Accounting policies are an integral part of these Statements.

Forecast Statement of Cash Flows (continued)

for the years ending 30 June

	2009	2010	2010	2011	2012	2013	2014
	Actual	Previous Budget	Forecast	Forecast	Forecast	Forecast	Forecast
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Reconciliation Between the Net Cash Flows from Operations and the Operating Balance							
Net Cash Flows from Operations	3,479	(1,822)	(308)	(2,100)	490	2,651	4,050
<i>Items included in the operating balance but not in net cash flows from operations</i>							
Gains/(losses)							
Net gains/(losses) on financial instruments	(2,634)	1,416	3,916	1,250	1,471	1,626	1,841
Net gains/(losses) on non-financial instruments	(4,167)	205	(201)	181	187	197	202
Total gains/(losses)	(6,801)	1,621	3,715	1,431	1,658	1,823	2,043
Other Non-cash Items in Operating Balance							
Depreciation and amortisation	(4,305)	(4,126)	(4,144)	(4,428)	(4,663)	(4,791)	(4,884)
Write-down on initial recognition of financial assets	(630)	(578)	(867)	(896)	(911)	(919)	(924)
Impairment on financial assets (excl receivables)	(851)	3	(1)	5	4	4	4
Decrease/(increase) in defined benefit retirement plan liabilities	(41)	274	243	337	259	168	153
Decrease/(increase) in insurance liabilities	(1,592)	(1,209)	(957)	(1,329)	(1,719)	(2,067)	(2,284)
Other	212	390	37	135	170	170	168
Total other non-cash items	(7,207)	(5,246)	(5,689)	(6,176)	(6,860)	(7,435)	(7,767)
Movements in Working Capital							
Increase/(decrease) in receivables	461	305	(805)	225	276	68	157
Increase/(decrease) in accrued interest	16	155	(530)	(162)	357	493	562
Increase/(decrease) in inventories	118	67	95	51	47	41	57
Increase/(decrease) in prepayments	31	8	(49)	(7)	(2)	-	3
Decrease/(increase) in deferred revenue	(134)	5	95	109	68	29	21
Decrease/(increase) in payables	(468)	(822)	297	(438)	387	(72)	46
Total movements in working capital	24	(282)	(897)	(222)	1,133	559	846
Operating balance	(10,505)	(5,729)	(3,179)	(7,067)	(3,579)	(2,402)	(828)

The accompanying Notes and Accounting policies are an integral part of these Statements.

Forecast Statement of Comprehensive Income

for the years ending 30 June

	2009	2010	2010	2011	2012	2013	2014
	Actual	Previous Budget	Forecast	Forecast	Forecast	Forecast	Forecast
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Revaluation of physical assets	4,235	(1)	323	-	-	-	-
Effective portion of changes in the fair value of cash flow hedges	333	(18)	(205)	5	2	1	1
Net change in fair value of cash flow hedges transferred to operating balance	-	-	-	(1)	-	-	(1)
Net change in fair value of cash flow hedges transferred to the hedged item	(153)	3	(3)	-	-	-	-
Foreign currency translation differences for foreign operations	15	-	24	-	-	-	-
Valuation gain/(losses) on investments available for sale taken to reserves	22	(3)	5	1	6	9	10
Other movements	-	(1)	(1)	(1)	-	(1)	-
Other comprehensive income for the year	4,452	(20)	143	4	8	9	10
Operating balance (including minority interest)	(10,480)	(5,729)	(3,179)	(7,067)	(3,579)	(2,402)	(828)
Total Comprehensive Income	(6,028)	(5,749)	(3,036)	(7,063)	(3,571)	(2,393)	(818)
Attributable to:							
- minority interest	34	-	-	-	-	-	-
- the Crown	(6,062)	(5,749)	(3,036)	(7,063)	(3,571)	(2,393)	(818)
Total Comprehensive Income	(6,028)	(5,749)	(3,036)	(7,063)	(3,571)	(2,393)	(818)

The accompanying Notes and Accounting policies are an integral part of these Statements.

Forecast Statement of Financial Position

as at 30 June

		2009	2010	2010	2011	2012	2013	2014
			Previous					
Note	Actual	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Assets								
Cash and cash equivalents	12	6,268	5,042	6,143	6,126	6,148	6,149	6,233
Receivables	12	14,619	14,093	13,813	14,038	14,314	14,381	14,538
Marketable securities, deposits and derivatives in gain	12	45,708	49,683	45,465	46,220	40,400	36,234	38,069
Share investments	12	11,160	11,867	15,675	17,771	20,020	22,431	24,957
Advances	12	15,604	17,268	17,967	20,411	22,644	22,960	23,185
Inventory		1,082	1,165	1,177	1,228	1,274	1,315	1,372
Other assets		1,630	1,836	1,518	1,488	1,473	1,465	1,461
Property, plant & equipment	14	110,135	110,251	113,634	117,742	120,738	122,523	124,014
Equity accounted investments ¹		8,777	9,197	8,925	9,440	9,498	9,551	9,597
Intangible assets and goodwill	15	2,168	2,133	2,320	2,596	2,743	2,681	2,577
Forecast for new capital spending		-	72	-	282	1,025	2,049	3,655
Top-down capital adjustment		-	(375)	(125)	(425)	(425)	(425)	(425)
Total assets		217,151	222,232	226,512	236,917	239,852	241,314	249,233
Liabilities								
Issued currency		4,005	4,220	4,147	4,251	4,357	4,466	4,578
Payables	17	9,139	10,296	8,950	10,001	9,586	9,610	10,050
Deferred revenue		1,426	1,213	1,331	1,222	1,154	1,125	1,103
Borrowings		61,953	76,423	73,643	89,416	94,785	96,434	102,396
Insurance liabilities	18	26,567	25,345	27,305	28,635	30,354	32,421	34,704
Retirement plan liabilities	19	8,993	10,307	9,158	8,821	8,563	8,395	8,242
Provisions	20	5,553	4,479	5,499	5,155	5,208	5,411	5,526
Total liabilities		117,636	132,283	130,033	147,501	154,007	157,862	166,599
Total assets less total liabilities		99,515	89,949	96,479	89,416	85,845	83,452	82,634
Net Worth								
Taxpayer funds	21	36,382	31,803	34,027	26,983	23,429	21,050	20,246
Property, plant and equipment revaluation reserve	21	62,612	57,723	62,110	62,086	62,061	62,037	62,013
Other reserves	21	74	41	(105)	(100)	(92)	(82)	(72)
Total net worth attributable to the Crown		99,068	89,567	96,032	88,969	85,398	83,005	82,187
Net worth attributable to minority interest		447	382	447	447	447	447	447
Total net worth		99,515	89,949	96,479	89,416	85,845	83,452	82,634

¹ Tertiary education institutions constitute most equity accounted investments.

The accompanying Notes and Accounting policies are an integral part of these Statements.

Forecast Statement of Borrowings

as at 30 June

	2009	2010	2010	2011	2012	2013	2014
	Actual	Previous Budget	Forecast	Forecast	Forecast	Forecast	Forecast
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Borrowings							
Government stock	21,164	25,629	28,881	41,328	43,616	45,233	50,720
Treasury bills	7,432	9,550	9,043	9,509	9,493	9,490	9,483
Government retail stock	491	581	337	337	337	337	337
Settlement deposits with Reserve Bank	6,908	9,432	7,602	7,602	7,602	7,602	7,602
Derivatives in loss	2,158	3,237	1,798	1,369	1,303	1,162	1,091
Finance lease liabilities	1,002	1,247	1,000	1,037	1,294	1,190	1,438
Other borrowings	22,798	26,747	24,982	28,234	31,140	31,420	31,725
Total borrowings	61,953	76,423	73,643	89,416	94,785	96,434	102,396
Total sovereign-guaranteed debt	44,448	58,076	52,833	65,890	68,324	69,927	75,627
Total non sovereign-guaranteed debt	17,505	18,347	20,810	23,526	26,461	26,507	26,769
Total borrowings	61,953	76,423	73,643	89,416	94,785	96,434	102,396
Net debt:							
Core Crown borrowings ¹	50,545	64,116	59,935	73,196	75,948	77,863	83,990
Add back NZS Fund holdings of sovereign-issued debt and NZS Fund borrowings	428	(559)	71	(31)	(21)	(22)	(16)
Gross sovereign-issued debt²	50,973	63,557	60,006	73,165	75,927	77,841	83,974
Less core Crown financial assets ³	55,769	61,467	59,584	61,317	55,891	52,105	54,112
Net core Crown debt (incl. NZS Fund)⁴	(4,796)	2,090	422	11,848	20,036	25,736	29,862
Add back NZS Fund holdings of core Crown financial assets and NZS Fund financial assets ⁵	11,486	13,258	15,250	16,575	17,741	19,087	20,477
Net core Crown debt (excl. NZS Fund)⁴	6,690	15,348	15,672	28,423	37,777	44,823	50,339
Advances	10,429	11,971	10,970	11,542	11,861	12,231	12,675
Net core Crown debt (excl. NZS Fund and advances)⁶	17,119	27,319	26,642	39,965	49,638	57,054	63,014
Gross debt:							
Gross sovereign-issued debt ²	50,973	63,557	60,006	73,165	75,927	77,841	83,974
Less Reserve Bank settlement cash and bank bills	(9,217)	(14,184)	(7,796)	(7,796)	(7,796)	(7,796)	(7,796)
Add back changes to DMO borrowing due to settlement cash ⁷	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Gross sovereign-issued debt excluding Reserve Bank settlement cash and bank bills⁴	43,356	50,973	53,810	66,969	69,731	71,645	77,778

Notes on Borrowings

Total Borrowings can be split into sovereign-guaranteed and non-sovereign-guaranteed debt. This split reflects the fact that borrowings by State-owned enterprises and Crown entities are not explicitly guaranteed by the Crown. Sovereign-guaranteed debt excludes Kiwibank deposits guaranteed under the retail deposit guarantee scheme. No other debt of State-owned enterprises and Crown entities is currently guaranteed by the Crown.

1. Core Crown borrowings in this instance includes unsettled purchases of securities (classified as accounts payable in the statement of financial position).
2. Gross sovereign-issued debt (GSID) represents debt issued by the sovereign (the core Crown) and includes Government stock held by the New Zealand Superannuation Fund (NZS Fund), ACC and EQC.
3. Core Crown financial assets exclude receivables.
4. Net core Crown debt represents GSID less financial assets. This can provide information about the sustainability of the Government's accounts, and is used by some international agencies when determining the credit-worthiness of a country.
5. Adding back the NZS Fund assets provides the financial liabilities less financial assets of the core Crown, excluding those assets set aside to meet part of the future cost of New Zealand superannuation.
6. Net core Crown debt (excluding NZS Fund and advances) excludes financial assets which are held for public policy rather than treasury management purposes.
7. The Reserve Bank has used \$1.6 billion of settlement cash to purchase reserves that were to have been funded by the NZ Debt Management Office borrowing. Therefore, the impact of settlement cash on GSID is adjusted by this amount.

The accompanying Notes and Accounting policies are an integral part of these Statements.

Statement of Actual Commitments

as at 31 March 2010

	As at 31 March 2010 \$m	As at 30 June 2009 \$m
Capital Commitments		
Specialist military equipment	486	699
Land and buildings	685	699
Other property, plant and equipment	6,735	4,859
Other capital commitments	427	429
Tertiary Education Institutions	245	245
Total capital commitments	8,578	6,931
Operating Commitments		
Non-cancellable accommodation leases	2,654	2,366
Other non-cancellable leases	2,442	2,630
Non-cancellable contracts for the supply of goods and services	2,208	2,256
Other operating commitments	8,753	9,731
Tertiary Education Institutions	335	335
Total operating commitments	16,392	17,318
Total commitments	24,970	24,249
Total Commitments by Segment		
Core Crown	11,610	20,300
Crown entities	13,769	15,972
State-owned enterprises	5,865	5,706
Inter-segment eliminations	(6,274)	(17,729)
Total commitments	24,970	24,249

Statement of Actual Contingent Liabilities and Assets

as at 31 March 2010

	As at 31 March 2010 \$m	As at 30 June 2009 \$m
Quantifiable Contingent Liabilities		
Guarantees and indemnities	116	96
Uncalled capital	2,283	2,506
Legal proceedings and disputes	342	1,754
Other contingent liabilities	3,652	4,133
Total quantifiable contingent liabilities	6,393	8,489
Total Quantifiable Contingent Liabilities by Segment		
Core Crown	6,184	8,287
Crown entities	80	90
State-owned enterprises	129	112
Inter-segment eliminations	-	-
Total quantifiable contingent liabilities	6,393	8,489
Quantifiable Contingent Assets by Segment		
Core Crown	271	1,579
Crown entities	3	3
Total quantifiable contingent assets	274	1,582

The accompanying Notes and Accounting Policies are an integral part of these Statements.

More information on contingent liabilities (quantified and unquantified) is outlined on pages 104 to 118 of the Fiscal Risks chapter.

Notes to the Forecast Financial Statements

	2009	2010	2010	2011	2012	2013	2014
	Actual	Previous Budget	Forecast	Forecast	Forecast	Forecast	Forecast
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
NOTE 1: Revenue Collected Through the Crown's Sovereign Power							
Taxation Revenue (accrual)							
Individuals							
Source deductions	22,587	21,699	21,884	20,174	21,012	22,543	24,376
Other persons	4,408	4,387	4,261	4,403	4,865	5,019	5,156
Refunds	(1,636)	(1,651)	(1,979)	(1,484)	(1,609)	(1,609)	(1,620)
Fringe benefit tax	500	487	459	430	439	466	499
Total individuals	25,859	24,922	24,625	23,523	24,707	26,419	28,411
Corporate Tax							
Gross companies tax	8,245	7,077	6,334	8,214	8,701	9,040	9,372
Refunds	(430)	(345)	(399)	(376)	(361)	(386)	(412)
Non-resident withholding tax	1,451	1,107	1,009	628	714	754	790
Foreign-source dividend w/holding payments	10	13	(1)	8	8	8	8
Total corporate tax	9,276	7,852	6,943	8,474	9,062	9,416	9,758
Other Direct Income Tax							
Resident w/holding tax on interest income	2,571	2,049	1,812	1,465	1,928	2,310	2,583
Resident w/holding tax on dividend income	65	211	142	240	252	325	503
Estate and gift duties	1	2	2	1	1	1	1
Total other direct income tax	2,637	2,262	1,956	1,706	2,181	2,636	3,087
Total direct income tax	37,772	35,036	33,524	33,703	35,950	38,471	41,256
Goods and Services Tax							
Gross goods and services tax	20,551	21,121	19,131	23,968	27,102	29,300	31,441
Refunds	(9,000)	(9,960)	(7,425)	(9,524)	(11,209)	(12,606)	(13,881)
Total goods and services tax	11,551	11,161	11,706	14,444	15,893	16,694	17,560
Other Indirect Taxation							
Road user charges	868	885	894	955	1,002	1,048	1,105
Petroleum fuels excise - domestic production	781	802	849	907	972	990	1,020
Alcohol excise - domestic production	616	657	636	657	702	726	750
Tobacco excise - domestic production	172	172	188	209	223	232	232
Petroleum fuels excise - imports ¹	514	-	564	600	645	657	678
Alcohol excise - imports ¹	213	-	234	242	258	267	276
Tobacco excise - imports ¹	891	-	916	1,020	1,089	1,131	1,133
Other customs duty	262	1,818	219	198	178	160	144
Gaming duties	215	224	229	228	230	232	235
Motor vehicle fees	171	167	170	175	180	186	192
Energy resources levies	39	38	37	38	38	36	36
Approved issuer levy and cheque duty	80	92	68	81	81	81	81
Total other indirect taxation	4,822	4,855	5,004	5,310	5,598	5,746	5,882
Total indirect taxation	16,373	16,016	16,710	19,754	21,491	22,440	23,442
Total taxation revenue	54,145	51,052	50,234	53,457	57,441	60,911	64,698
Other Sovereign Revenue (accrual)							
ACC levies	2,880	3,226	3,201	3,823	4,009	4,132	4,264
Fire Service levies	299	307	304	309	322	333	345
EQC levies	86	88	88	87	88	89	89
Other miscellaneous items	853	1,239	1,070	1,540	1,633	1,945	2,329
Total other sovereign revenue	4,118	4,860	4,663	5,759	6,052	6,499	7,027
Total sovereign revenue	58,263	55,912	54,897	59,216	63,493	67,410	71,725

1. Customs excise-equivalent duty.

Notes to the Forecast Financial Statements

	2009	2010	2010	2011	2012	2013	2014
	Actual	Previous Budget	Forecast	Forecast	Forecast	Forecast	Forecast
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
NOTE 1 (continued): Receipts Collected Through the Crown's Sovereign Power							
Taxation Receipts (cash)							
Individuals							
Source deductions	22,567	21,630	21,832	20,314	20,945	22,475	24,310
Other persons	4,988	4,983	4,745	4,875	5,488	5,670	5,899
Refunds	(2,488)	(2,393)	(2,739)	(2,255)	(2,482)	(2,524)	(2,599)
Fringe benefit tax	506	487	476	433	430	453	490
Total individuals	25,573	24,707	24,314	23,367	24,381	26,074	28,100
Corporate Tax							
Gross companies tax	7,742	7,801	8,488	9,051	9,612	10,004	10,331
Refunds	(2,013)	(1,379)	(1,716)	(1,314)	(1,448)	(1,518)	(1,557)
Non-resident withholding tax	1,437	1,106	892	627	713	753	789
Foreign-source dividend w/holding payments	(2)	13	8	8	8	8	8
Total corporate tax	7,164	7,541	7,672	8,372	8,885	9,247	9,571
Other Direct Income Tax							
Resident w/holding tax on interest income	2,593	2,051	1,778	1,463	1,926	2,308	2,581
Resident w/holding tax on dividend income	97	210	126	240	252	325	503
Estate and gift duties	2	2	2	1	1	1	1
Total other direct income tax	2,692	2,263	1,906	1,704	2,179	2,634	3,085
Total direct income tax	35,429	34,511	33,892	33,443	35,445	37,955	40,756
Goods and Services Tax							
Gross goods and services tax	19,715	20,252	18,785	23,052	26,373	28,573	30,721
Refunds	(8,894)	(9,360)	(7,425)	(9,124)	(10,809)	(12,206)	(13,481)
Total goods and services tax	10,821	10,892	11,360	13,928	15,564	16,367	17,240
Other Indirect Taxation							
Petroleum fuels excise	786	802	849	907	972	990	1,020
Tobacco excise	170	172	188	209	223	232	232
Customs duty	1,957	1,818	1,933	2,060	2,170	2,215	2,231
Road user charges	864	885	894	955	1,002	1,048	1,105
Alcohol excise	587	657	636	657	702	726	750
Gaming duties	227	224	227	228	230	232	235
Motor vehicle fees	165	167	170	175	180	186	192
Energy resources levies	36	38	43	38	38	36	36
Approved issuer levy and cheque duty	77	102	75	81	81	81	81
Total other indirect taxation	4,869	4,865	5,015	5,310	5,598	5,746	5,882
Total indirect taxation	15,690	15,757	16,375	19,238	21,162	22,113	23,122
Total Taxation Receipts	51,119	50,268	50,267	52,681	56,607	60,068	63,878
Other Sovereign Receipts (cash)							
ACC levies	2,792	3,170	3,274	3,761	3,930	4,059	4,106
Fire Service levies	300	308	304	309	322	333	345
EQC levies	87	88	88	87	88	89	89
Other miscellaneous items	537	724	616	635	664	645	656
Total other sovereign receipts	3,716	4,290	4,282	4,792	5,004	5,126	5,196
Total sovereign receipts	54,835	54,558	54,549	57,473	61,611	65,194	69,074

Notes to the Forecast Financial Statements

	2009	2010	2010	2011	2012	2013	2014
	Actual	Previous Budget	Forecast	Forecast	Forecast	Forecast	Forecast
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
NOTE 2: Interest Revenue and Dividends							
<i>By type</i>							
Interest revenue	3,000	2,765	2,876	3,482	3,761	3,879	3,812
Dividends	419	394	418	581	660	765	860
Total interest revenue and dividends	3,419	3,159	3,294	4,063	4,421	4,644	4,672
<i>By source</i>							
Core Crown	1,872	2,076	2,225	2,487	2,697	2,952	2,972
Crown entities	1,248	832	1,012	939	1,081	1,291	1,413
State-owned enterprises	1,193	927	1,465	1,550	1,686	1,688	1,692
Inter-segment eliminations	(894)	(676)	(1,408)	(913)	(1,043)	(1,287)	(1,405)
Total interest revenue and dividends	3,419	3,159	3,294	4,063	4,421	4,644	4,672
NOTE 3: Transfer Payments and Subsidies							
New Zealand superannuation	7,744	8,246	8,287	8,822	9,560	10,149	10,781
Domestic purposes benefit	1,530	1,647	1,694	1,756	1,847	1,890	1,938
Unemployment benefit	586	1,078	939	969	931	849	774
Invalids benefit	1,260	1,297	1,302	1,319	1,374	1,394	1,417
Family tax credit	2,062	2,158	2,200	2,239	2,226	2,296	2,181
Accommodation supplement	989	1,166	1,158	1,221	1,237	1,240	1,251
Sickness benefit	613	692	714	760	796	814	832
Student allowances	444	462	589	656	626	576	552
Disability allowances	390	417	412	421	436	450	465
Other social assistance benefits	2,605	2,632	2,576	2,801	2,677	2,714	2,782
Total social assistance grants	18,223	19,795	19,871	20,964	21,710	22,372	22,973
Subsidies							
KiwiSaver subsidies	1,281	919	1,045	1,179	1,054	1,028	1,063
Other transfer payments							
Official development assistance	458	461	484	485	509	559	559
Total transfer payments and subsidies	19,962	21,175	21,400	22,628	23,273	23,959	24,595
NOTE 4: Personnel Expenses							
Core Crown	6,037	5,924	5,953	6,076	6,149	6,244	6,275
Crown entities	9,592	9,902	10,316	10,516	10,664	10,833	10,883
State-owned enterprises	2,447	2,501	2,449	2,526	2,606	2,658	2,737
Inter-segment eliminations	(12)	(3)	(8)	(9)	(9)	(9)	(9)
Total personnel expenses	18,064	18,324	18,710	19,109	19,410	19,726	19,886
NOTE 5: Depreciation, Amortisation and Other Operating Expenses							
Core Crown	35,293	35,487	35,259	38,677	36,599	36,876	37,268
Crown entities	17,332	17,172	17,589	17,903	17,859	17,912	18,095
State-owned enterprises	10,172	11,506	9,416	10,237	10,959	11,279	11,904
Inter-segment eliminations	(24,376)	(25,184)	(26,018)	(26,462)	(26,420)	(26,464)	(26,445)
Total depreciation, amortisation and other operating expenses	38,421	38,981	36,246	40,355	38,997	39,603	40,822

Notes to the Forecast Financial Statements

	2009 Actual \$m	2010 Previous Budget \$m	2010 Forecast \$m	2011 Forecast \$m	2012 Forecast \$m	2013 Forecast \$m	2014 Forecast \$m
NOTE 6: Interest Expenses							
<i>By type</i>							
Interest on financial liabilities	3,404	3,233	3,494	4,537	5,313	5,861	6,063
Interest unwind on provisions	88	116	77	75	74	73	72
Total interest expenses	3,492	3,349	3,571	4,612	5,387	5,934	6,135
<i>By source</i>							
Core Crown	2,429	2,470	2,364	3,230	3,833	4,323	4,545
Crown entities	185	140	163	181	203	219	222
State-owned enterprises	1,392	1,198	1,588	1,733	1,931	2,032	2,083
Inter-segment eliminations	(514)	(459)	(544)	(532)	(580)	(640)	(715)
Total interest expenses	3,492	3,349	3,571	4,612	5,387	5,934	6,135

NOTE 7: Insurance Expenses

	2009 Actual \$m	2010 Previous Budget \$m	2010 Forecast \$m	2011 Forecast \$m	2012 Forecast \$m	2013 Forecast \$m	2014 Forecast \$m
<i>By entity</i>							
ACC	3,762	3,834	3,058	3,668	4,234	4,703	5,094
Earthquake Commission	88	39	59	39	40	40	41
Other	32	17	18	18	18	19	19
Total insurance expenses	3,882	3,890	3,135	3,725	4,292	4,762	5,154

NOTE 8: Forecast New Operating Spending and Top-Down Adjustment

Forecast new spending up to Budget 2011	-	254	-	394	489	555	759
Forecast for future new spending	-	-	-	-	1,120	2,260	3,420
Total forecast new operating spending	-	254	-	394	1,609	2,815	4,179
Top-down expense adjustment	-	(300)	(455)	(410)	(60)	(60)	(60)

Forecast new spending up to Budget 2011 represents expenses included in Budget 2010 that has yet to be allocated. Included in these amounts is a portion of spending transferred from the Budget 2011, 2012 and 2013 capital allowance to be used to help contribute to fix leaky homes.

Forecast for future new spending indicates the expected spending increases from the operating allowances planned for future budgets.

NOTE 9: Gains and Losses on Financial Instruments

	2009 Actual \$m	2010 Previous Budget \$m	2010 Forecast \$m	2011 Forecast \$m	2012 Forecast \$m	2013 Forecast \$m	2014 Forecast \$m
<i>By source</i>							
Core Crown	(1,616)	1,256	3,048	1,231	1,239	1,284	1,366
Crown entities	(669)	117	1,173	209	456	589	727
State-owned enterprises	(138)	140	(88)	(11)	(44)	(65)	(62)
Inter-segment eliminations	(211)	(97)	(217)	(179)	(180)	(182)	(190)
Net gains/(losses) on financial instruments	(2,634)	1,416	3,916	1,250	1,471	1,626	1,841

NOTE 10: Gains and Losses on Non-Financial Instruments

	2009 Actual \$m	2010 Previous Budget \$m	2010 Forecast \$m	2011 Forecast \$m	2012 Forecast \$m	2013 Forecast \$m	2014 Forecast \$m
<i>By type</i>							
Actuarial gains/(losses) on GSF liability	(695)	(12)	(408)	-	-	-	-
Actuarial gains/(losses) on ACC outstanding claims	(4,491)	-	219	-	-	-	-
Other	1,019	217	(12)	181	187	197	202
Net gains/(losses) on non-financial instruments	(4,167)	205	(201)	181	187	197	202
<i>By source</i>							
Core Crown	125	39	(544)	21	12	12	11
Crown entities	(4,475)	(12)	198	(17)	(14)	(10)	(10)
State-owned enterprises	200	178	145	177	188	195	201
Inter-segment eliminations	(17)	-	-	-	1	-	-
Net gains/(losses) on non-financial instruments	(4,167)	205	(201)	181	187	197	202

Notes to the Forecast Financial Statements

	2009	2010	2010	2011	2012	2013	2014
	Actual	Previous Budget	Forecast	Forecast	Forecast	Forecast	Forecast
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
NOTE 11: Source of Operating Balance							
Core Crown	(5,862)	(7,119)	(5,910)	(9,082)	(5,663)	(4,315)	(2,735)
Crown entities	(4,727)	328	2,773	1,423	1,413	1,461	1,478
State-owned enterprises	911	1,351	959	1,014	1,136	1,126	1,197
Inter-segment eliminations	(827)	(289)	(1,001)	(422)	(465)	(674)	(768)
Total operating balance	(10,505)	(5,729)	(3,179)	(7,067)	(3,579)	(2,402)	(828)
NOTE 12: Financial Assets							
Cash and cash equivalents	6,268	5,042	6,143	6,126	6,148	6,149	6,233
Tax receivables	7,649	7,378	6,690	6,288	6,063	5,869	5,618
Trade and other receivables	6,970	6,715	7,123	7,750	8,251	8,512	8,920
Student loans (refer note 13)	6,553	7,658	6,874	7,300	7,688	8,007	8,259
Kiwibank mortgages	8,492	8,843	10,411	12,411	14,411	14,411	14,411
Long-term deposits	3,136	2,635	2,158	2,240	2,337	2,390	2,650
IMF financial assets	454	901	2,546	2,546	2,547	2,547	2,548
Other advances	559	767	682	700	545	542	515
Share investments	11,160	11,867	15,675	17,771	20,020	22,431	24,957
Derivatives in gain	3,745	1,176	2,362	1,771	1,546	1,268	998
Other marketable securities	38,373	44,971	38,399	39,663	33,970	30,029	31,873
Total financial assets	93,359	97,953	99,063	104,566	103,526	102,155	106,982
Financial assets by entity							
NZDMO	22,831	15,593	24,608	24,360	16,406	10,637	10,892
Reserve Bank of New Zealand	22,372	28,661	18,705	18,928	18,653	18,280	18,201
NZ Superannuation Fund	12,877	13,340	15,490	16,452	17,637	18,886	20,251
Other core Crown	17,399	17,470	16,480	16,777	16,974	17,212	17,302
Intra-segment eliminations	(9,866)	(4,722)	(7,265)	(6,845)	(5,469)	(4,786)	(4,660)
Total core Crown segment	65,613	70,342	68,018	69,672	64,201	60,229	61,986
ACC portfolio	14,281	14,543	16,652	18,897	21,485	24,389	27,548
EQC portfolio	5,639	6,148	6,049	6,424	6,833	7,323	7,813
Other Crown entities	6,929	6,288	6,533	6,352	6,358	6,321	6,391
Intra-segment eliminations	(1,521)	(1,425)	(1,450)	(1,482)	(1,492)	(1,503)	(1,515)
Total Crown entities segment	25,328	25,554	27,784	30,191	33,184	36,530	40,237
Total State-owned enterprises segment	14,702	14,451	16,861	18,987	21,143	21,285	21,714
Inter-segment eliminations	(12,284)	(12,394)	(13,600)	(14,284)	(15,002)	(15,889)	(16,955)
Total financial assets	93,359	97,953	99,063	104,566	103,526	102,155	106,982
NOTE 13: Student Loans							
Nominal value (including accrued interest)	10,259	11,110	11,152	12,050	12,901	13,671	14,365
Opening book value	6,741	7,131	6,553	6,874	7,300	7,688	8,007
Amount borrowed in current year	1,350	1,478	1,543	1,616	1,648	1,664	1,676
Less initial write down to fair value	(532)	(573)	(754)	(772)	(787)	(795)	(800)
Repayments made during the year	(710)	(794)	(751)	(826)	(912)	(1,016)	(1,111)
Interest unwind	465	516	473	506	536	563	585
(Impairment)/reversal of impairment	(779)	(110)	(201)	(110)	(110)	(110)	(110)
Other movements	18	10	11	12	13	13	12
Closing book value	6,553	7,658	6,874	7,300	7,688	8,007	8,259

Notes to the Forecast Financial Statements

	2009 Actual \$m	2010 Previous Budget \$m	2010 Forecast \$m	2011 Forecast \$m	2012 Forecast \$m	2013 Forecast \$m	2014 Forecast \$m
NOTE 14: Property, Plant and Equipment							
<i>By Class of asset</i>							
Net Carrying Value							
Land (valuation)	16,289	17,348	16,434	16,570	16,648	16,768	16,893
Buildings (valuation)	23,719	23,179	24,832	25,831	26,176	26,298	26,131
Electricity distribution network (cost)	2,046	2,572	2,288	2,887	3,357	3,640	3,804
Electricity generation assets (valuation)	11,664	12,221	11,953	12,333	12,688	12,670	12,774
Aircraft (excluding military) (valuation)	1,952	2,344	2,173	2,347	2,821	3,112	3,541
State highways (valuation)	24,067	22,628	24,925	25,596	26,386	27,132	27,921
Rail network (valuation)	12,506	12,720	12,776	13,224	13,530	13,613	13,711
Specialist military equipment (valuation)	3,927	3,464	3,841	3,835	3,789	3,629	3,357
Specified cultural and heritage assets (valuation)	8,582	7,990	8,624	8,645	8,684	8,717	8,741
Other plant and equipment (cost)	5,383	5,785	5,788	6,474	6,659	6,944	7,141
Total property, plant and equipment	110,135	110,251	113,634	117,742	120,738	122,523	124,014
<i>By source</i>							
Core Crown	30,487	29,740	31,206	31,877	31,990	31,822	31,447
Crown entities	46,553	45,757	48,085	49,453	50,575	51,599	52,417
State-owned enterprises	33,095	34,754	34,343	36,412	38,173	39,102	40,150
Inter-segment eliminations	-	-	-	-	-	-	-
Total property, plant and equipment	110,135	110,251	113,634	117,742	120,738	122,523	124,014
NOTE 15: Intangible Assets and Goodwill							
<i>By type</i>							
Net Kyoto position ¹	207	-	231	231	231	231	231
Goodwill	461	183	457	457	457	457	457
Other intangible assets	1,500	1,950	1,632	1,908	2,055	1,993	1,889
Total intangible assets and goodwill	2,168	2,133	2,320	2,596	2,743	2,681	2,577
<i>By source</i>							
Core Crown	1,135	1,036	1,199	1,327	1,352	1,325	1,287
Crown entities	425	404	433	503	565	545	500
State-owned enterprises	607	693	688	766	826	811	790
Inter-segment eliminations	1	-	-	-	-	-	-
Total intangible assets and goodwill	2,168	2,133	2,320	2,596	2,743	2,681	2,577
<p>1. The New Zealand Government has committed under the Kyoto Protocol to ensuring that New Zealand's average net emissions of greenhouse gases over 2008-2012 (the first commitment period of the Kyoto Protocol or CP1) is reduced to 1990 levels or to take responsibility for the difference. New Zealand can meet its commitment through emissions reductions and use of the Kyoto Protocol flexibility mechanisms such as Joint Implementation, the Clean Development Mechanism, and offsetting increased emissions against carbon removed by forests. The position will crystallise when the first Kyoto commitment period is settled up post-2012. These financial statements report on the New Zealand Government's obligations for the first commitment period, but not for future commitment periods which are currently being negotiated.</p>							
<p>A full copy of the Net Position Report 2010 can be found on the Ministry for the Environment's website: www.mfe.govt.nz</p>							
NOTE 16: NZ Superannuation Fund							
Revenue	383	397	400	520	550	605	649
Less current tax expense	4	-	141	310	337	366	398
Less other expenses	(323)	461	457	135	154	169	187
Add gains/(losses)	(3,495)	1,129	2,317	978	1,079	1,157	1,260
Operating balance	(2,793)	1,065	2,119	1,053	1,138	1,227	1,324
Opening net worth	14,212	13,275	13,688	16,066	17,124	18,268	19,504
Gross contribution from the Crown	2,242	250	250	-	-	-	-
Operating balance	(2,793)	1,065	2,119	1,053	1,138	1,227	1,324
Other movements in reserves	27	-	9	5	6	9	10
Closing net worth	13,688	14,590	16,066	17,124	18,268	19,504	20,838
<i>Comprising:</i>							
Financial assets	12,877	13,340	15,490	16,452	17,637	18,886	20,251
Net other assets	811	1,250	576	672	631	618	587
Closing net worth	13,688	14,590	16,066	17,124	18,268	19,504	20,838

Notes to the Forecast Financial Statements

	2009 Actual \$m	2010 Previous Budget \$m	2010 Forecast \$m	2011 Forecast \$m	2012 Forecast \$m	2013 Forecast \$m	2014 Forecast \$m
NOTE 17: Payables							
<i>By type</i>							
Accounts payable	5,380	5,845	5,191	6,242	5,827	5,851	6,291
Taxes repayable	3,759	4,451	3,759	3,759	3,759	3,759	3,759
Total payables	9,139	10,296	8,950	10,001	9,586	9,610	10,050
<i>By source</i>							
Core Crown	6,885	7,373	6,330	7,011	6,455	6,499	6,863
Crown entities	3,968	3,457	3,606	3,680	3,729	3,747	3,769
State-owned enterprises	4,324	4,715	4,466	4,876	5,093	5,129	5,241
Inter-segment eliminations	(6,038)	(5,249)	(5,452)	(5,566)	(5,691)	(5,765)	(5,823)
Total payables	9,139	10,296	8,950	10,001	9,586	9,610	10,050

NOTE 18: Insurance Liabilities

	2009 Actual \$m	2010 Previous Budget \$m	2010 Forecast \$m	2011 Forecast \$m	2012 Forecast \$m	2013 Forecast \$m	2014 Forecast \$m
<i>By entity</i>							
ACC liability	26,446	25,171	27,169	28,483	30,191	32,247	34,523
EQC property damage claims	87	91	86	86	86	86	86
Other insurance liabilities	34	83	50	66	77	88	95
Total insurance liabilities	26,567	25,345	27,305	28,635	30,354	32,421	34,704

ACC liability

Calculation information

PricewaterhouseCoopers Actuarial Pty Ltd have prepared an independent actuarial estimate of the ACC outstanding claims liability as at 31 December 2009. This estimate includes the expected future payments relating to accidents that occurred prior to balance date (whether or not the associated claims have been reported to, or accepted by, ACC) and also the expected future administrative expenses of managing these claims. The estimate has been updated as at 31 March 2010 to reflect the expected impact of the Accident Compensation Amendment Act 2010 on those expected future payments.

The key economic variables that impact on changes to the valuation are the long-term Labour Cost Index (LCI), average weekly earnings and the discount rate. Discount rates were derived from the market yield curve at 31 March 2010 and then blended to the long-term discount rate of 6% (30 June 2009 long-term discount rate 6%). Other key variables in each valuation are the forecast increases in claim costs over and above the economic variables above, and the assumed rate at which long-term claimants will leave the scheme over the period. This assessment is largely based on scheme history.

Presentation approach

The projected outstanding claims liability is included within total liabilities. ACC has available to it a portfolio of assets that partially offset the claims liability. The assets (less cross holdings of NZ Government stock) are included in the asset portion of the Crown's overall statement of financial position.

	2009 Actual \$m	2010 Previous Budget \$m	2010 Forecast \$m	2011 Forecast \$m	2012 Forecast \$m	2013 Forecast \$m	2014 Forecast \$m
Gross ACC liability							
Opening gross liability	20,374	23,958	26,446	27,169	28,483	30,191	32,247
Net change	6,072	1,213	723	1,314	1,708	2,056	2,276
Closing gross liability	26,446	25,171	27,169	28,483	30,191	32,247	34,523
Less net assets available to ACC							
Opening net asset value	12,397	13,135	13,695	16,607	18,889	21,496	24,377
Net change	1,298	1,253	2,912	2,282	2,607	2,881	3,127
Closing net asset value	13,695	14,388	16,607	18,889	21,496	24,377	27,504
Net ACC reserves (net liability)							
Opening reserves position	(7,977)	(10,823)	(12,751)	(10,562)	(9,594)	(8,695)	(7,870)
Net change	(4,774)	40	2,189	968	899	825	851
Closing reserves position (net liability)	(12,751)	(10,783)	(10,562)	(9,594)	(8,695)	(7,870)	(7,019)

Notes to the Forecast Financial Statements

	2009 Actual \$m	2010 Previous Budget \$m	2010 Forecast \$m	2011 Forecast \$m	2012 Forecast \$m	2013 Forecast \$m	2014 Forecast \$m
NOTE 19: Retirement Plan Liabilities							
Government Superannuation Fund (GSF)	8,988	10,307	9,154	8,817	8,558	8,390	8,238
Other funds	5	-	4	4	5	5	4
Total retirement plan liabilities	8,993	10,307	9,158	8,821	8,563	8,395	8,242

The net liability of the Government Superannuation Fund (GSF) liabilities has been calculated by the Government Actuary as at 28 February 2010. The liability arises from closed schemes for past and present public sector employees as set out in the Government Superannuation Fund Act 1956. A Projected Unit Credit method is used to calculate the liability as at 28 February 2010, based on membership data as at that date. The funding method requires the benefits payable from GSF in respect of past service to be calculated and then discounted back to the valuation date.

The net GSF liability at this valuation was calculated using discount rates derived from the market yield curve as at the balance date and then blended to the long-term discount rate of 6.00% (long-term rate unchanged from 30 June 2009). Other principal long-term financial assumptions were an inflation rate, as measured by the increase in the Consumer Price Index, of 2.25% to 2020, reducing to 2.00% over the five years to 2025 (unchanged from 30 June 2009) and an annual salary growth rate, before any promotional effects, of 3.00% (unchanged from 30 June 2009).

The 2009/10 projected movement in the net GSF liability is \$166 million, reflecting an increase in the GSF liability of \$412 million offset by an increase in the GSF assets of \$246 million.

The increase in the GSF liability of \$412 million includes an actuarial loss, between 1 July 2009 and 28 February 2010, of \$626 million of which \$401 million resulted from changes in the short to medium discount rate assumptions and \$225 million was due to experience adjustments. The projected change of \$401 million is offset by changes in the current service cost, interest cost and benefits paid to members, to give an overall net projected change of \$412 million.

The increase in the value of the net assets of GSF of \$246 million includes an actuarial gain, from 1 July 2009 to 28 February 2010, of \$217 million. The balance of \$29 million is the total of the expected investment returns and contributions received, offset by the benefits paid to members.

The changes in the projected net GSF liability from 2010/11 onwards reflect the net of the expected current service cost, interest cost, investment returns and contributions.

	2009 Actual \$m	2010 Previous Budget \$m	2010 Forecast \$m	2011 Forecast \$m	2012 Forecast \$m	2013 Forecast \$m	2014 Forecast \$m
GSF net defined benefit retirement liability							
GSF liability							
Opening GSF liability	11,831	13,115	11,792	12,204	11,884	11,636	11,473
Net projected change	(39)	(282)	412	(320)	(248)	(163)	(152)
Closing GSF liability	11,792	12,833	12,204	11,884	11,636	11,473	11,321
Less net assets available to GSF							
Opening net asset value	3,574	2,559	2,804	3,050	3,067	3,078	3,083
Investment valuation changes	(583)	121	385	151	151	152	152
Contribution and other income less pension payments	(187)	(153)	(139)	(134)	(140)	(147)	(152)
Closing net asset value	2,804	2,527	3,050	3,067	3,078	3,083	3,083
Net GSF liability							
Opening unfunded liability	8,257	10,557	8,988	9,154	8,817	8,558	8,390
Net projected change	731	(250)	166	(337)	(259)	(168)	(152)
Closing unfunded liability	8,988	10,307	9,154	8,817	8,558	8,390	8,238

Notes to the Forecast Financial Statements

	2009	2010	2010	2011	2012	2013	2014
	Actual	Previous Budget	Forecast	Forecast	Forecast	Forecast	Forecast
	\$m	\$m	\$m	\$m	\$m	\$m	\$m

NOTE 20: Provisions

Provision for ETS credits	17	173	93	722	719	821	821
Provision for future retail deposit guarantee scheme payments	831	-	875	-	-	-	-
Provision for National Provident Fund guarantee	954	919	922	883	843	802	761
Provision for employee entitlements	2,580	2,369	2,522	2,516	2,552	2,565	2,575
Other provisions	1,171	1,018	1,087	1,034	1,094	1,223	1,369
Total provisions	5,553	4,479	5,499	5,155	5,208	5,411	5,526

By source

Core Crown	3,081	2,231	3,059	2,788	2,821	2,912	2,909
Crown entities	1,598	1,496	1,612	1,563	1,589	1,603	1,614
State-owned enterprises	919	798	876	862	875	985	1,101
Inter-segment eliminations	(45)	(46)	(48)	(58)	(77)	(89)	(98)
Total provisions	5,553	4,479	5,499	5,155	5,208	5,411	5,526

Provision for ETS credits

The Emissions Trading Scheme (ETS) was established to encourage reduction in greenhouse gas emissions. The ETS creates a limited number of tradable units (the NZ Unit) which the Government can allocate freely or sell to entities. The allocation of NZ Units creates a provision (and an expense if allocated for free). The provision is reduced, and revenue recognised, as NZ Units are surrendered to the Crown by emitters. Emitters can also use international Kyoto units to settle their emission obligation, which will occur where emissions exceed the number of allocated NZ units.

Details of current climate change policies are listed at: www.mfe.govt.nz/issues/climate/policies-initiatives

The ETS impact on the fiscal forecast is as follows:

Revenue	-	321	7	378	378	579	827
Expenses	17	471	100	1,007	375	681	827
OBEGAL	(17)	(150)	(93)	(629)	3	(102)	-

Provision for ETS credits	17	173	93	722	719	821	821
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Notes to the Forecast Financial Statements

	2009	2010	2010	2011	2012	2013	2014
	Actual	Previous Budget	Forecast	Forecast	Forecast	Forecast	Forecast
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
NOTE 21: Net Worth attributable to the Crown							
Taxpayers funds	36,382	31,803	34,027	26,983	23,429	21,050	20,246
Property, plant and equipment revaluation reserve	62,612	57,723	62,110	62,086	62,061	62,037	62,013
Investment revaluation reserve	56	80	61	62	68	77	87
Cash flow hedge reserve	18	(98)	(190)	(186)	(184)	(183)	(183)
Foreign currency translation reserve	-	59	24	24	24	24	24
Total net worth attributable to the Crown	99,068	89,567	96,032	88,969	85,398	83,005	82,187
Taxpayers Funds							
Opening taxpayers funds	46,700	37,534	36,382	34,027	26,983	23,429	21,050
Operating balance excluding minority interest	(10,505)	(5,729)	(3,179)	(7,067)	(3,579)	(2,402)	(828)
Transfers from/(to) other reserves	187	(2)	824	23	25	23	24
Closing taxpayers funds	36,382	31,803	34,027	26,983	23,429	21,050	20,246
Property, Plant and Equipment Revaluation Reserve							
Opening revaluation reserve	58,566	57,723	62,612	62,110	62,086	62,061	62,037
Net revaluations	4,235	(1)	323	-	-	-	-
Transfers from/(to) other reserves	(189)	1	(825)	(24)	(25)	(24)	(24)
Closing property, plant and equipment revaluation reserve	62,612	57,723	62,110	62,086	62,061	62,037	62,013
Investment Revaluation Reserve							
Opening investment revaluation reserve	34	83	56	61	62	68	77
Valuation gain/(losses) on investments available for sale taken to reserves	22	(3)	5	1	6	9	10
Closing investment revaluation reserve	56	80	61	62	68	77	87
Cash Flow Hedge Reserve							
Opening cash flow hedge reserve	(151)	(83)	18	(190)	(186)	(184)	(183)
Transfer into reserve	322	(18)	(205)	5	2	1	1
Transfer to the statement of financial performance	-	-	-	(1)	-	-	(1)
Transfer to initial carrying value of hedged item	(153)	3	(3)	-	-	-	-
Closing cash flow hedge reserve	18	(98)	(190)	(186)	(184)	(183)	(183)
Foreign Currency Translation Reserve							
Opening foreign currency translation reserve	(17)	59	-	24	24	24	24
Movement arising from translation of foreign operations	17	-	24	-	-	-	-
Closing foreign currency translation reserve	-	59	24	24	24	24	24

Notes to the Forecast Financial Statements

	2009	2010	2010	2011	2012	2013	2014
	Actual	Previous Budget	Forecast	Forecast	Forecast	Forecast	Forecast
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
NOTE 22: Reconciliation of core Crown operating cash flows to residual core Crown cash							
Core Crown Cash Flows from Operations							
Total tax receipts	51,362	50,742	50,668	53,348	57,468	61,038	64,960
Total other sovereign receipts	489	678	566	582	610	592	603
Interest, profits and dividends	1,441	1,338	1,791	1,572	1,746	1,941	1,911
Sale of goods & services and other receipts	2,288	1,943	2,936	2,214	2,094	2,068	2,098
Transfer payments and subsidies	(19,953)	(24,211)	(21,713)	(22,726)	(23,484)	(24,183)	(24,982)
Personnel and operating costs	(35,394)	(35,049)	(37,660)	(40,498)	(38,963)	(38,166)	(37,806)
Finance costs	(2,200)	(2,159)	(1,946)	(2,847)	(3,494)	(4,122)	(4,351)
Forecast for future new operating spending	-	(254)	-	(394)	(1,609)	(2,815)	(4,179)
Top-down expense adjustment	-	300	455	410	60	60	60
Net cash flows from core Crown operations	(1,967)	(6,672)	(4,903)	(8,339)	(5,572)	(3,587)	(1,686)
Net purchase of physical assets	(1,625)	(2,375)	(2,143)	(2,258)	(1,690)	(1,385)	(1,157)
Net increase in advances	(860)	(953)	(974)	(905)	(690)	(687)	(728)
Net purchase of investments	(1,944)	(1,643)	(924)	(1,843)	(972)	(816)	(806)
Contribution to NZ Superannuation Fund	(2,243)	(250)	(250)	-	-	-	-
Forecast for future new capital spending	-	(72)	-	(282)	(742)	(1,024)	(1,606)
Top-down capital adjustment	-	100	125	300	-	-	-
Residual cash	(8,639)	(11,865)	(9,069)	(13,327)	(9,666)	(7,499)	(5,983)
Financed by:							
Other net sale/(purchase) of marketable securities and deposits	(512)	4,579	(994)	(286)	6,909	5,216	(354)
Total operating and investing activities	(9,151)	(7,286)	(10,063)	(13,613)	(2,757)	(2,283)	(6,337)
Used in:							
Net (repayment)/issue of other New Zealand dollar borrowing	9,359	6,056	1,987	5,815	780	679	958
Net (repayment)/issue of foreign currency borrowing	(1,973)	(3,783)	(799)	(5,320)	(1,011)	(793)	(912)
Issues of circulating currency	475	181	34	104	106	109	112
Decrease/(increase) in cash	(1,761)	(116)	20	14	-	-	-
	6,100	2,338	1,242	613	(125)	(5)	158
Net cash inflow/(outflow) to be offset by domestic bonds	(3,051)	(4,948)	(8,821)	(13,000)	(2,882)	(2,288)	(6,179)
Gross Cash Proceeds from Domestic Bonds							
Domestic bonds (market)	5,775	8,919	12,869	12,776	10,555	9,987	5,913
Domestic bonds (non-market)	541	948	805	224	1,025	1,002	266
Total gross cash proceeds from domestic bonds	6,316	9,867	13,674	13,000	11,580	10,989	6,179
Repayment of domestic bonds (market)	(2,750)	(4,247)	(4,197)	-	(7,902)	(7,937)	-
Repayment of domestic bonds (non-market)	(515)	(672)	(656)	-	(796)	(764)	-
Net cash proceeds from domestic bonds	3,051	4,948	8,821	13,000	2,882	2,288	6,179

Forecast Statement of Segments

STATEMENT OF FINANCIAL PERFORMANCE for the year ended 30 June 2009

	Core Crown	Crown Entities	State-owned Enterprises	Inter-segment eliminations	Total Crown
	2009	2009	2009	2009	2009
	Actual	Actual	Actual	Actual	Actual
	\$m	\$m	\$m	\$m	\$m
Revenue					
Taxation revenue	54,681	-	-	(536)	54,145
Other sovereign revenue	808	4,417	-	(1,107)	4,118
Sales of goods and services	1,237	13,901	12,592	(12,374)	15,356
Interest revenue and dividends	1,872	1,248	1,193	(894)	3,419
Other revenue	884	11,763	1,117	(10,874)	2,890
Total Revenue (excluding gains)	59,482	31,329	14,902	(25,785)	79,928
Expenses					
Social assistance and official development assistance	20,244	-	-	(282)	19,962
Personnel expenses	6,037	9,592	2,447	(12)	18,064
Other operating expenses	35,292	21,184	10,201	(24,374)	42,303
Interest expenses	2,429	185	1,392	(514)	3,492
Forecast for future new spending and top down adjustment	-	-	-	-	-
Total Expenses (excluding losses)	64,002	30,961	14,040	(25,182)	83,821
Operating Balance before gains/(losses)					
	(4,520)	368	862	(603)	(3,893)
Total gains/(losses)	(1,494)	(5,144)	61	(224)	(6,801)
Net surplus/(deficit) from associates and joint ventures	155	49	8	-	212
Gain/(loss) from discontinued operations	(3)	-	5	-	2
Attributable to minority interest in Air NZ	-	-	(25)	-	(25)
Operating Balance	(5,862)	(4,727)	911	(827)	(10,505)
Expenses by functional classification					
Social security and welfare	19,382	4,727	-	(836)	23,273
Health	12,368	10,839	-	(11,165)	12,042
Education	11,455	8,757	22	(7,769)	12,465
Transport and communications	2,663	2,032	6,767	(2,439)	9,023
Other	15,705	4,421	5,859	(2,459)	23,526
Finance costs	2,429	185	1,392	(514)	3,492
Forecast for future new spending and top down adjustment	-	-	-	-	-
Total Crown Expenses (excluding losses)	64,002	30,961	14,040	(25,182)	83,821

STATEMENT OF FINANCIAL POSITION as at 30 June 2009

	Core Crown	Crown Entities	State-owned Enterprises	Inter-segment eliminations	Total Crown
	2009	2009	2009	2009	2009
	Actual	Actual	Actual	Actual	Actual
	\$m	\$m	\$m	\$m	\$m
Assets					
Cash and cash equivalents	3,375	2,526	583	(216)	6,268
Receivables	10,243	4,725	1,846	(2,195)	14,619
Other financial assets	51,995	18,072	12,273	(9,868)	72,472
Property, plant & equipment	30,487	46,553	33,095	-	110,135
Equity accounted investments	27,536	7,468	257	(26,484)	8,777
Intangible assets and goodwill	1,135	425	607	1	2,168
Other assets	1,429	306	1,000	(23)	2,712
Forecast for new capital spending and top down adjustment	-	-	-	-	-
Total Assets	126,200	80,075	49,661	(38,785)	217,151
Liabilities					
Borrowings	49,889	4,939	16,963	(9,838)	61,953
Other liabilities	23,242	32,358	6,239	(6,156)	55,683
Total Liabilities	73,131	37,297	23,202	(15,994)	117,636
Total Assets less Total Liabilities	53,069	42,778	26,459	(22,791)	99,515
Net Worth					
Taxpayer funds	36,766	16,460	8,898	(25,742)	36,382
Reserves	16,303	26,318	17,008	3,057	62,686
Net worth attributable to minority interest in Air NZ	-	-	553	(106)	447
Total Net Worth	53,069	42,778	26,459	(22,791)	99,515

Forecast Statement of Segments (continued)

STATEMENT OF FINANCIAL PERFORMANCE for the year ended 30 June 2010

	Core Crown	Crown Entities	State-owned Enterprises	Inter-segment eliminations	Total Crown
	2010	2010	2010	2010	2010
	Forecast	Forecast	Forecast	Forecast	Forecast
	\$m	\$m	\$m	\$m	\$m
Revenue					
Taxation revenue	50,652	-	-	(418)	50,234
Other sovereign revenue	1,024	4,798	-	(1,159)	4,663
Sales of goods and services	1,417	14,086	11,900	(13,068)	14,335
Interest revenue and dividends	2,225	1,012	1,465	(1,408)	3,294
Other revenue	1,088	12,641	993	(11,568)	3,154
Total Revenue (excluding gains)	56,406	32,537	14,358	(27,621)	75,680
Expenses					
Social assistance and official development assistance	21,670	-	-	(270)	21,400
Personnel expenses	5,953	10,316	2,449	(8)	18,710
Other operating expenses	35,259	20,707	9,433	(26,018)	39,381
Interest expenses	2,364	163	1,588	(544)	3,571
Forecast for future new spending and top down adjustment	(455)	-	-	-	(455)
Total Expenses (excluding losses)	64,791	31,186	13,470	(26,840)	82,607
Operating Balance before gains/(losses)	(8,385)	1,351	888	(781)	(6,927)
Total gains/(losses)	2,505	1,371	57	(218)	3,715
Net surplus/(deficit) from associates and joint ventures	(27)	51	15	(2)	37
Gain/(loss) from discontinued operations	(3)	-	(1)	-	(4)
Attributable to minority interest in Air NZ	-	-	-	-	-
Operating Balance	(5,910)	2,773	959	(1,001)	(3,179)
Expenses by functional classification					
Social security and welfare	21,234	4,019	-	(841)	24,412
Health	13,137	11,148	-	(11,562)	12,723
Education	11,779	9,158	23	(8,318)	12,642
Transport and communications	2,453	2,086	5,996	(2,521)	8,014
Other	14,279	4,612	5,863	(3,054)	21,700
Finance costs	2,364	163	1,588	(544)	3,571
Forecast for future new spending and top down adjustment	(455)	-	-	-	(455)
Total Crown Expenses (excluding losses)	64,791	31,186	13,470	(26,840)	82,607

STATEMENT OF FINANCIAL POSITION as at 30 June 2010

	Core Crown	Crown Entities	State-owned Enterprises	Inter-segment eliminations	Total Crown
	2010	2010	2010	2010	2010
	Forecast	Forecast	Forecast	Forecast	Forecast
	\$m	\$m	\$m	\$m	\$m
Assets					
Cash and cash equivalents	2,809	2,685	857	(208)	6,143
Receivables	8,437	4,904	2,075	(1,603)	13,813
Other financial assets	56,772	20,195	13,929	(11,789)	79,107
Property, plant & equipment	31,206	48,085	34,344	(1)	113,634
Equity accounted investments	28,534	7,521	289	(27,419)	8,925
Intangible assets and goodwill	1,199	433	688	-	2,320
Other assets	1,423	310	990	(28)	2,695
Forecast for new capital spending and top down adjustment	(125)	-	-	-	(125)
Total Assets	130,255	84,133	53,172	(41,048)	226,512
Liabilities					
Borrowings	59,933	4,923	20,527	(11,740)	73,643
Other liabilities	23,049	32,710	6,175	(5,544)	56,390
Total Liabilities	82,982	37,633	26,702	(17,284)	130,033
Total Assets less Total Liabilities	47,273	46,500	26,470	(23,764)	96,479
Net Worth					
Taxpayer funds	31,652	20,084	9,039	(26,748)	34,027
Reserves	15,621	26,416	16,878	3,090	62,005
Net worth attributable to minority interest in Air NZ	-	-	553	(106)	447
Total Net Worth	47,273	46,500	26,470	(23,764)	96,479

Forecast Statement of Segments (continued)

STATEMENT OF FINANCIAL PERFORMANCE for the year ended 30 June 2011

	Core Crown	Crown Entities	State-owned Enterprises	Inter-segment eliminations	Total Crown
	2011	2011	2011	2011	2011
	Forecast	Forecast	Forecast	Forecast	Forecast
	\$m	\$m	\$m	\$m	\$m
Revenue					
Taxation revenue	53,912	-	-	(455)	53,457
Other sovereign revenue	1,491	5,411	-	(1,143)	5,759
Sales of goods and services	1,481	14,057	12,849	(12,988)	15,399
Interest revenue and dividends	2,487	939	1,550	(913)	4,063
Other revenue	889	13,081	933	(11,800)	3,103
Total Revenue (excluding gains)	60,260	33,488	15,332	(27,299)	81,781
Expenses					
Social assistance and official development assistance	22,684	-	-	(56)	22,628
Personnel expenses	6,076	10,516	2,526	(9)	19,109
Other operating expenses	38,677	21,611	10,253	(26,461)	44,080
Interest expenses	3,230	181	1,733	(532)	4,612
Forecast for future new spending and top down adjustment	(16)	-	-	-	(16)
Total Expenses (excluding losses)	70,651	32,308	14,512	(27,058)	90,413
Operating Balance before gains/(losses)					
	(10,391)	1,180	820	(241)	(8,632)
Total gains/(losses)	1,253	191	166	(179)	1,431
Net surplus/(deficit) from associates and joint ventures	56	52	28	(1)	135
Gain/(loss) from discontinued operations	-	-	-	(1)	(1)
Attributable to minority interest in Air NZ	-	-	-	-	-
Operating Balance	(9,082)	1,423	1,014	(422)	(7,067)
Expenses by functional classification					
Social security and welfare	22,120	4,657	-	(650)	26,127
Health	14,043	11,469	-	(12,133)	13,379
Education	11,992	9,256	23	(8,410)	12,861
Transport and communications	2,417	2,079	6,076	(2,388)	8,184
Other	16,865	4,666	6,680	(2,945)	25,266
Finance costs	3,230	181	1,733	(532)	4,612
Forecast for future new spending and top down adjustment	(16)	-	-	-	(16)
Total Crown Expenses (excluding losses)	70,651	32,308	14,512	(27,058)	90,413

STATEMENT OF FINANCIAL POSITION as at 30 June 2011

	Core Crown	Crown Entities	State-owned Enterprises	Inter-segment eliminations	Total Crown
	2011	2011	2011	2011	2011
	Forecast	Forecast	Forecast	Forecast	Forecast
	\$m	\$m	\$m	\$m	\$m
Assets					
Cash and cash equivalents	2,826	2,670	838	(208)	6,126
Receivables	8,357	5,033	2,229	(1,581)	14,038
Other financial assets	58,489	22,488	15,920	(12,495)	84,402
Property, plant & equipment	31,877	49,453	36,411	1	117,742
Equity accounted investments	30,351	8,028	312	(29,251)	9,440
Intangible assets and goodwill	1,327	503	766	-	2,596
Other assets	1,435	301	1,009	(29)	2,716
Forecast for new capital spending and top down adjustment	(143)	-	-	-	(143)
Total Assets	134,519	88,476	57,485	(43,563)	236,917
Liabilities					
Borrowings	73,196	4,988	23,646	(12,414)	89,416
Other liabilities	23,127	34,049	6,570	(5,661)	58,085
Total Liabilities	96,323	39,037	30,216	(18,075)	147,501
Total Assets less Total Liabilities	38,196	49,439	27,269	(25,488)	89,416
Net Worth					
Taxpayer funds	22,570	23,037	9,835	(28,459)	26,983
Reserves	15,626	26,402	16,881	3,077	61,986
Net worth attributable to minority interest in Air NZ	-	-	553	(106)	447
Total Net Worth	38,196	49,439	27,269	(25,488)	89,416

Forecast Statement of Segments (continued)

STATEMENT OF FINANCIAL PERFORMANCE for the year ended 30 June 2012

	Core Crown	Crown Entities	State-owned Enterprises	Inter-segment eliminations	Total Crown
	2012	2012	2012	2012	2012
	Forecast	Forecast	Forecast	Forecast	Forecast
	\$m	\$m	\$m	\$m	\$m
Revenue					
Taxation revenue	57,977	-	-	(536)	57,441
Other sovereign revenue	1,584	5,654	-	(1,186)	6,052
Sales of goods and services	1,480	14,066	13,898	(12,904)	16,540
Interest revenue and dividends	2,697	1,081	1,686	(1,043)	4,421
Other revenue	731	13,118	888	(11,689)	3,048
Total Revenue (excluding gains)	64,469	33,919	16,472	(27,358)	87,502
Expenses					
Social assistance and official development assistance	23,336	-	-	(63)	23,273
Personnel expenses	6,149	10,664	2,606	(9)	19,410
Other operating expenses	36,597	22,134	10,975	(26,417)	43,289
Interest expenses	3,833	203	1,931	(580)	5,387
Forecast for future new spending and top down adjustment	1,549	-	-	-	1,549
Total Expenses (excluding losses)	71,464	33,001	15,512	(27,069)	92,908
Operating Balance before gains/(losses)					
	(6,995)	918	960	(289)	(5,406)
Total gains/(losses)	1,251	443	145	(181)	1,658
Net surplus/(deficit) from associates and joint ventures	81	52	32	5	170
Gain/(loss) from discontinued operations	-	-	(1)	-	(1)
Attributable to minority interest in Air NZ	-	-	-	-	-
Operating Balance	(5,663)	1,413	1,136	(465)	(3,579)
Expenses by functional classification					
Social security and welfare	22,953	5,261	-	(677)	27,537
Health	13,941	11,458	-	(12,086)	13,313
Education	11,999	9,311	23	(8,439)	12,894
Transport and communications	2,131	2,075	6,326	(2,318)	8,214
Other	15,058	4,693	7,232	(2,969)	24,014
Finance costs	3,833	203	1,931	(580)	5,387
Forecast for future new spending and top down adjustment	1,549	-	-	-	1,549
Total Crown Expenses (excluding losses)	71,464	33,001	15,512	(27,069)	92,908

STATEMENT OF FINANCIAL POSITION as at 30 June 2012

	Core Crown	Crown Entities	State-owned Enterprises	Inter-segment eliminations	Total Crown
	2012	2012	2012	2012	2012
	Forecast	Forecast	Forecast	Forecast	Forecast
	\$m	\$m	\$m	\$m	\$m
Assets					
Cash and cash equivalents	2,864	2,638	855	(209)	6,148
Receivables	8,310	5,202	2,421	(1,619)	14,314
Other financial assets	53,027	25,344	17,867	(13,174)	83,064
Property, plant & equipment	31,990	50,575	38,173	-	120,738
Equity accounted investments	31,289	8,079	337	(30,207)	9,498
Intangible assets and goodwill	1,352	565	826	-	2,743
Other assets	1,439	302	1,035	(29)	2,747
Forecast for new capital spending and top down adjustment	600	-	-	-	600
Total Assets	130,871	92,705	61,514	(45,238)	239,852
Liabilities					
Borrowings	75,947	5,143	26,846	(13,151)	94,785
Other liabilities	22,384	35,836	6,805	(5,803)	59,222
Total Liabilities	98,331	40,979	33,651	(18,954)	154,007
Total Assets less Total Liabilities	32,540	51,726	27,863	(26,284)	85,845
Net Worth					
Taxpayer funds	16,908	25,349	10,429	(29,257)	23,429
Reserves	15,632	26,377	16,881	3,079	61,969
Net worth attributable to minority interest in Air NZ	-	-	553	(106)	447
Total Net Worth	32,540	51,726	27,863	(26,284)	85,845

Forecast Statement of Segments (continued)

STATEMENT OF FINANCIAL PERFORMANCE for the year ended 30 June 2013

	Core Crown	Crown Entities	State-owned Enterprises	Inter-segment eliminations	Total Crown
	2013	2013	2013	2013	2013
	Forecast	Forecast	Forecast	Forecast	Forecast
	\$m	\$m	\$m	\$m	\$m
Revenue					
Taxation revenue	61,518	-	-	(607)	60,911
Other sovereign revenue	1,896	5,846	-	(1,243)	6,499
Sales of goods and services	1,433	14,083	14,526	(12,897)	17,145
Interest revenue and dividends	2,952	1,291	1,688	(1,287)	4,644
Other revenue	731	13,316	734	(11,635)	3,146
Total Revenue (excluding gains)	68,530	34,536	16,948	(27,669)	92,345
Expenses					
Social assistance and official development assistance	24,024	-	-	(65)	23,959
Personnel expenses	6,244	10,833	2,658	(9)	19,726
Other operating expenses	36,878	22,656	11,296	(26,465)	44,365
Interest expenses	4,323	219	2,032	(640)	5,934
Forecast for future new spending and top down adjustment	2,755	-	-	-	2,755
Total Expenses (excluding losses)	74,224	33,708	15,986	(27,179)	96,739
Operating Balance before gains/(losses)					
	(5,694)	828	962	(490)	(4,394)
Total gains/(losses)	1,296	579	130	(182)	1,823
Net surplus/(deficit) from associates and joint ventures	83	54	35	(2)	170
Gain/(loss) from discontinued operations	-	-	(1)	-	(1)
Attributable to minority interest in Air NZ	-	-	-	-	-
Operating Balance	(4,315)	1,461	1,126	(674)	(2,402)
Expenses by functional classification					
Social security and welfare	23,775	5,757	-	(701)	28,831
Health	13,945	11,460	-	(12,121)	13,284
Education	11,986	9,359	23	(8,466)	12,902
Transport and communications	2,080	2,194	6,439	(2,292)	8,421
Other	15,360	4,719	7,492	(2,959)	24,612
Finance costs	4,323	219	2,032	(640)	5,934
Forecast for future new spending and top down adjustment	2,755	-	-	-	2,755
Total Crown Expenses (excluding losses)	74,224	33,708	15,986	(27,179)	96,739

STATEMENT OF FINANCIAL POSITION as at 30 June 2013

	Core Crown	Crown Entities	State-owned Enterprises	Inter-segment eliminations	Total Crown
	2013	2013	2013	2013	2013
	Forecast	Forecast	Forecast	Forecast	Forecast
	\$m	\$m	\$m	\$m	\$m
Assets					
Cash and cash equivalents	2,928	2,574	855	(208)	6,149
Receivables	8,124	5,372	2,543	(1,658)	14,381
Other financial assets	49,177	28,584	17,887	(14,023)	81,625
Property, plant & equipment	31,822	51,599	39,103	(1)	122,523
Equity accounted investments	32,066	8,131	362	(31,008)	9,551
Intangible assets and goodwill	1,325	545	811	-	2,681
Other assets	1,459	304	1,046	(29)	2,780
Forecast for new capital spending and top down adjustment	1,624	-	-	-	1,624
Total Assets	128,525	97,109	62,607	(46,927)	241,314
Liabilities					
Borrowings	77,861	5,247	27,358	(14,032)	96,434
Other liabilities	22,430	37,935	6,950	(5,887)	61,428
Total Liabilities	100,291	43,182	34,308	(19,919)	157,862
Total Assets less Total Liabilities	28,234	53,927	28,299	(27,008)	83,452
Net Worth					
Taxpayer funds	12,593	27,573	10,864	(29,980)	21,050
Reserves	15,641	26,354	16,882	3,078	61,955
Net worth attributable to minority interest in Air NZ	-	-	553	(106)	447
Total Net Worth	28,234	53,927	28,299	(27,008)	83,452

Forecast Statement of Segments (continued)

STATEMENT OF FINANCIAL PERFORMANCE for the year ended 30 June 2014

	Core Crown	Crown Entities	State-owned Enterprises	Inter-segment eliminations	Total Crown
	2014	2014	2014	2014	2014
	Forecast	Forecast	Forecast	Forecast	Forecast
	\$m	\$m	\$m	\$m	\$m
Revenue					
Taxation revenue	65,410	-	-	(712)	64,698
Other sovereign revenue	2,280	6,051	-	(1,304)	7,027
Sales of goods and services	1,463	14,140	15,353	(12,932)	18,024
Interest revenue and dividends	2,972	1,413	1,692	(1,405)	4,672
Other revenue	731	13,438	721	(11,638)	3,252
Total Revenue (excluding gains)	72,856	35,042	17,766	(27,991)	97,673
Expenses					
Social assistance and official development assistance	24,840	-	-	(245)	24,595
Personnel expenses	6,275	10,883	2,737	(9)	19,886
Other operating expenses	37,270	23,231	11,921	(26,446)	45,976
Interest expenses	4,545	222	2,083	(715)	6,135
Forecast for future new spending and top down adjustment	4,119	-	-	-	4,119
Total Expenses (excluding losses)	77,049	34,336	16,741	(27,415)	100,711
Operating Balance before gains/(losses)	(4,193)	706	1,025	(576)	(3,038)
Total gains/(losses)	1,377	717	139	(190)	2,043
Net surplus/(deficit) from associates and joint ventures	81	55	34	(2)	168
Gain/(loss) from discontinued operations	-	-	(1)	-	(1)
Attributable to minority interest in Air NZ	-	-	-	-	-
Operating Balance	(2,735)	1,478	1,197	(768)	(828)
Expenses by functional classification					
Social security and welfare	24,694	6,144	-	(901)	29,937
Health	13,769	11,481	-	(11,980)	13,270
Education	12,029	9,469	23	(8,528)	12,993
Transport and communications	2,087	2,265	6,791	(2,304)	8,839
Other	15,806	4,755	7,844	(2,987)	25,418
Finance costs	4,545	222	2,083	(715)	6,135
Forecast for future new spending and top down adjustment	4,119	-	-	-	4,119
Total Crown Expenses (excluding losses)	77,049	34,336	16,741	(27,415)	100,711

STATEMENT OF FINANCIAL POSITION as at 30 June 2014

	Core Crown	Crown Entities	State-owned Enterprises	Inter-segment eliminations	Total Crown
	2014	2014	2014	2014	2014
	Forecast	Forecast	Forecast	Forecast	Forecast
	\$m	\$m	\$m	\$m	\$m
Assets					
Cash and cash equivalents	2,933	2,639	869	(208)	6,233
Receivables	7,877	5,636	2,718	(1,693)	14,538
Other financial assets	51,176	31,962	18,127	(15,054)	86,211
Property, plant & equipment	31,447	52,417	40,150	-	124,014
Equity accounted investments	32,817	8,182	387	(31,789)	9,597
Intangible assets and goodwill	1,286	500	790	1	2,577
Other assets	1,452	304	1,106	(29)	2,833
Forecast for new capital spending and top down adjustment	3,230	-	-	-	3,230
Total Assets	132,218	101,640	64,147	(48,772)	249,233
Liabilities					
Borrowings	83,989	5,273	28,252	(15,118)	102,396
Other liabilities	22,721	40,253	7,185	(5,956)	64,203
Total Liabilities	106,710	45,526	35,437	(21,074)	166,599
Total Assets less Total Liabilities	25,508	56,114	28,710	(27,698)	82,634
Net Worth					
Taxpayer funds	9,857	29,784	11,275	(30,670)	20,246
Reserves	15,651	26,330	16,882	3,078	61,941
Net worth attributable to minority interest in Air NZ	-	-	553	(106)	447
Total Net Worth	25,508	56,114	28,710	(27,698)	82,634

