



Summary Financial Statements of the Government of New Zealand for the year ended 30 June 2010

Fiscal Summary

for the year ended 30 June 2010

Fiscal Strategy	Financial Results	Actual		Forecast	
		30 June 2010 \$million	30 June 2009 \$million	Original Budget \$million	Estimated Actuals \$million
Operating revenue Ensure sufficient revenue to meet the operating balance objective	Taxation as a % of GDP	26.8%	29.6%	29.5%	26.7%
	Core Crown taxation revenue ...	50,744	54,681	51,580	50,652
	... combined with other core Crown revenue ...	5,472	4,801	5,191	5,754
Operating expenses Reduce the growth in government spending to ensure operating expenses are consistent with the operating balance objective	... fund core Crown expenses...	(64,013)	(64,002)	(65,282)	(64,791)
	... and with SOE and Crown entity results and core Crown gains and losses...	3,288	(5,985)	2,782	5,206
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...	(4,509)	(10,505)	(5,729)	(3,179)
	... with income in SOEs, CEs and the NZS Fund retained...	(3,667)	5,683	(3,068)	(5,368)
	... and some items not impacting cash ...	3,185	2,855	2,125	3,644
	... leaving operating cash flows to ...	(4,991)	(1,967)	(6,672)	(4,903)
Debt Manage total debt at prudent levels ensuring net debt remains consistently below 40% of GDP	... build up assets in the NZS Fund ...	(250)	(2,243)	(250)	(250)
	... meet the capital expenditure budget ...	(1,778)	(1,625)	(2,347)	(2,018)
	... and make advances (e.g. to students and DHBs).	(1,981)	(2,804)	(2,596)	(1,899)
	The resulting cash requirement...	(9,000)	(8,639)	(11,865)	(9,070)
	... when combined with opening net debt ...	17,119	10,258	15,482	17,119
... and other fair value movements in financial assets and financial liabilities ...	619	(1,778)	(28)	453	
... results in a closing net debt ...	26,738	17,119	27,319	26,642	
... as a % of GDP	14.1%	9.3%	15.6%	14.1%	

Summary Statement of Financial Performance

for the year ended 30 June 2010

Forecast			Actual	
Original Budget	Estimated Actuals		30 June 2010	30 June 2009
\$billion	\$billion		\$billion	\$billion
		Revenue		
51.1	50.2	Taxation revenue	50.3	54.1
4.9	4.7	Other sovereign revenue	4.7	4.1
55.9	54.9	Total revenue levied through the Crown's sovereign power	55.0	58.3
16.0	14.3	Sales of goods and services	14.3	15.4
3.2	3.3	Interest revenue and dividends	2.3	3.0
2.8	3.2	Other revenue	3.1	2.9
22.0	20.8	Total revenue earned through operations	19.7	21.2
77.9	75.7	Total revenue (excluding gains)	74.7	79.5
		Expenses		
25.1	24.4	Social security and welfare	24.2	23.3
12.8	12.7	Health	12.7	12.0
12.1	12.6	Education	12.4	12.5
8.9	8.0	Transport and communications	8.0	9.0
23.5	21.8	Other functional expenses	20.9	23.5
3.3	3.6	Finance costs	2.8	3.1
-	(0.5)	Forecasting adjustments	-	-
85.7	82.6	Total expenses (excluding losses)	81.0	83.4
(7.7)	(6.9)	Operating balance before gains and losses (OBEGAL)	(6.3)	(3.9)
1.4	3.9	Net gains/(losses) on financial instruments	2.5	(2.6)
0.2	(0.2)	Net gains/(losses) on non-financial instruments	(1.0)	(4.2)
1.6	3.7	Total gains/(losses)	1.6	(6.8)
0.4	-	Net surplus/(deficit) from associates and joint ventures	0.2	0.2
(5.7)	(3.2)	Operating balance (including minority interest)	(4.5)	(10.5)
-	-	Operating balance attributable to minority interest in Air NZ	-	-
(5.7)	(3.2)	Operating Balance	(4.5)	(10.5)
-	0.2	Total income/(expense) recognised directly in Net Worth	-	4.5
(5.7)	(3.0)	Total recognised income and expense	(4.5)	(6.0)

Summary Statement of Cash Flows

for the year ended 30 June 2010

Forecast			Actual	
Original Budget	Estimated Actuals		30 June 2010	30 June 2009
\$billion	\$billion		\$billion	\$billion
		Cash Flows From Operations		
		Cash was provided from		
50.3	50.3	Taxation receipts	50.1	51.1
26.2	24.9	Other operating receipts	24.0	25.3
		Cash was disbursed to		
(21.2)	(21.5)	Social assistance and official development assistance	(21.3)	(19.7)
(54.1)	(51.0)	Personnel and operating payments	(50.8)	(50.3)
(3.0)	(3.0)	Interest payments	(2.4)	(2.9)
(1.8)	(0.3)	Net cash flows from operations	(0.4)	3.5
		Cash Flows From Investing Activities		
		Cash was provided from		
27.1	42.6	Sale of shares and other securities	42.2	38.6
3.2	4.2	Other capital receipts	4.1	4.5
		Cash was disbursed to		
(8.0)	(7.0)	Purchase of physical assets	(6.3)	(6.2)
(23.2)	(44.4)	Purchase of shares and other securities	(40.2)	(40.3)
(3.6)	(4.1)	Issue of advances	(3.8)	(4.8)
(0.3)	(0.3)	Purchase of other assets	(0.6)	(1.5)
-	0.1	Forecast adjustments	-	-
(4.8)	(8.9)	Net cash flows from investing activities	(4.7)	(9.7)
(6.6)	(9.2)	Net cash flows from operating and investing activities	(5.0)	(6.3)
		Cash Flows From Financing Activities		
		Cash was provided from		
0.2	-	Issues of circulating currency	-	0.5
9.0	13.5	Issue of Government stock and treasury bills	13.9	6.1
6.8	6.2	Issue other borrowing	8.5	13.2
		Cash was disbursed to		
(5.1)	(5.7)	Repayment of Government stock and treasury bills	(6.7)	(3.8)
(4.6)	(4.8)	Repayment of other borrowing	(9.0)	(7.3)
6.3	9.2	Net cash flows from financing activities	6.7	8.7
(0.3)	-	Net movement in cash	1.7	2.5
5.4	6.3	Opening Cash Balance	6.3	3.8
-	(0.1)	Foreign exchange movements	(0.2)	-
5.0	6.1	Closing Cash Balance	7.8	6.3

Summary Statement of Financial Position

as at 30 June 2010

Forecast			Actual	
Original Budget	Estimated Actuals		30 June 2010	30 June 2009
\$billion	\$billion		\$billion	\$billion
Assets				
5.0	6.1	Cash and cash equivalents	7.8	6.3
14.1	13.8	Receivables	13.9	14.6
49.7	45.5	Marketable securities, deposits and derivatives in gain	43.7	45.7
11.9	15.7	Share investments	12.2	11.2
17.3	18.0	Advances	18.4	15.6
110.3	113.6	Property, plant & equipment	113.3	110.1
14.2	13.9	Other assets	14.1	13.7
(0.3)	(0.1)	Forecast adjustments	-	-
222.2	226.5	Total assets	223.4	217.2
Liabilities				
4.2	4.1	Issued currency	4.0	4.0
10.3	9.0	Payables	9.9	9.1
1.2	1.3	Deferred revenue	1.6	1.4
76.4	73.6	Borrowings	69.7	62.0
25.3	27.3	Insurance liabilities	27.1	26.6
10.3	9.2	Retirement plan liabilities	9.9	9.0
4.5	5.5	Provisions	6.0	5.6
132.3	130.0	Total liabilities	128.4	117.6
89.9	96.5	Total assets less total liabilities	95.0	99.5
Net Worth				
95.6	99.5	Net worth at start of year	99.5	105.5
(5.7)	(3.2)	Operating balance excluding minority interest	(4.5)	(10.5)
-	0.2	Net revaluations and other movements	-	4.5
89.9	96.5	Total net worth	95.0	99.5

Note: Totals may not add due to rounding

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 2010. These were authorised for issue on 30 September 2010.

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 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/.