Interim Financial Statements of the Government of New Zealand

For the four months ended
31 October 2025

Prepared by the Treasury
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Te Kāwanatanga o Aotearoa
New Zealand Government

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Commentary

COMMENTARY

These financial statements reflect the financial position (service potential and financial capacity) as at 31 October 2025, and the financial results of operations and cash flows for the period ended on that date.

The October results are reported against forecasts based on the *Budget Economic and Fiscal Update 2025* (*BEFU 2025*), published on 22 May 2025 and the results against the same period for the previous year.

Comparison against forecast

Table 1 – Key indicators for the four months ended 31 October 2025 compared to *BEFU 2025*

	Year to date				*Full Year*
	October 2025 Actual[1] $m	**October 2025 *BEFU 2025* Forecast[1] $m**	***Variance[2] BEFU 2025 $m***	***Variance BEFU 2025 %***	**June 2026 *BEFU 2025* Forecast[3] $m**
Core Crown tax revenue	**39,513**	40,133	*(620)*	*(1.5)*	125,044
Core Crown revenue	**43,866**	44,694	*(828)*	*(1.9)*	139,726
Core Crown expenses	**48,470**	48,272	*(198)*	*(0.4)*	150,349
Core Crown residual cash	**(3,710)**	(4,512)	*802*	*17.8*	(14,533)
Net core Crown debt[4]	**186,546**	191,039	*4,493*	*2.4*	200,188
as a percentage of GDP	***42.8%***	*43.8%*			*43.9%*
Gross debt	**215,908**	227,650	*11,742*	*5.2*	238,816
as a percentage of GDP	***49.5%***	*52.2%*			*52.3%*
OBEGAL excluding ACC (OBEGALx)	**(4,944)**	(4,239)	*(705)*	*(16.6)*	(12,075)
OBEGAL	**(5,186)**	(4,747)	*(439)*	*(9.2)*	(15,602)
Operating balance (excluding minority interests)	**866**	(2,827)	*3,693*	*130.6*	(9,884)
Net worth	**189,996**	180,246	*9,750*	*5.4*	173,224
as a percentage of GDP	***43.6%***	*41.3%*			*37.9%*

1 Using the most recently published GDP (for the year ended 30 June 2025) of $436,103 million (Source: Stats NZ).
2 Favourable variances against forecast have a positive sign and unfavourable variances against forecast have a negative sign.
3 Using BEFU 2025 forecast GDP for the year ending 30 June 2026 of $456,464 million (Source: The Treasury).
4 Net core Crown debt excludes the NZS Fund and core Crown advances. Net core Crown debt may fluctuate during the year largely reflecting the timing of tax receipts.

The key fiscal indicators for the four months ended 31 October 2025 were mixed compared to forecast, continuing the trends from the previous month's results. The Government's main operating indicator, the operating balance before gains and losses excluding ACC (OBEGALx), showed a deficit of $4.9 billion, $0.7 billion larger than forecast. Whereas net core Crown debt was lower than forecast by $4.5 billion at $186.5 billion, or 42.8% of GDP.

Core Crown tax revenue, at $39.5 billion, was $0.6 billion (1.5%) lower than forecast. Corporate tax and other individuals' tax revenue were both below forecast (by $0.3 billion and $0.2 billion, respectively) driven by weaker than expected provisional tax, partly offset by stronger-than-forecast terminal tax.

Core Crown expenses were $48.5 billion. While this is slightly higher than forecast, there were offsetting variances, with the most notable being:

- Transport and communications expenses were $0.5 billion higher than forecast reflecting payments for the National Land Transport Programme and funding relating to the Interisland Resilient Connection Project (iReX) exit costs occurring earlier than expected at BEFU 2025.
- Education expenses were $0.2 billion higher than forecast and are largely due to the phasing of primary and secondary education and early learning expenses.

- Core government services expenses were $0.2 billion lower than forecast owing to lower impairments of tax receivables and lower-than-forecast international development cooperation spending.
- Economic and industrial services expenses were $0.2 billion lower than forecast largely due to lower-than-expected spending spread across a number of programmes.

The operating balance before gains and losses excluding ACC (**OBEGALx**) deficit was $0.7 billion larger than forecast at $4.9 billion. This was driven by the lower core Crown tax revenue discussed above. When including the revenue and expenses of ACC, the **OBEGAL** deficit variance was $0.4 higher than forecast.

The **operating balance** surplus of $0.9 billion was favourable compared to the forecast deficit of $2.8 billion. The unfavourable OBEGAL variance was more than offset by favourable valuation movements on financial instruments, slightly offset by net losses on non-financial instruments:

- *Net gains on financial instruments* – were $8.4 billion higher than forecast by $6.5 billion. This was largely owing to the stronger performance of the New Zealand Superannuation Fund (NZS Fund) and ACC financial investment portfolios reflecting favourable market conditions compared to forecast.
- *Net losses on non-financial instruments* – were $2.3 billion. This was mainly comprised of the net actuarial loss on the ACC outstanding claims liability (OCL) of $3.1 billion. This was slightly offset by gains on the New Zealand Emissions Trading Scheme (NZ ETS) liability of $0.7 billion. For forecasting purposes, valuation changes on non-financial instruments are not forecast beyond the base month of the forecast period.

The **core Crown residual cash** deficit of $3.7 billion was $0.8 billion smaller than forecast, mainly due to lower than forecast net core Crown capital cash outflows ($2.2 billion), offset in part by higher than forecast net core Crown operating cash outflows ($1.3 billion). The lower than forecast net core Crown capital outflows was owing to lower than forecast net advances and net purchase of investments with other government agencies. Purchase of investments largely reflects cash injections from the core Crown into Crown entities and SOEs which are mainly used for the purchase of property, plant and equipment. The operating cashflows variance was owing to personnel and operating payments being $1.7 billion larger than forecast.

Net core Crown debt at $186.5 billion (42.8% of GDP) was $4.5 billion lower than forecast. The variance was driven by the combination of the favourable variance in net core Crown debt at 30 June 2025 which resulted in a better starting position for the current year, along with the lower than forecast residual cash deficit during the year, as mentioned above.

Gross debt at $215.9 billion (49.5% of GDP) was $11.7 billion lower than forecast. Similarly with net core Crown debt, the majority of this variance comes from a more favourable starting position. The remaining variance predominately relates to lower than forecast issuances of Euro Commercial Paper and Treasury bills.

Net worth at $190.0 billion (43.6% of GDP) was $9.8 billion favourable to forecast. In addition to the operating balance variance discussed above, the better net worth starting position from the 30 June 2025 year also contributed.

Comparison against the prior year actuals

Table 2 – October 2025 results compared to October 2024 results

	Year to date				*Full Year*
	October 2025 Actual[1] $m	**October 2024 *Prior Year* Actual[2] $m**	***Variance[3] to 2024 $m***	***Variance to 2024 %***	**June 2025 *Prior Year* Actual[4] $m**
Core Crown tax revenue	**39,513**	39,305	*208*	*0.5*	121,698
Core Crown revenue	**43,866**	43,852	*14*	*-*	134,413
Core Crown expenses	**48,470**	46,364	*(2,106)*	*(4.5)*	141,675
Core Crown residual cash	**(3,710)**	(2,363)	*(1,347)*	*(57.0)*	(5,996)
Net core Crown debt[5]	**186,546**	178,527	*(8,019)*	*(4.5)*	182,171
as a percentage of GDP	***42.8%***	*42.5%*			*41.8%*
Gross debt	**215,908**	192,698	*(23,210)*	*(12.0)*	203,688
as a percentage of GDP	***49.5%***	*45.9%*			*46.7%*
OBEGAL excluding ACC (OBEGALx)	**(4,944)**	(3,988)	*(956)*	*(24.0)*	(9,306)
OBEGAL	**(5,186)**	(4,649)	*(537)*	*(11.6)*	(13,973)
Operating balance (excluding minority interests)	**866**	(2,595)	*3,461*	*133.4*	(4,400)
Net worth	**189,996**	188,443	*1,553*	*0.8*	189,128
as a percentage of GDP	***43.6%***	*44.9%*			*43.4%*

1 Using the most recently published GDP (for the year ended 30 June 2025) of $436,103 million (Source: Stats NZ).
2 Using published GDP (revised) (for the year ended 30 June 2024) of $420,135 million (Source: Stats NZ).
3 Favourable variances against forecast have a positive sign and unfavourable variances against forecast have a negative sign.
4 Using published GDP (revised) (for the year ended 30 June 2025) of $436,103 million (Source: Stats NZ).
5 Net core Crown debt excludes the NZS Fund and core Crown advances. Net core Crown debt may fluctuate during the year largely reflecting the timing of tax receipts.

Core Crown tax revenue at $39.5 billion was $0.2 billion higher than the same time last year, with offsetting movements detailed below:

- GST revenue was up $0.5 billion (5.5%), owing to growth in GST returns filed, suggesting growth in nominal domestic spending in the September 2025 quarter compared to the September 2024 quarter.
- Source deductions revenue increased by $0.5 billion (2.7%) with the growth rate in increasing now that the 31 July 2024 tax threshold changes are more than a year ago.
- In contrast, corporate tax revenue decreased by $0.5 billion (10.8%), owing to a decline in provisional tax revenue, which was partly offset by growth in terminal tax.
- Withholding tax revenue decreased by $0.3 billion (18.7%), owing to weaker RWT on interest, reflecting declining deposit interest rates.

Core Crown tax receipts were $0.6 billion (1.4%) lower than the prior year mainly owing to a decrease in GST receipts. This decrease was driven by the impact of the timing of the Matariki Holiday on 28 June 2024, which shifted GST receipts from the 2023/24 financial year into the 2024/25 financial year.

Core Crown expenses at $48.5 billion were $2.1 billion (4.5%) higher than for the same period last year, with the most notable increases in the following areas:

- Social security and welfare expenses rose by $0.9 billion, primarily due to a $0.5 billion increase in New Zealand Superannuation payments. This was driven by higher entitlement rates and a growing number of recipients. Additionally, the impact from the indexation of the other main benefit types such as the jobseeker support and emergency benefit has also contributed to the increase in the current period.
- Health expenditure increased by $0.6 billion, driven primarily by a $0.3 billion rise in the delivery of hospital and specialist services, alongside a $0.2 billion increase in primary, community, public, and population health services.

- Transport and communications expenditure increased by $0.3 billion mainly driven by funding provided for the iReX project wind-down costs.
- Education expenses increased by $0.3 billion, driven mostly by primary and secondary education services.
- These higher areas of spending were partially offset by lower spending in economic and industrial services ($0.3 billion).

The **OBEGALx** deficit at $4.9 billion was $1.0 billion higher compared to the same time last year. This reflects the increase in core Crown expenses (discussed above) which were slightly offset by more favourable results in the Crown entity and SOE segments. When including the revenue and expense results of ACC, the **OBEGAL** deficit was $0.5 billion larger than last year.

The **operating balance** surplus of $0.9 billion was $3.5 billion stronger than the deficit for the same time last year, mainly due to the following valuation movements:

- Net gains on financial instruments of $8.4 billion were higher than from the same time last year by $4.6 billion, largely owing to stronger performance of financial markets impacting the New Zealand Superannuation Fund and ACC financial instrument portfolios.
- Net losses on non-financial instruments of $2.3 billion were $0.5 billion more than the $1.8 billion loss for the same period last year. This was mainly driven by the gain of $0.7 billion on the NZ Emissions Trading Scheme liability recognised in the current period compared to a loss of $1.7 billion recorded in October 2024. Offsetting this were net actuarial losses on the ACC liability which were $3.1 billion higher than the same period last year.

The **core Crown residual cash** deficit of $3.7 billion was $1.3 billion more than the deficit for the same period last year. Contributing to the higher deficit were the following factors:

- Net core Crown operating cash outflows were $3.3 billion higher than for the same time last year. This was owing to several factors including lower core Crown tax receipts (driven largely by the timing of the Matariki public holiday) and higher personnel and operating payments in line with the core Crown expense variance discussed above.
- Offsetting this were net capital cash inflows which were $1.3 billion at 31 October 2025 compared to a $0.6 billion outflow for the same period last year. This was largely driven by a decrease in net purchase of investments, partly related to one-off funding provided to the health sector in the previous financial year.

Net core Crown debt was $8.0 billion higher than for the same period last year, and as a share of the economy increased slightly to 42.8% of GDP. The higher debt level largely reflects the accumulated residual cash deficits since October 2024.

Gross debt was $215.9 billion (49.5% of GDP), $23.2 billion higher than for the same time last year. This variance was driven by the increase in issuance of Government bonds largely used to fund the cash shortfall and liquidity requirements since October 2024.

Net worth at $190.0 billion (43.6% of GDP), was $1.6 billion higher than as at 31 October 2024. This movement was driven by an increase in the property, plant and equipment reserve offset by an increase in the Veterans' disability entitlements reserve.

Unaudited Interim Financial Statements

STATEMENT OF FINANCIAL PERFORMANCE

For the four months ended 31 October 2025

Year to 30 June 2025 Actual $m	4 months to 31 Oct 2024 Actual $m		Note	Current Year Actual vs Forecast Actual $m	Forecast $m	*Variance $m*	*%*	Annual Forecast $m
		Revenue						
121,058	39,106	Taxation revenue	2	39,262	39,797	*(535)*	*(1.3)*	124,210
9,768	3,310	Other sovereign revenue	2	3,388	3,588	*(200)*	*(5.6)*	11,006
130,826	**42,416**	**Total sovereign revenue**		**42,650**	**43,385**	***(735)***	***(1.7)***	**135,216**
26,085	9,142	Sales of goods and services		8,471	9,432	*(961)*	*(10.2)*	27,554
8,675	3,046	Interest revenue and dividends	3	2,521	2,595	*(74)*	*(2.9)*	7,762
4,225	1,273	Other revenue		1,336	1,266	*70*	*5.5*	5,332
38,985	**13,461**	**Total revenue earned through operations**		**12,328**	**13,293**	***(965)***	***(7.3)***	**40,648**
169,811	**55,877**	**Total revenue (excluding gains)**		**54,978**	**56,678**	***(1,700)***	***(3.0)***	**175,864**
		Expenses						
44,679	14,905	Transfer payments and subsidies	4	15,543	15,677	*134*	*0.9*	46,523
38,771	13,134	Personnel expenses		13,498	13,370	*(128)*	*(1.0)*	40,758
8,294	2,605	Depreciation		2,804	2,731	*(73)*	*(2.7)*	8,424
69,827	23,319	Other operating expenses		22,337	23,286	*949*	*4.1*	72,901
10,390	3,530	Interest expenses	5	3,369	3,547	*178*	*5.0*	11,073
11,541	2,902	Insurance expenses	6	2,427	2,823	*396*	*14.0*	10,659
-	-	Forecast new operating spending	7	-	-	-	-	1,720
-	-	Top-down expense adjustment	7	-	(150)	*(150)*	*(100.0)*	(900)
183,502	**60,395**	**Total expenses (excluding losses)**		**59,978**	**61,284**	***1,306***	***2.1***	**191,158**
		Gains/(losses)						
9,272	3,787	Net gains/(losses) on financial instruments		8,359	1,899	*6,460*	*340.2*	5,692
(402)	(1,839)	Net gains/(losses) on non-financial instruments	8	(2,341)	-	*(2,341)*	-	-
8,870	**1,948**	**Total gains/(losses)**		**6,018**	**1,899**	***4,119***	***216.9***	**5,692**
		Other interests						
214	6	Net surplus/(deficit) from associates and joint ventures		19	23	*(4)*	*(17.4)*	71
207	(31)	Less minority interests' share of operating balance		(171)	(143)	*(28)*	*(19.6)*	(353)
(4,400)	**(2,595)**	**Operating balance (excluding minority interests)**		**866**	**(2,827)**	***3,693***	***130.6***	**(9,884)**
(207)	31	Minority interests' share of operating balance		171	143	*28*	*19.6*	353
(4,607)	**(2,564)**	**Operating balance (including minority interests)**		**1,037**	**(2,684)**	***3,721***	***138.6***	**(9,531)**

The accompanying notes and accounting policies are an integral part of these statements.

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

For the four months ended 31 October 2025

Year to 30 June 2025 Actual $m	4 months to 31 Oct 2024 Actual $m		Current Year Actual vs Forecast Actual $m	Forecast $m	*Variance $m*	*%*	Annual Forecast $m
(4,607)	**(2,564)**	**Operating balance (including minority interest)**	**1,037**	**(2,684)**	***3,721***	***138.6***	**(9,531)**
		Other comprehensive revenue and expense					
3,730	104	Revaluation of physical assets	65	5	*60*	-	-
388	(114)	Revaluation of retirement plan schemes	(18)	35	*(53)*	*(151.4)*	104
(1,202)	-	Revaluation of veterans' disability entitlements	-	-	-	-	-
(121)	(104)	Transfers into/(out of) cash flow hedge reserve	(49)	4	*(53)*	-	(25)
128	95	Transfers into/(out of) other reserves	95	-	*95*	-	-
(49)	(14)	(Gains)/losses transferred to the statement of financial performance	(26)	2	*(28)*	-	-
2	-	Foreign currency translation differences on foreign operations	2	-	*2*	-	-
6	(4)	Other movements	(17)	17	*(34)*	*(200.0)*	(28)
2,882	**(37)**	**Total other comprehensive revenue and expense**	**52**	**63**	***(11)***	***(17.5)***	**51**
(1,725)	**(2,601)**	**Total comprehensive revenue and expense**	**1,089**	**(2,621)**	***3,710***	***141.5***	**(9,480)**
		Attributable to:					
833	28	- minority interests	202	142	*60*	*42.3*	337
(2,558)	(2,629)	- the Crown	887	(2,763)	*3,650*	*132.1*	(9,817)
(1,725)	**(2,601)**	**Total comprehensive revenue and expense**	**1,089**	**(2,621)**	***3,710***	***141.5***	**(9,480)**

STATEMENT OF CHANGES IN NET WORTH

For the four months ended 31 October 2025

Year to 30 June 2025 Actual $m	4 months to 31 Oct 2024 Actual $m		Current Year Actual vs Forecast Actual $m	Forecast $m	*Variance $m*	*%*	Annual Forecast $m
191,049	**191,049**	**Opening net worth**	**189,128**	**183,130**	***5,998***	***3.3***	**183,130**
(4,607)	(2,564)	Operating balance (including minority interest)	1,037	(2,684)	*3,721*	*138.6*	(9,531)
3,730	104	Revaluations of physical assets	65	5	*60*	-	-
388	(114)	Revaluations of retirement plan schemes	(18)	35	*(53)*	*(151.4)*	104
(1,202)	-	Revaluations of veterans' disability entitlements	-	-	-	-	-
(121)	(104)	Transfers into/(out of) cash flow hedge reserve	(49)	4	*(53)*	-	(25)
128	95	Transfers into/(out of) other reserves	95	-	*95*	-	-
(49)	(14)	(Gains)/losses transferred to the statement of financial performance	(26)	2	*(28)*	-	-
2	-	Foreign currency translation differences on foreign operations	2	-	*2*	-	-
6	(4)	Other movements	(17)	17	*(34)*	*(200.0)*	(28)
(1,725)	**(2,601)**	**Total comprehensive revenue and expense**	**1,089**	**(2,621)**	***3,710***	***141.5***	**(9,480)**
374	344	Increase in minority interest from equity issues	92	61	*31*	*50.8*	102
(570)	(349)	Transactions with minority interests	(313)	(324)	*11*	*3.4*	(528)
189,128	**188,443**	**Closing net worth**	**189,996**	**180,246**	***9,750***	***5.4***	**173,224**

The accompanying notes and accounting policies are an integral part of these statements.

STATEMENT OF CASH FLOWS

For the four months ended 31 October 2025

Year to 30 June 2025 Actual $m	4 months to 31 Oct 2024 Actual $m		Note	Current Year Actual vs Forecast Actual $m	Forecast $m	*Variance $m*	*%*	Annual Forecast $m
		Cash flows from operations						
		Cash was provided from						
121,183	40,446	Taxation receipts		40,048	39,736	*312*	*0.8*	122,887
7,878	2,908	Other sovereign receipts		3,075	3,238	*(163)*	*(5.0)*	8,605
26,961	9,877	Sales of goods and services		8,795	9,619	*(824)*	*(8.6)*	27,605
6,791	2,073	Interest receipts		2,119	1,991	*128*	*6.4*	5,604
6,372	1,598	Other operating receipts		2,279	1,750	*529*	*30.2*	6,054
169,185	**56,902**	**Total cash provided from operations**		**56,316**	**56,334**	***(18)***	**-**	**170,755**
		Cash was disbursed to						
45,928	16,119	Transfer payments and subsidies		16,200	16,063	*(137)*	*(0.9)*	47,413
113,733	41,145	Personnel and operating payments		39,927	37,814	*(2,113)*	*(5.6)*	116,934
8,825	2,286	Interest payments		2,015	2,184	*169*	*7.7*	9,281
-	-	Forecast new operating spending	7	-	-	-	-	1,720
-	-	Top-down expense adjustment	7	-	(150)	*(150)*	*(100.0)*	(900)
168,486	**59,550**	**Total cash disbursed to operations**		**58,142**	**55,911**	***(2,231)***	***(4.0)***	**174,448**
699	**(2,648)**	**Net cash flows from operations**		**(1,826)**	**423**	***(2,249)***	**-**	**(3,693)**
		Cash flows from investing activities						
		Cash was provided from/(disbursed to)						
(14,054)	(4,643)	Net (purchase)/sale of physical assets		(4,262)	(6,987)	*2,725*	*39.0*	(17,817)
(9,781)	(4,701)	Net (purchase)/sale of shares and other securities		2,502	(10,648)	*13,150*	*123.5*	(4,693)
(655)	(253)	Net (purchase)/sale of intangible assets		(41)	(238)	*197*	*82.8*	(743)
5,888	1,615	Net (issue)/repayment of advances		2,766	2,617	*149*	*5.7*	2,743
(404)	(222)	Net acquisition of investments in associates		(289)	(105)	*(184)*	*(175.2)*	(266)
-	-	Forecast new capital spending	7	-	-	-	-	(2,560)
-	-	Top-down capital adjustment	7	-	150	*(150)*	*(100.0)*	900
(19,006)	**(8,204)**	**Net cash flows from investing activities**		**676**	**(15,211)**	***15,887***	***104.4***	**(22,436)**
(18,307)	**(10,852)**	**Net cash flows from operating and investing activities**		**(1,150)**	**(14,788)**	***13,638***	***92.2***	**(26,129)**
		Cash Flows from financing activities						
		Cash was provided from/(disbursed to)						
175	17	Issues of circulating currency		129	31	*98*	*316.1*	91
31,541	17,698	Net issue/(repayment) of Government bonds		10,266	15,222	*(4,956)*	*(32.6)*	24,812
6,291	2,225	Net issue/(repayment) of foreign currency borrowing		(1,413)	(1,371)	*(42)*	*(3.1)*	(1,333)
(12,149)	(5,704)	Net issue/(repayment) of other New Zealand dollar borrowing		(3,766)	2,211	*(5,977)*	*(270.3)*	3,161
(158)	14	Dividends paid to minority interests		(223)	(270)	*47*	*17.4*	(462)
25,700	**14,250**	**Net cash flows from financing activities**		**4,993**	**15,823**	***(10,830)***	***(68.4)***	**26,269**
7,393	**3,398**	**Net movement in cash**		**3,843**	**1,035**	***2,808***	***271.3***	**140**
16,212	16,212	**Opening cash balance**		23,668	22,709	*959*	*4.2*	22,709
63	257	Foreign-exchange gains/(losses) on opening cash		502	-	*502*	-	-
23,668	**19,867**	**Closing cash balance**		**28,013**	**23,744**	***4,269***	***18.0***	**22,849**

The accompanying notes and accounting policies are an integral part of these statements.

STATEMENT OF CASH FLOWS (CONTINUED)

For the four months ended 31 October 2025

Year to 30 June 2025 Actual $m	4 months to 31 Oct 2024 Actual $m		Current Year Actual vs Forecast				Annual Forecast $m
			Actual $m	Forecast $m	*Variance $m*	*%*	
		Reconciliation between the net cash flows from operations and the operating balance					
699	**(2,648)**	**Net cash flows from operations**	**(1,826)**	**423**	***(2,249)***	***-***	**(3,693)**
		Gains/(losses) and other interests					
9,272	3,787	Net gains/(losses) on financial instruments	8,359	1,899	*6,460*	*340.2*	5,692
(402)	(1,839)	Net gains/(losses) on non-financial instruments	(2,341)	-	*(2,341)*	-	-
214	6	Net surplus/(deficit) from associates and joint ventures	19	23	*(4)*	*(17.4)*	71
9,084	**1,954**	**Total gains/(losses) and other interests**	**6,037**	**1,922**	***4,115***	***214.1***	**5,763**
		Other non-cash items in operating balance					
(8,294)	(2,605)	Depreciation	(2,804)	(2,731)	*(73)*	*(2.7)*	(8,424)
(975)	(265)	Amortisation and net impairment of non-financial assets	(310)	(287)	*(23)*	*(8.0)*	(1,556)
(661)	(167)	Cost of concessionary lending	(184)	(141)	*(43)*	*(30.5)*	(681)
(64)	(20)	Impairment of financial assets (excl receivables)	(4)	11	*(15)*	*(136.4)*	47
(4,339)	952	Decrease/(increase) in insurance liabilities	1,586	1,194	*392*	*32.8*	(3,037)
(49)	(15)	Change in accumulating pension expenses	(37)	(16)	*(21)*	*(131.3)*	(49)
755	243	Change in NZ ETS liability	208	330	*(122)*	*(37.0)*	1,145
(13,627)	**(1,877)**	**Total other non-cash Items**	**(1,545)**	**(1,640)**	***95***	***5.8***	**(12,555)**
		Movements in working capital					
(1,620)	(3,232)	Increase/(decrease) in receivables	(2,519)	(1,986)	*(533)*	*(26.8)*	1,338
(985)	(619)	Increase/(decrease) in accrued interest	(1,422)	(1,107)	*(315)*	*(28.5)*	(1,019)
239	382	Increase/(decrease) in inventories	148	18	*130*	-	112
328	369	Increase/(decrease) in prepayments	344	(203)	*547*	*269.5*	(178)
(74)	(118)	Decrease/(increase) in deferred revenue	(123)	(15)	*(108)*	-	(7)
1,349	3,225	Decrease/(increase) in payables/provisions	1,943	(96)	*2,039*	-	708
(763)	**7**	**Total movements in working capital**	**(1,629)**	**(3,389)**	***1,760***	***51.9***	**954**
(4,607)	**(2,564)**	**Operating balance (including minority interests)**	**1,037**	**(2,684)**	***3,721***	***138.6***	**(9,531)**

The accompanying notes and accounting policies are an integral part of these statements.

STATEMENT OF FINANCIAL POSITION

As at 31 October 2025

As at 30 June 2025 Actual $m	As at 31 Oct 2024 Actual $m		Note	Current Year Actual vs Forecast: Actual $m	Forecast $m	*Variance $m*	*%*	Annual Forecast $m
		Assets						
23,668	19,867	Cash and cash equivalents	9	28,013	23,744	*4,269*	*18.0*	22,849
34,760	36,089	Receivables	9	33,747	34,152	*(405)*	*(1.2)*	37,007
82,544	80,216	Marketable securities, deposits and derivatives in gain	9	84,869	98,790	*(13,921)*	*(14.1)*	95,932
59,573	57,677	Share investments	9	65,895	60,384	*5,511*	*9.1*	61,163
64,911	67,453	Advances	9	61,800	61,183	*617*	*1.0*	60,767
8,093	7,422	Investments in controlled enterprises	9	8,866	8,702	*164*	*1.9*	9,309
3,100	3,243	Inventory		3,248	3,423	*(175)*	*(5.1)*	3,517
5,157	5,356	Other assets		5,611	4,978	*633*	*12.7*	5,041
292,601	285,896	Property, plant and equipment	10	293,678	296,517	*(2,839)*	*(1.0)*	302,790
19,478	18,203	Equity accounted investments[1]		19,587	18,649	*938*	*5.0*	16,738
4,091	4,119	Intangible assets and goodwill		3,980	4,201	*(221)*	*(5.3)*	4,191
-	-	Forecast for new capital spending	7	-	-	-	-	2,560
-	-	Top-down capital adjustment	7	-	(1,650)	*1,650*	*100.0*	(2,400)
597,976	**585,541**	**Total assets**		**609,294**	**613,073**	***(3,779)***	***(0.6)***	**619,464**
		Liabilities						
9,152	8,994	Issued currency		9,281	9,096	*(185)*	*(2.0)*	9,156
21,957	23,467	Payables	11	22,371	26,612	*4,241*	*15.9*	26,925
3,527	3,571	Deferred revenue		3,650	3,649	*(1)*	-	3,643
272,085	264,785	Borrowings	12	282,619	295,082	*12,463*	*4.2*	305,076
7,156	8,093	New Zealand Emissions Trading Scheme	13	6,227	6,302	*75*	*1.2*	5,741
70,326	65,639	Insurance liabilities	14	71,826	68,734	*(3,092)*	*(4.5)*	72,964
6,661	7,304	Retirement plan liabilities		6,492	6,366	*(126)*	*(2.0)*	6,028
17,984	15,245	Provisions	15	16,832	16,986	*154*	*0.9*	16,707
408,848	**397,098**	**Total liabilities**		**419,298**	**432,827**	***13,529***	***3.1***	**446,240**
189,128	**188,443**	**Total assets less total liabilities**		**189,996**	**180,246**	***9,750***	***5.4***	**173,224**
		Net worth						
(3,487)	(2,080)	Taxpayers' funds	16	(2,445)	(7,960)	*5,515*	*69.3*	(15,064)
183,280	181,060	Property, plant and equipment revaluation reserve	16	183,153	181,198	*1,955*	*1.1*	181,198
1,251	750	Defined benefit retirement plan revaluation reserve	16	1,233	1,392	*(159)*	*(11.4)*	1,462
(1,843)	(640)	Veterans' disability entitlements reserve	16	(1,843)	(3,855)	*2,012*	*52.2*	(3,855)
59	99	Other reserves	16	49	157	*(108)*	*(68.8)*	137
179,260	**179,189**	**Total net worth attributable to the Crown**		**180,147**	**170,932**	***9,215***	***5.4***	**163,878**
9,868	9,254	Net worth attributable to minority interest	16	9,849	9,314	*535*	*5.7*	9,346
189,128	**188,443**	**Total net worth**		**189,996**	**180,246**	***9,750***	***5.4***	**173,224**

The accompanying notes and accounting policies are an integral part of these statements.

STATEMENT OF SEGMENTS

For the four months ended 31 October 2025

	Current Year Actual vs Forecast									
	Core Crown		Crown entities		State-owned Enterprises		Inter-segment eliminations		Total Crown	
	Actual $m	Forecast $m	Actual $m	Forecast $m	Actual $m	Forecast $m	Actual $m	Forecast $m	Actual $m	Forecast $m
Revenue										
Taxation revenue	39,513	40,133	-	-	-	-	(251)	(336)	39,262	39,797
Other sovereign revenue	1,300	1,458	3,014	3,070	-	-	(926)	(940)	3,388	3,588
Revenue from core Crown funding	-	-	17,070	16,793	448	317	(17,518)	(17,110)	-	-
Sales of goods and services	706	767	1,043	1,036	7,013	7,907	(291)	(278)	8,471	9,432
Interest and dividend revenue	2,005	1,962	1,457	1,544	39	30	(980)	(941)	2,521	2,595
Other revenue	342	374	1,530	1,438	237	219	(773)	(765)	1,336	1,266
Total Revenue (excluding gains)	**43,866**	**44,694**	**24,114**	**23,881**	**7,737**	**8,473**	**(20,739)**	**(20,370)**	**54,978**	**56,678**
Expenses										
Transfer payments and subsidies	16,112	16,232	-	-	-	-	(569)	(555)	15,543	15,677
Personnel expenses	3,966	3,887	8,329	8,276	1,224	1,229	(21)	(22)	13,498	13,370
Other operating expenses	25,414	25,276	12,836	12,534	5,737	6,630	(18,846)	(18,423)	25,141	26,017
Interest expenses	2,978	3,027	748	775	169	222	(526)	(477)	3,369	3,547
Insurance expenses	-	-	2,423	2,818	4	4	-	-	2,427	2,823
Top-down adjustment	-	(150)	-	-	-	-	-	-	-	(150)
Total Expenses (excluding losses)	**48,470**	**48,272**	**24,336**	**24,403**	**7,134**	**8,085**	**(19,962)**	**(19,477)**	**59,978**	**61,284**
Gains/(losses) and other items	7,366	1,750	(115)	147	(257)	(120)	(1,128)	1	5,866	1,779
Operating Balance (excluding minority interests)	**2,762**	**(1,828)**	**(337)**	**(375)**	**346**	**268**	**(1,905)**	**(892)**	**866**	**(2,827)**
Assets										
Financial assets	177,678	185,641	113,386	108,457	4,868	4,096	(46,489)	(45,391)	249,443	252,803
Receivables	26,795	27,668	7,252	6,408	2,232	2,629	(2,532)	(2,553)	33,747	34,152
Property, plant and equipment	67,803	70,137	164,562	166,007	61,311	60,371	-	-	293,678	296,517
Investments in associates, CEs and SOEs	77,034	79,609	16,395	15,379	586	599	(74,428)	(76,938)	19,587	18,649
Other assets	8,705	8,836	3,542	3,518	3,582	3,234	(2,990)	(2,986)	12,839	12,602
Top-down capital adjustments	-	(1,650)	-	-	-	-	-	-	-	(1,650)
Total Assets	**358,015**	**370,241**	**305,137**	**299,769**	**72,579**	**70,929**	**(126,439)**	**(127,868)**	**609,294**	**613,073**
Liabilities										
Borrowings	247,531	260,149	63,287	64,422	14,292	13,005	(42,491)	(42,494)	282,619	295,082
Other liabilities	44,798	50,538	92,032	87,063	13,249	13,235	(13,400)	(13,091)	136,679	137,745
Total Liabilities	**292,329**	**310,687**	**155,319**	**151,485**	**27,541**	**26,240**	**(55,891)**	**(55,585)**	**419,298**	**432,827**
Net Worth	**65,686**	**59,554**	**149,818**	**148,284**	**45,038**	**44,689**	**(70,548)**	**(72,283)**	**189,996**	**180,246**
Cost of Acquisition of Physical Assets (Cash)	**1,171**	**1,385**	**2,105**	**4,050**	**1,222**	**1,758**	**-**	**-**	**4,498**	**7,193**

The accompanying notes and accounting policies are an integral part of these statements.

STATEMENT OF COMMITMENTS

As at 31 October 2025

	As at 31 Oct 2025 $m	As at 30 Jun 2025 $m	As at 31 Oct 2024 $m
Capital Commitments			
State highways	2,957	2,976	2,512
Specialist military equipment	440	437	446
Land and buildings	6,007	5,821	7,798
Other property, plant and equipment	4,781	5,121	4,991
Other capital commitments	499	562	995
Universities and Wānanga	542	542	412
Total capital commitments[1]	**15,226**	**15,459**	**17,154**
Operating Commitments			
Non-cancellable accommodation leases	6,583	6,562	6,198
Other non-cancellable leases	5,269	5,354	4,890
Universities and Wānanga	1,266	1,266	1,332
Total operating commitments	**13,118**	**13,182**	**12,420**
Total commitments	**28,344**	**28,641**	**29,574**
Total Commitments by Segment			
Core Crown	11,450	11,258	11,535
Crown entities	9,918	9,812	11,147
State-owned Enterprises	7,574	8,068	7,491
Inter-segment eliminations	(598)	(497)	(599)
Total commitments	**28,344**	**28,641**	**29,574**

1. The total capital commitments balance represents future capital expenditure to be incurred on contracts that have been entered into at the reporting date.

STATEMENT OF CONTINGENT LIABILITIES AND ASSETS

As at 31 October 2025

	As at 31 Oct 2025 $m	As at 30 Jun 2025 $m	As at 31 Oct 2024 $m
Quantifiable Contingent Liabilities			
Uncalled capital	10,364	9,861	9,833
Guarantees and indemnities	269	282	262
Legal proceedings and disputes	523	515	753
Other contingent liabilities	1,598	1,464	1,692
Total quantifiable contingent liabilities	**12,754**	**12,122**	**12,540**
Total Quantifiable Contingent Liabilities by Segment			
Core Crown	12,251	11,801	12,698
Crown entities	80	81	558
State-owned Enterprises	423	279	234
Inter-segment eliminations	-	(39)	(950)
Total quantifiable contingent liabilities	**12,754**	**12,122**	**12,540**
Quantifiable Contingent Assets			
Core Crown	29	29	57
Crown entities	53	53	34
State-owned Enterprises	106	106	80
Inter-segment eliminations	-	-	2
Total quantifiable contingent assets	**188**	**188**	**173**

Further details of contingent liabilities including a list of unquantifiable contingent liabilities and their descriptions is included on the Treasury's website as part of the *Financial Statements of the Government of New Zealand for the year ended 30 June 2025,* pages 124 to 133.

The accompanying notes and accounting policies are an integral part of these statements.

NOTE 1: Accounting Policies

Reporting Entity

These financial statements have been prepared in accordance with the Public Finance Act 1989 and with New Zealand Generally Accepted Accounting Practice (NZ GAAP) as defined in the Financial Reporting Act 2013.

Judgement is required to determine what entities are controlled and therefore consolidated in financial statements. The Government Reporting Entity is defined as the Sovereign in right of New Zealand and the legislative, executive, and judicial branches of the Government of New Zealand. The Government Reporting Entity is assessed as controlling another entity when it is exposed to, or has rights to, variable benefits from its involvement with that entity and can affect the nature or amount of those benefits through the exercise of its power over that entity.

Basis of combination

These financial statements consolidate the following entities into the Government Reporting Entity:

Core Crown entities

- Ministers of the Crown
- Government departments
- Offices of Parliament
- New Zealand Superannuation Fund
- Reserve Bank of New Zealand

Other entities

- State-owned Enterprises
- Crown entities (excluding Universities and Wānanga)
- Air New Zealand Limited
- Elevate NZ Venture Fund
- Organisations listed in Schedule 4 and 4A (non-listed companies in which the Crown is majority or sole shareholder) of the Public Finance Act 1989
- Organisations listed in Schedule 5 (mixed ownership model companies) of the Public Finance Act 1989
- Legal entities listed in Schedule 6 (legal entities created by Treaty of Waitangi Settlement Acts) of the Public Finance Act 1989

Government departments are defined by the Public Finance Act 1989 and include departments (as defined in the Public Service Act 2020), departmental agencies, interdepartmental executive boards, interdepartmental ventures, the New Zealand Defence Force, the New Zealand Police, the Parliamentary Counsel Office, the Office of the Clerk of the House of Representatives and the Parliamentary Service.

The Crown has a full residual interest in all the above entities with the exception of Air New Zealand Limited, Tāmaki Redevelopment Company Limited and City Rail Link Limited (listed in Schedule 4A of the Public Finance Act 1989) and the mixed ownership model companies (listed in Schedule 5 of the Public Finance Act 1989).

Corresponding assets, liabilities, revenue, and expenses are added together line by line (with the exception of the New Zealand Superannuation Fund investments in controlled enterprises). Transactions and balances between these sub-entities are eliminated on consolidation. Where necessary, adjustments are made to the financial statements of controlled entities to bring the accounting policies into line with those used by the Government Reporting Entity.

As a consequence of the agreements with Auckland Council, City Rail Link Limited (CRL) is reported as a joint venture in these financial statements and is, therefore, equity accounted. This treatment recognises the government share of CRL's net assets, including asset revaluation movements, surpluses and deficits.

There have been changes to the Government Reporting Entity subsequent to 30 June 2025. For further details of the entities that are included in the Government Reporting Entity and a list of recent changes, refer to pages 50 to 54 of the *Financial Statements of the Government of New Zealand for the year ended 30 June 2025* published on 9 October 2025.

The 30 June 2025 results are audited, all other figures are unaudited.

Basis of Preparation and General Accounting Policies

These unaudited interim financial statements of the Government Reporting Entity comply with NZ GAAP and have been prepared in accordance with Public Sector PBE Accounting Standards (PBE Standards) – Tier 1, as set out in PBE IAS 34: *Interim Financial Reporting*. The Government Reporting Entity is a public benefit entity. Public benefit entities (PBEs) are reporting entities whose primary objective is to provide goods or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for a financial return to equity holders.

The measurement base applied is historic cost modified by the revaluation of certain assets and liabilities, and prepared on an accrual basis, unless otherwise specified (for example, the Statement of Cash Flows).

These financial statements have been prepared on a going concern basis.

Specific Accounting Policies

The specific accounting policies of the Crown are detailed on the Treasury's internet site: https://www.treasury.govt.nz/information-and-services/state-sector-leadership/guidance/reporting-financial/accounting-policies

Forecasts

The annual forecasts in these financial statements are for the year to 30 June 2025, based on the *BEFU 2025* published on 22 May 2025.

The accounting policies underlying the preparation of forecasts are the same as the specific accounting policies set out above.

Comparative Figures

When presentation or classification of items in the financial statements are amended or accounting policies are changed voluntarily, comparative figures have been restated to ensure consistency with the current period unless it is impracticable to do so.

Variance Percentages

Percentage variances between the actual and comparative balances exceeding 500% are not shown.

Judgements, Estimates and Assumptions

The preparation of these financial statements requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenue, and expenses. For example, the present value of large cash flows that are predicted to occur a long time into the future, as with the settlement of ACC outstanding claim obligations and Government Superannuation retirement benefits, depends critically on judgements regarding future cash flows, including inflation assumptions and the risk-free discount rate used to calculate present values. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Further detail on the judgements and estimates used can be found on pages 55 to 60 of the *Financial Statements of the Government of New Zealand for the year ended 30 June 2025* published on 9 October 2025.

Year to 30 June 2025 Actual $m	4 months to 31 Oct 2024 Actual $m		Current Year Actual vs Forecast				Annual Forecast $m
			Actual $m	Forecast $m	*Variance $m*	*%*	
		NOTE 2: Sovereign Revenue					
		Taxation revenue					
		Individuals					
52,460	17,802	Source deductions	18,280	18,359	*(79)*	*(0.4)*	55,243
11,334	3,456	Other persons	3,480	3,682	*(202)*	*(5.5)*	11,394
(2,854)	(755)	Refunds	(777)	(719)	*(58)*	*(8.1)*	(2,936)
909	283	Fringe benefit tax	308	273	*35*	*12.8*	909
61,849	**20,786**	**Total individuals**	**21,291**	**21,595**	***(304)***	***(1.4)***	**64,610**
		Corporate tax					
17,727	5,098	Gross companies tax	4,429	4,751	*(322)*	*(6.8)*	17,074
(964)	(336)	Refunds	(243)	(335)	*92*	*27.5*	(1,049)
733	177	Non-resident withholding tax	155	186	*(31)*	*(16.7)*	723
17,496	**4,939**	**Total corporate tax**	**4,341**	**4,602**	***(261)***	***(5.7)***	**16,748**
		Other direct income tax					
3,567	1,275	Resident withholding tax on interest income	921	995	*(74)*	*(7.4)*	3,209
940	280	Resident withholding tax on dividend income	343	317	*26*	*8.2*	1,168
4,507	**1,555**	**Total other direct income tax**	**1,264**	**1,312**	***(48)***	***(3.7)***	**4,377**
83,852	**27,280**	**Total direct income tax**	**26,896**	**27,509**	***(613)***	***(2.2)***	**85,735**
		Goods and services tax					
48,668	15,487	Gross goods and services tax	16,412	16,941	*(529)*	*(3.1)*	52,072
(19,118)	(6,168)	Refunds	(6,579)	(7,179)	*600*	*8.4*	(21,567)
29,550	**9,319**	**Total goods and services tax**	**9,833**	**9,762**	***71***	***0.7***	**30,505**
		Other indirect taxation					
1,995	603	Petroleum fuels excise and duty[1]	695	571	*124*	*21.7*	1,937
1,471	541	Tobacco excise and duty[1]	420	522	*(102)*	*(19.5)*	1,479
2,036	665	Road and track user charges	698	670	*28*	*4.2*	2,172
1,243	435	Alcohol excise and duty[1]	423	464	*(41)*	*(8.8)*	1,342
127	46	Other customs duty	36	39	*(3)*	*(7.7)*	108
784	217	Miscellaneous indirect tax	261	260	*1*	*0.4*	932
7,656	**2,507**	**Total other indirect taxation**	**2,533**	**2,526**	***7***	***0.3***	**7,970**
37,206	**11,826**	**Total indirect taxation**	**12,366**	**12,288**	***78***	***0.6***	**38,475**
121,058	**39,106**	**Total taxation revenue**	**39,262**	**39,797**	***(535)***	***(1.3)***	**124,210**
		Other sovereign revenue					
4,244	1,409	ACC levies	1,443	1,531	*(88)*	*(5.7)*	4,715
1,774	687	Emissions trading revenue	553	705	*(152)*	*(21.6)*	2,215
797	275	Fire Service levies	285	283	*2*	*0.7*	834
908	304	Natural Hazards Insurance Levy	306	306	-	-	920
143	68	Child support and working for families penalties	43	45	*(2)*	*(4.4)*	156
132	46	Court fines	47	47	-	-	143
1,770	521	Other miscellaneous items	711	671	*40*	*6.0*	2,023
9,768	**3,310**	**Total other sovereign revenue**	**3,388**	**3,588**	***(200)***	***(5.6)***	**11,006**
130,826	**42,416**	**Total sovereign revenue**	**42,650**	**43,385**	***(735)***	***(1.7)***	**135,216**

1. Includes excise on domestic production and excise-equivalent duties on imports.

Year to 30 June 2025 Actual $m	4 months to 31 Oct 2024 Actual $m		Current Year Actual vs Forecast				Annual Forecast $m
			Actual $m	Forecast $m	*Variance $m*	*%*	
		NOTE 2: Sovereign Receipts (continued)					
		Taxation Receipts (cash)					
		Individuals					
51,833	17,185	Source deductions	17,995	18,162	*(167)*	*(0.9)*	54,960
11,049	2,929	Other persons	3,124	3,025	*99*	*3.3*	11,702
(3,366)	(896)	Refunds	(944)	(933)	*(11)*	*(1.2)*	(3,648)
892	405	Fringe benefit tax	438	411	*27*	*6.6*	909
60,408	**19,623**	**Total individuals**	**20,613**	**20,665**	***(52)***	***(0.3)***	**63,923**
		Corporate Tax					
19,548	6,136	Gross companies tax	6,442	5,438	*1,004*	*18.5*	18,031
(2,072)	(712)	Refunds	(596)	(733)	*137*	*18.7*	(2,246)
728	244	Non-resident withholding tax	212	243	*(31)*	*(12.8)*	723
18,204	**5,668**	**Total corporate tax**	**6,058**	**4,948**	***1,110***	***22.4***	**16,508**
		Other Direct Income Tax					
3,590	1,268	Resident withholding tax on interest income	971	1,034	*(63)*	*(6.1)*	3,209
980	322	Resident withholding tax on dividend income	351	395	*(44)*	*(11.1)*	1,168
4,570	**1,590**	**Total other direct income tax**	**1,322**	**1,429**	***(107)***	***(7.5)***	**4,377**
83,182	**26,881**	**Total income tax**	**27,993**	**27,042**	***951***	***3.5***	**84,808**
		Goods and Services Tax					
48,939	17,298	Gross goods and services tax	16,193	17,223	*(1,030)*	*(6.0)*	51,282
(18,569)	(6,264)	Refunds	(6,638)	(7,075)	*437*	*6.2*	(21,167)
30,370	**11,034**	**Total goods and services tax**	**9,555**	**10,148**	***(593)***	***(5.8)***	**30,115**
		Other Indirect Taxation					
2,038	663	Road and track user charges	693	670	*23*	*3.4*	2,172
789	222	Excise duties	229	247	*(18)*	*(7.3)*	1,498
4,060	1,396	Customs duty	1,252	1,331	*(79)*	*(5.9)*	4,028
744	250	Miscellaneous indirect taxation	326	298	*28*	*9.4*	932
7,631	**2,531**	**Total other indirect taxation**	**2,500**	**2,546**	***(46)***	***(1.8)***	**8,630**
38,001	**13,565**	**Total indirect taxation**	**12,055**	**12,694**	***(639)***	***(5.0)***	**38,745**
121,183	**40,446**	**Total tax receipts collected**	**40,048**	**39,736**	***312***	***0.8***	**123,553**
		Other Sovereign Receipts (cash)					
4,216	1,724	ACC levies	1,798	1,875	*(77)*	*(4.1)*	4,592
267	2	Emissions trading receipts	-	76	*(76)*	*(100.0)*	330
771	268	Fire Service levies	300	306	*(6)*	*(2.0)*	828
918	329	Natural Hazards Insurance Levy	333	331	*2*	*0.6*	923
103	41	Child support and working for families penalties	25	43	*(18)*	*(41.9)*	138
143	46	Court fines	50	47	*3*	*6.4*	149
1,460	498	Other miscellaneous items	569	559	*10*	*1.8*	1,645
7,878	**2,908**	**Total other sovereign receipts**	**3,075**	**3,237**	***(162)***	***(5.0)***	**8,605**
129,061	**43,354**	**Total sovereign receipts**	**43,123**	**42,973**	***150***	***0.3***	**132,158**

Further information on the monthly tax outturns (revenue and receipts) can be found on the Treasury's website https://www.treasury.govt.nz/information-and-services/financial-management-and-advice/revenue-expenditure/tax-outturn-data

Year to 30 June 2025 Actual $m	4 months to 31 Oct 2024 Actual $m		Current Year Actual vs Forecast Actual $m	Forecast $m	*Variance* *$m*	*%*	Annual Forecast $m
		NOTE 3: Interest Revenue and Dividends					
7,039	2,420	Interest revenue	2,060	2,159	*(99)*	*(4.6)*	6,408
1,636	626	Dividends	461	436	*25*	*5.7*	1,354
8,675	**3,046**	**Total interest revenue and dividends**	**2,521**	**2,595**	***(74)***	***(2.9)***	**7,762**
		NOTE 4: Transfer Payments and Subsidies					
23,191	7,668	New Zealand superannuation	8,173	8,175	*2*	-	24,691
4,641	1,513	Jobseeker support and emergency benefit	1,631	1,634	*3*	*0.2*	4,839
2,232	739	Accommodation assistance	775	787	*12*	*1.5*	2,350
2,668	895	Supported living payment	937	928	*(9)*	*(1.0)*	2,782
2,434	773	Family tax credit	767	755	*(12)*	*(1.6)*	2,374
2,255	753	Sole parent support	790	786	*(4)*	*(0.5)*	2,331
562	334	Winter energy payment	348	347	*(1)*	*(0.3)*	577
1,020	369	KiwiSaver subsidies	181	181	-	-	545
574	244	Student allowances	272	277	*5*	*1.8*	635
755	247	Hardship assistance	271	281	*10*	*3.6*	837
709	240	Paid parental leave	246	251	*5*	*2.0*	745
953	241	International Development Cooperation	222	296	*74*	*25.0*	995
561	157	Other working for families tax credits	163	183	*20*	*10.9*	596
492	165	Disability allowances	172	170	*(2)*	*(1.2)*	511
402	132	Orphan's/unsupported child's benefit	136	136	-	-	417
346	107	Best start	105	100	*(5)*	*(5.0)*	326
192	60	Income related rent subsidy	73	99	*26*	*26.3*	215
692	268	Other social assistance benefits	281	291	*10*	*3.4*	757
44,679	**14,905**	**Total transfer payments and subsidies**	**15,543**	**15,677**	***134***	***0.9***	**46,523**
		NOTE 5: Interest expenses					
9,804	3,334	Interest on financial liabilities	3,268	3,373	*105*	*3.1*	10,526
586	196	Interest unwind on provisions and other interest	101	174	*73*	*42.0*	547
10,390	**3,530**	**Total interest expenses**	**3,369**	**3,547**	***178***	***5.0***	**11,073**
		NOTE 6: Insurance Expenses					
10,771	2,773	ACC	2,274	2,617	*343*	*13.1*	9,983
659	127	Natural Hazards Commission[1]	148	174	*26*	*14.9*	583
111	2	Other (incl. inter-segment eliminations)	5	32	*27*	*84.4*	93
11,541	**2,902**	**Total insurance expenses**	**2,427**	**2,823**	***396***	***14.0***	**10,659**

1. Previously Earthquake Commission

NOTE 7: Forecast Adjustments

Forecast for new operating and capital spending

Forecast new operating and capital spending in these financial statements relates to unallocated operating and capital contingencies which represents funding agreed by the Government, or likely to be agreed, that have yet to be allocated to departments.

Top-down adjustment

An adjustment to capital and operating expenditure forecasts to reflect the extent to which departments use appropriations (upper spending limits) rather than their best estimates when preparing their forecasts. As appropriations apply to the core Crown only, no adjustment is required to SOE or Crown entity forecasts.

		NOTE 8: Net Gains and Losses on Non-financial instruments					
		By type					
588	(16)	Actuarial gains/(losses) on ACC liability	(3,086)	-	*(3,086)*	-	-
(1,018)	(1,708)	Gains/(losses) on the Emissions Trading Scheme	721	-	*721*	-	-
28	(115)	Other	24	-	*24*	-	-
(402)	**(1,839)**	**Net gains/(losses) on non-financial instruments**	**(2,341)**	**-**	***(2,341)***	**-**	**-**

As at 30 June 2025 $m	As at 31 Oct 2024 $m		Current Year Actual vs Forecast				
			Actual $m	Forecast $m	*Variance $m*	*%*	Annual Forecast $m
		NOTE 9: Financial Assets and Sovereign Receivables					
23,668	19,867	Cash and cash equivalents	28,013	23,744	*4,269*	*18.0*	22,849
20,936	20,989	Tax receivables	19,773	19,409	*364*	*1.9*	20,443
13,824	15,100	Other receivables	13,974	14,743	*(769)*	*(5.2)*	16,564
35,942	33,855	Kiwi Group loans and advances	36,968	36,533	*435*	*1.2*	38,870
10,054	9,497	Student loans	9,866	9,889	*(23)*	*(0.2)*	10,026
7,261	13,781	Funding for Lending advances	2,985	2,994	*(9)*	*(0.3)*	-
11,654	10,320	Other advances	11,981	11,767	*214*	*1.8*	11,871
59,573	57,677	Share investments	65,895	60,384	*5,511*	*9.1*	61,163
8,093	7,422	Investments in controlled enterprises	8,866	8,702	*164*	*1.9*	9,309
63,501	62,245	Other marketable securities	65,866	79,603	*(13,737)*	*(17.3)*	76,323
6,964	7,225	Long-term deposits	7,629	9,200	*(1,571)*	*(17.1)*	9,768
6,359	5,158	Derivatives in gain	5,466	4,208	*1,258*	*29.9*	4,062
5,720	5,588	IMF financial assets	5,908	5,779	*129*	*2.2*	5,779
273,549	**268,724**	**Total financial assets and sovereign receivables**	**283,190**	**286,955**	***(3,765)***	***(1.3)***	**287,027**
		Financial assets by entity					
56,159	61,433	The Treasury	53,963	61,372	*(7,409)*	*(12.1)*	53,694
48,570	55,346	Reserve Bank of New Zealand	47,073	53,311	*(6,238)*	*(11.7)*	48,974
87,295	82,596	NZ Superannuation Fund	93,264	91,322	*1,942*	*2.1*	94,126
41,381	41,740	Other core Crown	39,763	39,847	*(84)*	*(0.2)*	38,844
(33,594)	(45,474)	Intra-segment eliminations	(29,590)	(32,543)	*2,953*	*9.1*	(23,097)
199,811	**195,641**	**Total core Crown segment**	**204,473**	**213,309**	***(8,836)***	***(4.1)***	**212,541**
59,321	56,975	ACC	61,480	56,513	*4,967*	*8.8*	58,088
881	748	Natural Hazards Commission	960	888	*72*	*8.1*	958
35,942	33,855	Kiwi Group loans and advances	36,968	36,533	435	1.2	38,870
23,760	21,652	Other Crown entities	25,934	23,960	*1,974*	*8.2*	23,728
(5,209)	(4,553)	Intra-segment eliminations	(4,704)	(3,029)	*(1,675)*	*(55.3)*	(4,702)
114,695	**108,677**	**Total Crown entities segment**	**120,638**	**114,865**	***5,773***	***5.0***	**116,942**
6,775	**6,598**	**Total State-owned Enterprises segment**	**7,100**	**6,725**	***375***	***5.6***	**6,258**
(47,732)	(42,192)	Inter-segment eliminations	(49,021)	(47,944)	*(1,077)*	*(2.2)*	(48,714)
273,549	**268,724**	**Total financial assets and sovereign receivables**	**283,190**	**286,955**	***(3,765)***	***(1.3)***	**287,027**

As at 30 June 2025 $m	As at 31 Oct 2024 $m		Current Year Actual vs Forecast Actual $m	Forecast $m	*Variance* *$m*	*%*	Annual Forecast $m
		NOTE 10: Property, Plant and Equipment					
		Net Carrying Value[1]					
		By class of asset:					
83,056	81,264	Land	82,471	81,999	*472*	*0.6*	81,888
76,154	76,355	Buildings	76,727	80,616	*(3,889)*	*(4.8)*	82,377
64,285	62,845	State highways	64,760	65,413	*(653)*	*(1.0)*	66,857
25,479	23,218	Electricity generation assets	25,521	23,985	*1,536*	*6.4*	24,436
4,922	4,679	Electricity distribution network (cost)	4,964	4,951	*13*	*0.3*	5,347
5,150	4,959	Aircraft (excl military)	5,209	5,591	*(382)*	*(6.8)*	5,892
5,614	5,440	Specialist military equipment	5,645	6,257	*(612)*	*(9.8)*	6,412
3,214	3,239	Specified cultural and heritage assets	3,237	3,239	*(2)*	*(0.1)*	3,244
14,270	14,518	Rail network	14,331	14,906	*(575)*	*(3.9)*	16,410
10,457	9,379	Other plant and equipment (cost)	10,813	9,560	*1,253*	*13.1*	9,927
292,601	**285,896**	**Total net carrying value**	**293,678**	**296,517**	***(2,839)***	***(1.0)***	**302,790**
		Land breakdown by usage					
28,996	29,239	Housing stock	28,949	30,074	*(1,125)*	*(3.7)*	29,990
25,082	22,984	State highway corridor land	25,079	22,824	*2,255*	*9.9*	22,758
8,955	9,053	Conservation estate	8,955	8,910	*45*	*0.5*	8,913
6,761	6,751	Schools	6,777	6,805	*(28)*	*(0.4)*	6,838
4,304	4,307	Rail network corridor land	4,313	4,400	*(87)*	*(2.0)*	4,406
1,503	1,692	Commercial (SOE) excluding rail	1,507	1,445	*62*	*4.3*	1,519
7,455	7,238	Other	6,891	7,541	*(650)*	*(8.6)*	7,464
83,056	**81,264**	**Total land**	**82,471**	**81,999**	***472***	***0.6***	**81,888**
		Schedule of Movements					
		Cost or Valuation					
306,631	306,631	Opening balance	315,732	322,525	*(6,793)*	*(2.1)*	322,525
14,958	4,763	Additions	4,994	7,471	*(2,477)*	*(33.2)*	19,636
(1,701)	(331)	Disposals	(1,022)	(393)	*(629)*	*(160.1)*	(748)
(3,717)	184	Net revaluations	(86)	-	*(86)*	-	-
(439)	(8)	Other	(6)	(63)	*57*	*90.5*	(17)
315,732	**311,239**	**Total cost or valuation**	**319,612**	**329,540**	***(9,928)***	***(3.0)***	**341,396**
		Accumulated Depreciation & Impairment					
22,841	22,841	Opening balance	23,131	30,329	*(7,198)*	*(23.7)*	30,329
(977)	(187)	Eliminated on disposal	(77)	(54)	*(23)*	*(42.6)*	(143)
(7,161)	3	Eliminated on revaluation	3	-	*3*	-	-
79	-	Impairment losses charged to operating balance	-	-	-	-	-
8,294	2,605	Depreciation expense and impairment losses	2,804	2,731	*73*	*2.7*	8,424
55	81	Other	73	17	*56*	*329.4*	(4)
23,131	**25,343**	**Total accumulated depreciation & impairment**	**25,934**	**33,023**	***(7,089)***	***(21.5)***	**38,606**
292,601	**285,896**	**Total property, plant and equipment**	**293,678**	**296,517**	***(2,839)***	***(1.0)***	**302,790**

1. Using a revaluation methodology unless otherwise stated.

As at 30 June 2025 $m	As at 31 Oct 2024 $m		Current Year Actual vs Forecast Actual $m	Forecast $m	Variance $m	%	Annual Forecast $m
		NOTE 11: Payables					
14,933	17,588	Accounts payable	16,397	20,418	*4,021*	*19.7*	19,561
7,024	5,879	Taxes repayable	5,974	6,194	*220*	*3.6*	7,364
21,957	**23,467**	**Total payables**	**22,371**	**26,612**	***4,241***	***15.9***	**26,925**
		NOTE 12: Borrowings					
155,313	143,462	Government bonds	166,353	172,373	*6,020*	*3.5*	181,913
29,794	28,820	Kiwi Group customer deposits	30,247	30,421	*174*	*0.6*	32,128
32,055	35,825	Settlement deposits	28,288	30,502	*2,214*	*7.3*	25,872
4,847	5,125	Treasury bills	4,748	5,604	*856*	*15.3*	5,930
10,021	9,440	European Commercial Paper	7,818	10,439	*2,621*	*25.1*	11,946
5,924	6,942	Derivatives in loss	8,798	10,366	*1,568*	*15.1*	10,148
1,141	962	Finance lease liabilities	1,165	1,136	*(29)*	*(2.6)*	1,101
159	163	Government retail stock	159	162	*3*	*1.9*	162
32,831	34,046	Other borrowings	35,043	34,079	*(964)*	*(2.8)*	35,876
272,085	**264,785**	**Total borrowings**	**282,619**	**295,082**	***12,463***	***4.2***	**305,076**
213,928	208,365	Sovereign-guaranteed debt	222,205	235,641	*13,436*	*5.7*	242,204
58,157	56,420	Non sovereign-guaranteed debt	60,414	59,441	*(973)*	*(1.6)*	62,872
272,085	**264,785**	**Total borrowings**	**282,619**	**295,082**	***12,463***	***4.2***	**305,076**

This note constitutes a Statement of Borrowings as required by the Public Finance Act 1989.

Total borrowings can be split into sovereign-guaranteed and non-sovereign-guaranteed debt. This split reflects the fact that borrowings by SOEs and Crown entities are not explicitly guaranteed by the Crown. No debt of SOEs and Crown entities is currently guaranteed by the Crown.

		NOTE 13: New Zealand Emissions Trading Scheme					
6,626	6,626	Opening liability	7,156	6,556	*(600)*	*(9.2)*	6,556
267	2	Units sold	-	76	*76*	*100.0*	330
1,075	431	Allocated units	363	391	*28*	*7.2*	1,174
(1,774)	(687)	Units surrendered	(553)	(705)	*(152)*	*(21.6)*	(2,215)
1,018	1,708	(Gains)/ losses due to revaluation in NZ Units	(721)	-	*721*	-	-
(56)	13	Other movements	(18)	(16)	*2*	*12.5*	(104)
7,156	**8,093**	**Closing liability**	**6,227**	**6,302**	***75***	***1.2***	**5,741**

The New Zealand Emissions Trading Scheme (NZ ETS) encourages emissions abatement by putting a price on emissions and rewarding carbon removal activities such as forestry. Tradeable units (NZUs) are allocated into the market through government auctions. NZUs are also allocated free-of-charge to foresters for forestry removals and to certain industrial activities that are both emission-intensive and trade-exposed (industrial allocation). NZ ETS participants must meet their emissions obligations by surrendering NZUs to the government. The NZ ETS liability represents the NZUs outstanding at the reporting date that can be used to settle these emission obligations in the future.

Further information on the NZ ETS, can be found on the Ministry for the Environment's website: https://environment.govt.nz

		NOTE 14: Insurance Liabilities					
68,766	64,319	ACC liability	70,441	67,485	*(2,956)*	*(4.4)*	71,797
1,273	1,186	Natural Hazards Commission liability	1,211	1,025	*(186)*	*(18.1)*	992
287	134	Other insurance liabilities	174	224	*50*	*22.3*	175
70,326	**65,639**	**Total insurance liabilities**	**71,826**	**68,734**	***(3,092)***	***(4.5)***	**72,964**

The most recent valuation of the ACC liability was as at 30 June 2025 and is updated monthly for changes to discount rates.

		NOTE 15: Provisions					
8,275	8,561	Provision for employee entitlements	8,087	6,724	*(1,363)*	*(20.3)*	6,716
4,132	2,914	Veterans disability entitlements	4,126	6,109	*1,983*	*32.5*	6,125
572	593	Provision for National Provident Fund guarantee	548	566	*18*	*3.2*	534
5,005	3,177	Other provisions	4,071	3,587	*(484)*	*(13.5)*	3,332
17,984	**15,245**	**Total provisions**	**16,832**	**16,986**	***154***	***0.9***	**16,707**

As at 30 June 2025 $m	As at 31 Oct 2024 $m		Current Year Actual vs Forecast				Annual Forecast $m
			Actual $m	Forecast $m	*Variance $m*	*%*	
		NOTE 16: Changes in Net Worth					
(3,487)	(2,080)	Taxpayers' funds	(2,445)	(7,960)	*5,515*	*69.3*	(15,064)
183,280	181,060	Property, plant and equipment revaluation reserve	183,153	181,198	*1,955*	*1.1*	181,198
1,251	750	Defined benefit retirement plan revaluation reserve	1,233	1,392	*(159)*	*(11.4)*	1,462
(1,843)	(640)	Veterans' disability entitlements reserve	(1,843)	(3,855)	*2,012*	*52.2*	(3,855)
9,868	9,254	Net worth attributable to minority interests	9,849	9,314	*535*	*5.7*	9,346
59	99	Other reserves	49	157	*(108)*	*(68.8)*	137
189,128	**188,443**	**Total net worth**	**189,996**	**180,246**	***9,750***	***5.4***	**173,224**
300	300	Opening taxpayers funds	(3,487)	(5,156)	*1,669*	*32.4*	(5,156)
(4,400)	(2,595)	Operating balance excluding minority interests	866	(2,827)	*3,693*	*130.6*	(9,884)
613	215	Transfers from/(to) other reserves	176	23	*153*	-	(24)
(3,487)	**(2,080)**	**Closing taxpayers funds**	**(2,445)**	**(7,960)**	***5,515***	***69.3***	**(15,064)**
181,176	181,176	Opening property, plant and equipment revaluation reserve	183,280	181,193	*2,087*	*1.2*	181,193
3,730	104	Net revaluations	65	-	*65*	-	-
(1,022)	-	Revaluation reserve attributable to minority interest	-	-	-	-	-
(604)	(220)	Transfers from/(to) other reserves	(192)	5	*(197)*	-	5
183,280	**181,060**	**Closing property, plant and equipment revaluation reserve**	**183,153**	**181,198**	***1,955***	***1.1***	**181,198**
9,231	9,231	Opening net worth attributable to minority interests	9,868	9,435	*433*	*4.6*	9,435
374	344	Increase/(decrease) in minority interest from changes in equity	92	61	*31*	*50.8*	102
(207)	31	Operating balance attributable to minority interests	171	143	*28*	*19.6*	353
470	(352)	Net movements	(282)	(325)	*43*	*13.2*	(544)
9,868	**9,254**	**Closing net worth attributable to minority interests**	**9,849**	**9,314**	***535***	***5.7***	**9,346**
118	118	Opening other reserves	59	155	*(96)*	*(61.9)*	155
(59)	(19)	Net movements	(10)	2	*(12)*	-	(18)
59	**99**	**Closing other reserves**	**49**	**157**	***(108)***	***(68.8)***	**137**

FISCAL INDICATOR ANALYSIS

For the four months ended 31 October 2025

Reconciliation between the Operating Balance, OBEGAL and OBEGALx

Year to 30 June 2025 Actual $m	4 months to 31 Oct 2024 Actual $m		Current Year Actual vs Forecast				Annual Forecast $m
			Actual $m	Forecast $m	*Variance $m*	*%*	
		Operating Balance					
169,811	55,877	Total revenue	54,978	56,678	*(1,700)*	*(3.0)*	175,864
183,502	60,395	Less total expenses	59,978	61,284	*1,306*	*2.1*	191,158
8,870	1,948	Total gains/(losses)	6,018	1,899	*4,119*	*216.9*	5,692
214	6	Net surplus from associates and joint ventures	19	23	*(4)*	*(17.4)*	71
207	(31)	Minority interests share of operating balance	(171)	(143)	*(28)*	*(19.6)*	(353)
(4,400)	**(2,595)**	**Operating balance**	**866**	**(2,827)**	**3,693**	**130.6**	**(9,884)**
		Reconciliation Between the Operating Balance, OBEGAL and OBEGALx					
(4,400)	**(2,595)**	**Operating balance**	**866**	**(2,827)**	**3,693**	**130.6**	**(9,884)**
		Less items excluded from OBEGAL:					
9,272	3,787	Net gains/(losses) on financial instruments	8,359	1,899	*6,460*	*340.2*	5,692
(402)	(1,839)	Net gains/(losses) on non-financial instruments	(2,341)	-	*(2,341)*	-	-
214	6	Net surplus from associates and joint ventures	19	23	*(4)*	*(17.4)*	71
489	100	Minority interests share of total gains/(losses)	15	(2)	*17*	-	(45)
(13,973)	**(4,649)**	**OBEGAL**	**(5,186)**	**(4,747)**	**(439)**	**(9.2)**	**(15,602)**
(4,667)	(661)	ACC net revenue	(242)	(508)	*266*	*52.4*	(3,527)
(9,306)	**(3,988)**	**OBEGAL excluding ACC**	**(4,944)**	**(4,239)**	**(705)**	**(16.6)**	**(12,075)**

FISCAL INDICATOR ANALYSIS

For the four months ended 31 October 2025

Expenses by Functional Classification

Year to 30 June 2025 Actual $m	4 months to 31 Oct 2024 Actual $m		Note	Current Year Actual vs Forecast Actual $m	Forecast $m	*Variance* *$m*	*%*	Annual Forecast $m
		Total Crown expenses						
57,635	18,358	Social security and welfare		18,668	19,100	*432*	*2.3*	59,475
29,853	10,588	Health		10,574	10,223	*(351)*	*(3.4)*	31,224
22,308	7,551	Education		7,992	7,798	*(194)*	*(2.5)*	22,949
7,775	1,723	Core government services		1,741	2,038	*297*	*14.6*	6,552
7,309	2,406	Law and order		2,512	2,586	*74*	*2.9*	7,946
15,830	4,787	Transport and communications		5,124	5,105	*(19)*	*(0.4)*	18,323
16,153	5,954	Economic and industrial services		4,477	5,444	*967*	*17.8*	15,886
3,226	1,028	Defence		1,112	1,159	*47*	*4.1*	3,507
3,381	1,340	Heritage, culture and recreation		1,311	1,241	*(70)*	*(5.6)*	3,368
2,525	821	Primary services		844	854	*10*	*1.2*	2,517
4,507	1,448	Housing and community development		1,392	1,517	*125*	*8.2*	4,728
2,400	796	Environmental protection		802	760	*(42)*	*(5.5)*	2,611
83	22	GSF pension expenses		45	28	*(17)*	*(60.7)*	86
127	43	Other		15	34	*19*	*55.9*	93
10,390	3,530	Finance costs		3,369	3,547	*178*	*5.0*	11,073
-	-	Forecast new operating spending	7	-	-	-	-	1,720
-	-	Top-down expense adjustment	7	-	(150)	*(150)*	*(100.0)*	(900)
183,502	**60,395**	**Total Crown expenses excluding losses**		**59,978**	**61,284**	***1,306***	***2.1***	**191,158**

Below is an analysis of core Crown expenses by functional classification. Core Crown expenses include expenses incurred by the Crown, Departments and the Reserve Bank, but not Crown entities and SOEs.

Year to 30 June 2025 Actual $m	4 months to 31 Oct 2024 Actual $m		Note	Current Year Actual vs Forecast Actual $m	Forecast $m	*Variance* *$m*	*%*	Annual Forecast $m
		Core Crown expenses						
47,503	15,763	Social security and welfare		16,639	16,697	*58*	*0.3*	50,161
30,311	10,258	Health		10,827	10,921	*94*	*0.9*	32,709
20,895	6,862	Education		7,162	6,949	*(213)*	*(3.1)*	21,454
7,908	1,725	Core government services		1,850	2,078	*228*	*11.0*	6,723
6,734	2,237	Law and order		2,375	2,428	*53*	*2.2*	7,342
5,472	1,671	Transport and communications		1,980	1,520	*(460)*	*(30.3)*	7,226
3,514	1,243	Economic and industrial services		948	1,098	*150*	*13.7*	3,235
3,271	1,038	Defence		1,130	1,177	*47*	*4.0*	3,552
1,457	592	Heritage, culture and recreation		689	609	*(80)*	*(13.1)*	1,416
996	284	Primary services		279	344	*65*	*18.9*	1,045
2,150	846	Housing and community development		759	762	*3*	*0.4*	2,396
2,410	804	Environmental protection		802	762	*(40)*	*(5.2)*	2,615
65	15	GSF pension expenses		37	16	*(21)*	*(131.3)*	49
127	43	Other		15	34	*19*	*55.9*	93
8,862	2,983	Finance costs		2,978	3,027	*49*	*1.6*	9,513
-	-	Forecast new operating spending	7	-	-	-	-	1,720
-	-	Top-down expense adjustment	7	-	(150)	*(150)*	*(100.0)*	(900)
141,675	**46,364**	**Core Crown expenses excluding losses**		**48,470**	**48,272**	***(198)***	***(0.4)***	**150,349**

FISCAL INDICATOR ANALYSIS

For the four months ended 31 October 2025

Core Crown Residual Cash

Year to 30 June 2025 $m	4 months to 31 Oct 2024 $m		Current Year Actual vs Forecast				Annual Forecast $m
			Actual $m	Forecast $m	*Variance $m*	*% *	
		Core Crown Cash Flows from Operations					
123,536	42,186	Tax receipts	41,697	41,092	*605*	*1.5*	125,956
1,916	576	Other sovereign receipts	634	716	*(82)*	*(11.5)*	2,231
3,329	963	Interest receipts	1,169	982	*187*	*19.0*	2,296
3,704	1,217	Sale of goods & services and other receipts	1,213	1,302	*(89)*	*(6.8)*	4,105
(47,422)	(16,639)	Transfer payments and subsidies	(16,759)	(16,620)	*(139)*	*(0.8)*	(49,080)
(79,742)	(28,375)	Personnel and operating costs	(31,568)	(29,879)	*(1,689)*	*(5.7)*	(83,905)
(7,001)	(1,675)	Interest payments	(1,448)	(1,457)	*9*	*0.6*	(7,615)
-	-	Forecast for future new operating spending	-	-	-	-	(1,720)
-	-	Top-down expense adjustment	-	150	*(150)*	*(100.0)*	900
(1,680)	**(1,747)**	**Net core Crown operating cash flows**	**(5,062)**	**(3,714)**	***(1,348)***	***(36.3)***	**(6,832)**
(3,669)	(1,208)	Net purchase of physical and intangible assets	(1,201)	(1,521)	*320*	*21.0*	(4,323)
6,194	2,943	Net increase in advances	4,289	3,532	*757*	*21.4*	4,789
(5,962)	(2,058)	Net purchase of investments	(1,736)	(2,959)	*1,223*	*41.3*	(6,507)
(879)	(293)	Contributions to New Zealand Superannuation Fund	-	-	-	-	-
-	-	Forecast for future new capital spending	-	-	-	-	(2,560)
-	-	Top-down capital adjustment	-	150	*(150)*	*(100.0)*	900
(4,316)	**(616)**	**Net core Crown capital cash flows**	**1,352**	**(798)**	***2,150***	***269.4***	**(7,701)**
(5,996)	**(2,363)**	**Core Crown residual cash surplus / (deficit)**	**(3,710)**	**(4,512)**	***802***	***17.8***	**(14,533)**
		The core Crown residual cash surplus / (deficit) is funded or invested as follows:					
		Debt Programme Cash Flows					
		Market:					
40,918	18,736	Issue of government bonds	14,448	17,792	*(3,344)*	*(18.8)*	35,590
(20,191)	(1,552)	Repayment of government bonds	(6,498)	(5,532)	*(966)*	*(17.5)*	(18,127)
(4,518)	(4,648)	Net issue/(repayment) of short-term borrowing[1]	(3,091)	1,225	*(4,316)*	*(352.3)*	3,000
16,209	**12,536**	**Total market debt cash flows**	**4,859**	**13,485**	***(8,626)***	***(64.0)***	**20,463**
		Non market:					
(80)	-	Net issue/(repayment) of short-term borrowing[1]	-	-	-	-	-
(80)	**-**	**Total non-market debt cash flows**	**-**	**-**	**-**	**-**	**-**
16,129	**12,536**	**Total debt programme cash flows**	**4,859**	**13,485**	***(8,626)***	***(64.0)***	**20,463**
		Other Borrowing Cash Flows					
		Net (repayment)/issue of other New Zealand					
(4,035)	(6,763)	dollar borrowing	(2,869)	2,748	*(5,617)*	*(204.4)*	4,128
9,600	6,426	Net (repayment)/issue of foreign currency borrowing	1,214	(2,175)	*3,389*	*155.8*	(3,823)
5,565	**(337)**	**Total other borrowing cash flows**	**(1,655)**	**573**	***(2,228)***	***(48.6)***	**305**
		Investing Cash Flows					
		Other net sale/(purchase) of marketable securities					
(8,822)	(5,175)	and deposits	1,573	(9,621)	*11,194*	*116.3*	(6,316)
175	17	Issues of circulating currency	129	31	*98*	*316.1*	91
(7,051)	(4,678)	Decrease/(increase) in cash	(1,196)	44	*(1,240)*	-	(10)
(15,698)	**(9,836)**	**Total investing cash flows**	**506**	**(9,546)**	***10,052***	***105.3***	**(6,235)**
5,996	**2,363**	**Core Crown residual cash deficit / (surplus) funding**	**3,710**	**4,512**	***(802)***	***(17.8)***	**14,533**

1. Short-term borrowing consists of Treasury Bills and Euro-Commercial Paper.

FISCAL INDICATOR ANALYSIS

As at 31 October 2025

Debt Indicators

As at 30 June 2025 Actual $m	As at 31 Oct 2024 Actual $m		Current Year Actual vs Forecast Actual $m	Forecast $m	*Variance $m*	*%*	Annual Forecast $m
		Net core Crown debt:					
238,967	231,680	Core Crown borrowings[1]	247,531	260,149	*12,618*	*4.9*	266,686
467	2,607	Core Crown unsettled purchases of securities[2]	1,286	5,490	*4,204*	*76.6*	5,213
(2,715)	(4,143)	Less NZS Fund borrowings[3]	(3,924)	(6,587)	*(2,663)*	*(40.4)*	(6,311)
236,719	**230,144**	***Borrowings included in net core Crown debt***	**244,893**	**259,052**	***14,159***	***5.5***	**265,588**
(173,536)	(166,017)	Core Crown financial assets[4]	(177,678)	(185,641)	*(7,963)*	*(4.3)*	(184,348)
(2,245)	(5,435)	Core Crown unsettled sales of securities[2]	(3,435)	(4,650)	*(1,215)*	*(26.1)*	(4,233)
86,922	82,242	Less NZS Fund financial assets[5]	93,047	91,128	*(1,919)*	*(2.1)*	93,933
34,311	37,593	Less core Crown advances	29,719	31,150	*1,431*	*4.6*	29,248
(54,548)	**(51,617)**	***Financial assets included in net core Crown debt***	**(58,347)**	**(68,013)**	***(9,666)***	***(14.2)***	**(65,400)**
182,171	**178,527**	**Net core Crown debt**	**186,546**	**191,039**	***4,493***	***2.4***	**200,188**
		Net debt:					
182,171	178,527	Net core Crown debt (as above)	186,546	191,039	*4,493*	*2.4*	200,188
61,850	58,302	Crown entity borrowings[6]	63,287	64,422	*1,135*	*1.8*	67,883
(36,784)	(34,035)	Less Kiwi Group borrowings[7]	(36,777)	(37,871)	*(1,094)*	*(2.9)*	(40,315)
(34,311)	(37,593)	Add core Crown advances	(29,719)	(31,150)	*(1,431)*	*(4.6)*	(29,248)
172,926	**165,201**	**Net debt (excl. NZS Fund)**	**183,337**	**186,440**	***3,103***	***1.7***	**198,508**
2,715	4,143	NZS Fund borrowings	3,924	6,587	*2,663*	*40.4*	6,311
(86,922)	(82,242)	NZS Fund financial assets	(93,047)	(91,128)	*1,919*	*2.1*	(93,933)
88,719	**87,102**	**Net debt**	**94,214**	**101,899**	***7,685***	***7.5***	**110,886**
		Gross Debt:					
238,967	231,680	Core Crown borrowings	247,531	260,149	*12,618*	*4.9*	266,686
467	2,607	Core Crown unsettled purchases of securities	1,286	5,490	*4,204*	*76.6*	5,213
(2,715)	(4,143)	Less NZS Fund borrowings	(3,924)	(6,587)	*(2,663)*	*(40.4)*	(6,311)
(33,031)	(37,446)	Less Reserve Bank settlement cash[8] and Reserve Bank bills	(28,985)	(31,402)	*(2,417)*	*(7.7)*	(26,772)
203,688	**192,698**	**Gross Debt**	**215,908**	**227,650**	***11,742***	***5.2***	**238,816**

Notes on borrowings

1. Core Crown borrowings represent the total debt obligations of the consolidated core Crown segment. This includes any government stock held by ACC and includes settlement deposits with the Reserve Bank.
2. Unsettled sales and purchases of securities are classified in the Statement of Financial Position as receivables and accounts payable, respectively.
3. The NZS Fund borrowings adjustment also reflects any government stock held by NZS Fund.
4. Core Crown financial assets includes any asset that is cash, deposits, share investments, advances, other marketable securities or a right to exchange a financial asset or liability on favourable terms (derivatives in gain).
5. NZS Fund financial assets excludes NZS Fund's inter-segment eliminations.
6. Crown entity borrowings represents the total debt obligations of the consolidated Crown entities. This includes debt issued by Crown entities, such as Kāinga Ora.
7. Kiwi Group borrowings includes Kiwi Group customer deposits as disclosed in Note 12: Borrowings and other 3rd party derivative balances.
8. Includes Reserve Bank's New Zealand dollar transactional banking services for other Central Banks and the International Monetary Fund.

FISCAL INDICATOR ANALYSIS

For the four months ended 31 October 2025

New Zealand Superannuation Fund

30 June 2025 $m	31 Oct 2024 $m		Current Year Actual vs Forecast: Actual $m	Forecast $m	*Variance $m*	*%*	Annual Forecast $m
		NZ Superannuation Fund					
1,784	614	Revenue	559	591	*(32)*	*(5.4)*	1,773
1,755	244	Less current tax expense	368	506	*138*	*27.3*	1,518
193	69	Less other expenses[1]	65	104	*39*	*37.5*	314
7,313	2,707	Add gains/(losses)	5,858	1,644	*4,214*	*256.3*	4,933
7,149	**3,008**	**Operating balance**	**5,984**	**1,625**	***4,359***	***268.2***	**4,874**
74,819	74,819	Opening net worth	82,847	82,397	*450*	*0.5*	82,397
879	293	Contributions from the Crown	-	-	-	-	-
7,149	3,008	Operating balance	5,984	1,625	*4,359*	*268.2*	4,874
-	(3)	Other movements in reserves	-	-	-	-	-
82,847	**78,117**	**Closing net worth**	**88,831**	**84,022**	***4,809***	***5.7***	**87,271**
		Comprising:					
87,295	82,596	Financial assets	93,264	91,322	*1,942*	*2.1*	94,126
(4,515)	(4,475)	Financial liabilities	(4,436)	(7,266)	*2,830*	*38.9*	(6,800)
67	(4)	Net other assets	3	(34)	*37*	*108.8*	(55)
82,847	**78,117**	**Closing net worth**	**88,831**	**84,022**	***4,809***	***5.7***	**87,271**

1. This includes deferred tax expenses which can vary from month to month.

Reconciliation Between the Financial Statements and the Key Fiscal Indicators

Financial Results	31 Oct 2025 Actual $m	31 Oct 2025 Forecast $m	Variance $m	Variance %	Annual Forecast $m
Core Crown taxation revenue...	39,513	40,133	(620)	(1.5)	125,044
...combined with other core Crown revenue...	4,353	4,561	(208)	(4.6)	14,682
...funds core Crown expenses...	(48,470)	(48,272)	(198)	(0.4)	(150,349)
...and with SOE and CE[1] excluding ACC results..	(340)	(661)	321	48.6	(1,452)
...this results in an operating balance before gains losses excluding ACC **(OBEGALx)**...	**(4,944)**	**(4,239)**	**(705)**	**(16.6)**	**(12,075)**
...adding back ACC revenue and expenses...	(242)	(508)	266	52.4	(3,527)
...this results in an operating balance before gains and losses **(OBEGAL)**...	**(5,186)**	**(4,747)**	**(439)**	**(9.2)**	**(15,602)**
..with gains/losses leading to an **operating surplus/(deficit)**...	866	(2,827)	3,693	130.6	(9,884)
...with income in SOEs, CEs[1] and the NZS Fund retained...	(4,088)	(626)	(3,462)	-	(438)
...and some items do not impact cash.	(1,840)	(261)	(1,579)	-	3,490
This leads to an operating residual cash surplus/(deficit)...	**(5,062)**	**(3,714)**	**(1,348)**	**(36.3)**	**(6,832)**
...used to make contributions to the NZS Fund...	-	-	-	-	-
...and to use for capital expenditure	(1,201)	(1,521)	320	21.0	(4,323)
...and to make advances	4,289	3,532	757	21.4	4,789
...and to purchase investments	(1,736)	(2,959)	1,223	41.3	(6,507)
Adjusting for forecast adjustments (top-down/new spending)...	-	150	(150)	(100.0)	(1,660)
...results in a **borrowing requirement (cash (deficit)/surplus)**	**(3,710)**	**(4,512)**	**802**	**17.8**	**(14,533)**
Opening net core Crown debt...	182,171	185,644	3,473	1.9	185,644
...when combined with the residual cash (surplus)/deficit...	3,710	4,512	802	17.8	14,533
...and other fair value movements in financial assets and financial liabilities...	665	883	218	24.7	11
...results in a closing **net core Crown debt**...	**186,546**	**191,039**	**4,493**	**2.4**	**200,188**
...which as a % of GDP is	**42.8%**	**43.8%**			**43.9%**

1. State-owned enterprises (SOEs) and Crown entities (CEs).