

9 June 2015

MEDIA STATEMENT

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Paul Helm, Chief Government Accountant

Financial Statements of the Government of New Zealand for the Ten Months Ended 30 April 2015

The *Financial Statements of the Government of New Zealand* for the ten months ended 30 April 2015 were released by the Treasury today. The statements are compared against forecasts based on the *Budget Economic and Fiscal Update (BEFU)* published last month.

Once minority interests' share of revenues and expenses are removed, the total Crown's **operating balance before gains and losses** (OBEGAL) was a surplus of \$448 million in the ten-month period. This compares to a forecast deficit of \$555 million.

Total Crown expenses, which include day-to-day spending by departments, Crown entities and State-owned Enterprises as well as non-cash items such as depreciation on physical assets, were \$77.7 billion for the ten month period. Total Crown revenues were \$78.5 billion. Given the size of the Crown's operations, the OBEGAL is subject to some fluctuation from month to month.

The core Crown, which consists primarily of government departments, had higher than forecast tax revenue and lower than anticipated expenses.

Core Crown tax revenue, at \$55.0 billion, was 0.8% or \$437 million stronger than forecast. Higher than forecast tax revenue largely related to corporate tax (\$190 million) and GST (\$141 million):

- Corporate tax was higher than expected mainly owing to Portfolio Investment Entity (PIE) tax in the month of April being stronger than anticipated. With April being the last significant month for PIE tax in this financial year, there is potential for this positive-to-forecast variance to persist through to 30 June.
- Above forecast GST suggests higher than forecast domestic spending as indicated by strong March quarter retail sales. However, it is still too early to be confident whether or not this strength will continue through to 30 June.

Core Crown expenses, at \$59.8 billion, were \$420 million (0.7%) lower than forecast with the variance spread across a number of departments. The largest related to education expenses which were \$164 million lower than forecast. While a large portion of this variance is timing in nature, some of the variance may persist until year end.

Net losses on non-financial instruments were \$865 million lower than forecast, mainly due to lower than forecast actuarial losses on the ACC claims liability, mostly reflecting the impact of higher interest rates on discount rates.

When these gains and losses are combined with the OBEGAL result, the **operating balance** was a surplus of \$795 million (\$1.7 billion stronger than forecast).

The **core Crown residual cash** position, at a deficit of \$4.8 billion, was \$420 million stronger than forecast, mainly due to core Crown tax receipts tracking above forecast (\$229 million) and capital payments being \$123 million less than forecast. **Net debt**, at \$64.2 billion, (equivalent to 27.0% of GDP) was \$268 million lower than forecast, largely reflecting the residual cash result. Both the residual cash deficit and net debt are expected to reduce further over the remainder of the financial year.

At 30 April, total Crown assets were valued at \$267.8 billion and liabilities were \$186.4 billion while the Crown's share of **net worth** stood at \$76.2 billion.

\$ million	Year to date				Full Year
	April	April	Variance to BEFU \$m	Variance to BEFU %	June
	2015	2015			2015
	Actual ¹	Forecast ¹			BEFU Forecast ²
Core Crown					
Core Crown tax revenue	55,048	54,611	437	0.8	66,077
Core Crown revenue	59,885	59,473	412	0.7	71,884
Core Crown expenses	59,753	60,173	420	0.7	73,090
Core Crown residual cash	(4,838)	(5,258)	420	8.0	(2,674)
Gross debt ³	85,517	84,893	(624)	(0.7)	83,910
<i>as a percentage of GDP</i>	35.9%	35.7%			35.0%
Net debt ⁴	64,169	64,437	268	0.4	61,673
<i>as a percentage of GDP</i>	27.0%	27.1%			25.7%
Total Crown					
Operating balance before gains and losses	448	(555)	1,003	180.7	(684)
Operating balance	795	(863)	1,658	(192.1)	(634)
Net worth attributable to the Crown	76,235	74,677	1,558	2.1	74,803

1 Using GDP for the year ended 31 December 2014 of \$237,924 million (Source: Statistics New Zealand).

2 Using forecast GDP for the year ended 30 June 2015 of \$239,771 million (Source: Treasury).

3 Gross sovereign-issued debt excluding settlement cash and Reserve Bank bills.

4 Net core Crown debt excluding student loans and other advances. Net debt may fluctuate during the year largely reflecting the timing of tax receipts.

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Financial Statements of the Government of New Zealand

For the Ten Months Ended
30 April 2015



Prepared by the Treasury
9 June 2015

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New Zealand Government

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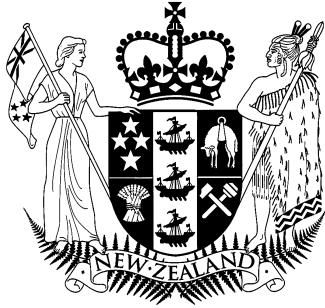
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COMMENTARY

S U M M A R Y

The Financial Statements of the Government provide a record of the Government's financial performance for the ten months ended 30 April 2015 and its financial position as at that date.

The April results are reported against forecasts based on the 2015 *Budget Economic and Fiscal Update (BEFU)*, published on 21 May 2015.

At a Glance

Table 1 – Key indicators for the ten months ended 30 April 2015 compared to BEFU

	Year to date				Full Year
	April 2015	April 2015 BEFU Forecast ¹	Variance to BEFU \$m	Variance to BEFU %	June 2015 BEFU Forecast ²
\$ million	Actual ¹	Forecast ¹	\$m	%	Forecast ²
Core Crown					
Core Crown tax revenue	55,048	54,611	437	0.8	66,077
Core Crown revenue	59,885	59,473	412	0.7	71,884
Core Crown expenses	59,753	60,173	420	0.7	73,090
Core Crown residual cash	(4,838)	(5,258)	420	8.0	(2,674)
Gross debt ³	85,517	84,893	(624)	(0.7)	83,910
<i>as a percentage of GDP</i>	35.9%	35.7%			35.0%
Net debt ⁴	64,169	64,437	268	0.4	61,673
<i>as a percentage of GDP</i>	27.0%	27.1%			25.7%
Total Crown					
Operating balance before gains and losses	448	(555)	1,003	180.7	(684)
Operating balance	795	(863)	1,658	(192.1)	(634)
Net worth attributable to the Crown	76,235	74,677	1,558	2.1	74,803

1 Using GDP for the year ended 31 December 2014 of \$237,924 million (Source: Statistics New Zealand).

2 Using forecast GDP for the year ended 30 June 2015 of \$239,771 million (Source: Treasury).

3 Gross sovereign-issued debt excluding settlement cash and Reserve Bank bills.

4 Net core Crown debt excluding student loans and other advances. Net debt may fluctuate during the year largely reflecting the timing of tax receipts.

Core Crown includes Ministers, Departments, Offices of Parliament, the NZS Fund and the Reserve Bank of New Zealand but excludes State-owned enterprises and Crown entities.

Results for the ten months ended 30 April 2015

Once minority interests' share of revenues and expenses are removed, the total Crown's **operating balance before gains and losses** (OBEGAL) was a surplus of \$448 million in the ten-month period. This compares to a forecast deficit of \$555 million.

Total Crown expenses, which include day-to-day spending by departments, Crown entities and State-owned Enterprises as well as non-cash items such as depreciation on physical assets, were \$77.7 billion for the ten month period. Total Crown revenues were \$78.5 billion. Given the size of the Crown's operations, the OBEGAL is subject to some fluctuation from month to month.

The core Crown, which consists primarily of government departments, had higher than forecast tax revenue and lower than anticipated expenses.

Core Crown tax revenue, at \$55.0 billion, was 0.8% or \$437 million stronger than forecast. Higher than forecast tax revenue largely related to corporate tax (\$190 million) and GST (\$141 million):

- Corporate tax was higher than expected mainly owing to Portfolio Investment Entity (PIE) tax in the month of April being stronger than anticipated. With April being the last significant month for PIE tax in this financial year, there is potential for this positive-to-forecast variance to persist through to 30 June.
- Above forecast GST suggests higher than forecast domestic spending as indicated by strong March quarter retail sales. However, it is still too early to be confident whether or not this strength will continue through to 30 June.

Core Crown expenses, at \$59.8 billion, were \$420 million (0.7%) lower than forecast with the variance spread across a number of departments. The largest related to education expenses which were \$164 million lower than forecast. While a large portion of this variance is timing in nature, some of the variance may persist until year end.

Net losses on non-financial instruments were \$865 million lower than forecast, mainly due to lower than forecast actuarial losses on the ACC claims liability, mostly reflecting the impact of higher interest rates on discount rates.

When these gains and losses are combined with the OBEGAL result, the **operating balance** was a surplus of \$795 million (\$1.7 billion stronger than forecast).

The **core Crown residual cash** position, at a deficit of \$4.8 billion, was \$420 million stronger than forecast, mainly due to core Crown tax receipts tracking above forecast (\$229 million) and capital payments being \$123 million less than forecast. **Net debt**, at \$64.2 billion, (equivalent to 27.0% of GDP) was \$268 million lower than forecast, largely reflecting the residual cash result. Both the residual cash deficit and net debt are expected to reduce further over the remainder of the financial year.

At 30 April, total Crown assets were valued at \$267.8 billion and liabilities were \$186.4 billion while the Crown's share of **net worth** stood at \$76.2 billion.

ANALYSIS

Table 2 – Key indicator variances for the ten months ended 30 April 2015 compared to *BEFU*:

Item/indicator	Variance ¹	Key drivers
Core Crown		
Core Crown revenue	\$412 million higher than forecast	Core Crown revenue was higher than forecast mainly due to higher core Crown tax revenue of \$437m across the following tax types: <ul style="list-style-type: none"> • Corporate tax was \$190m (2.3%) above forecast, mainly owing to above forecast tax from Portfolio Investment Entities (PIEs). With April being the last significant month for PIE tax in this financial year, there is potential for this to be a permanent favourable variance from forecast at 30 June. • GST was \$141m (1.0%) above forecast which suggests higher than forecast domestic spending as indicated by strong March quarter retail sales. However, it is still too early to be confident whether or not this strength will continue through to 30 June. • Source deductions were \$81m (0.4%) above forecast. At this stage this positive variance is not expected to persist to 30 June.
Core Crown expenses	\$420 million lower than forecast	Core Crown expenses at \$59.8b were \$420m lower than forecast. Excluding the top-down expense adjustment of \$139m, underlying expenses were \$559m lower than expected across a number of departments. The largest favourable variance related to education expenses which were \$164m lower than forecast.
Core Crown residual cash deficit	\$420 million lower than forecast	The residual cash deficit was \$0.4b lower than forecast largely due to the following: <ul style="list-style-type: none"> • Core Crown tax receipts were tracking \$229m above forecast, following the tax revenue trend. Corporate tax receipts were \$279m higher than forecast due to higher than forecast PIE and terminal tax receipts. All other tax types were close to forecast. • Operating payments were \$93m below forecast, with lower than forecast interest payments. • Capital payments were \$123m below forecast largely relating to delays in Canterbury rebuild capital projects.
Gross debt	(\$624 million) higher than forecast	Gross debt at \$85.5b (35.9% of GDP) was \$0.6b higher than forecast. This variance is largely attributable to higher than forecast Treasury bills and government bond holdings of \$0.3b each. The increased debt is largely held in financial assets so has no flow on impact to net debt.
Net debt	\$268 million lower than forecast	Net debt at \$64.2b, or 27.0% of GDP was lower than forecast largely due to the more favourable residual cash result explained above. Offsetting this, lower than forecast gains on borrowings and marketable securities also contributed to this result.

¹ Favourable variances against forecast have a positive sign and unfavourable variances against forecast have a negative sign.

Total Crown		
Operating balance before gains and losses deficit	\$1,003 million higher than forecast	<p>The OBEGAL surplus at \$448m was \$1.0b higher than the forecast deficit.</p> <p>The key drivers of the OBEGAL variance were higher than forecast core Crown revenue (\$412m) and lower than forecast core Crown expenses (\$420m) as previously discussed.</p> <p>In addition to the core Crown, the SOE and Crown entity segments results were around \$200m higher than forecast across a number of entities. The largest favourable variance related to Housing New Zealand with results around \$80m higher than forecast.</p>
Operating balance	\$1,658 million higher than forecast	<p>The operating balance was in surplus by \$0.8b and above forecast by \$1.7b.</p> <p>In addition to the favourable OBEGAL result, net losses were \$0.7b lower than forecast. This was largely due to lower-than-forecast actuarial losses on the ACC liabilities (\$0.9b) due to a higher discount rate compared to that used in the forecast and lower-than-forecast gains on financial instruments (\$0.2b).</p>
Net worth attributable to the Crown	\$1,558 million higher than forecast	<p>Net worth was \$76.2b, \$1.6b higher than forecast mainly due to a higher-than-forecast operating balance as explained above.</p>

Table 3 – Fiscal strategy and financial results

Fiscal Strategy		Financial Results		Ref	30 Apr 2015 Actual \$m	30 Apr 2015 Forecast \$m	Variance \$m	Variance ² %	Annual Forecast \$m
		Taxation as a % of GDP		1	27.8%	27.5%			27.6%
Operating revenue Ensure sufficient operating revenue to meet the operating balance objective		Core Crown taxation revenue ...			55,048	54,611	437	0.8	66,077
		... combined with other core Crown revenue ...			4,837	4,862	(25)	(0.5)	5,807
Operating expenses To control the growth in spending so that, over time, core Crown expenses are reduced to below 30% of GDP		... fund core Crown expenses...			(59,753)	(60,173)	420	0.7	(73,090)
		... and with SOE and Crown entity results and core Crown gains and losses...			663	(163)	826	-	572
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...			795	(863)	1,658	192.1	(634)
		...with income in SOEs, CEs and the NZS Fund retained...			(1,606)	(710)	(896)	(126.2)	(1,638)
		... and some items do not impact cash ...			(635)	(170)	(465)	(273.5)	3,292
		... leaving operating cash flows to ...			(1,446)	(1,743)	297	17.0	1,020
		... meet the capital expenditure budget ...			(1,658)	(1,705)	47	2.8	(2,111)
Debt Manage total debt at prudent levels ensuring net debt is reduced to a level no higher than 20% of GDP by 2020. Beyond 2020, maintain net debt within a range of around 10% to 20% of GDP over the economic cycle		... make advances (e.g. to students and DHBs)...			(1,734)	(1,810)	76	4.2	(2,211)
		... and receive proceeds from government share offers			-	-	-	-	628
		With the residual cash ...			(4,838)	(5,258)	420	8.0	(2,674)
		... when combined with opening net debt ...			59,931	59,931	-	-	59,931
		... and fair value movements and other changes in financial assets and financial liabilities ...			(600)	(752)	(152)	(20.2)	(932)
	... results in a closing net debt ...			64,169	64,437	268	0.4	61,673	
	... and as a % of GDP			27.0%	27.1%			25.7%	

1 GDP for the ten months ended 30 April 2015 (actual and forecast) is the actual data for the year ended 31 December 2014 (Source: Statistics New Zealand) pro-rated for ten months.

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

YEAR - ON - YEAR PERSPECTIVE

Table 4 – Comparison with previous year

	April 2015 Actual \$m	April 2014 Actual \$m	Change ¹ \$m	Change %
Statement of Financial Performance				
Core Crown Revenue				
Taxation revenue	55,048	50,528	4,520	8.9
Other revenue	4,837	4,987	(150)	(3.0)
Total core Crown revenue	59,885	55,515	4,370	7.9
Core Crown Expenses				
Social security and welfare	19,661	19,024	637	3.3
GSF pension expenses	290	213	77	36.2
Health	12,492	12,364	128	1.0
Education	10,495	10,040	455	4.5
Core government services	3,467	3,355	112	3.3
Law and order	2,918	2,871	47	1.6
Defence	1,588	1,500	88	5.9
Transport and communications	1,686	1,643	43	2.6
Economic and industrial services	1,830	1,705	125	7.3
Primary services	539	549	(10)	(1.8)
Heritage, culture and recreation	685	690	(5)	(0.7)
Environmental protection	546	393	153	38.9
Housing and community development	272	280	(8)	(2.9)
Other	91	245	(154)	(62.9)
Finance costs	3,193	3,004	189	6.3
Total core Crown expenses	59,753	57,876	1,877	3.2
Net surplus of SOE/CE's (and inter-segment eliminations)	316	990	(674)	(68.1)
OBEGAL	448	(1,371)	1,819	132.7
Total gains/(losses)	(235)	4,974	(5,209)	(104.7)
Other operating items	582	203	379	186.7
Operating balance	795	3,806	(3,011)	(79.1)
Core Crown residual cash	(4,838)	(6,507)	1,669	25.6
Debt indicators				
Gross debt²	85,517	83,039	2,478	3.0
Net debt³	64,169	62,252	1,917	3.1

¹ Due to the seasonal nature of some expenditure it is not appropriate to annualise these changes.

² Gross sovereign-issued debt excluding settlement cash and Reserve Bank bills.

³ Net core Crown debt excluding NZS Fund, student loans and other advances.

Revenue and Expenses

Core Crown taxation revenue for the ten months ended 30 April 2015 increased by \$4,520 million (8.9%) on the same period last year. Improving macroeconomic conditions have led to growth in corporate tax (13.8%), other individuals tax (13.6%) and other direct taxes (11.1%). GST grew by 8.1% largely due to increased domestic spending while source deductions grew by 6.7% due to higher wages and employment.

Total **core Crown expenses** increased by 3.2% on the same period last year. The main increases relate to the following:

Functional expense	Movement from previous year	Main drivers of the change
Increases:		
Social security and welfare	+ \$637 million	Indexation of welfare benefits and increase in recipient numbers, particularly NZ Superannuitants.
Education	+ \$455 million	Funding provided in the 2014 Budget to maintain and improve existing service levels and the impairment of student loan assets.
Finance costs	+ \$189 million	Largely a result of the increased debt levels currently held.
Environmental protection	+ \$153 million	\$103 million of this relates to the Crown's signing of the Deed of Indemnity with Solid Energy.
Health	+ \$128 million	Funding provided in the 2014 Budget to maintain and improve existing service levels.
Other functional classes	+ \$315 million	Largely due to funding provided in the 2014 Budget across a number of areas.
Total	\$1,877 million	

Gains/Losses

Total net losses were \$235 million in the ten months to April 2015, compared to gains of \$4,974 million in the previous year due largely to the actuarial losses on the ACC and GSF liability in the current period.

Debt

Gross debt increased by \$2,478 million or 3.0% from April 2014. **Net debt** has increased by \$1,917 million or 3.1% over the same time, largely owing to continued cash deficits.



FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE

for the ten months ended 30 April 2015

Year to 30 Jun 2014	10 months to 30 Apr 2014		Current Year Actual vs Forecast				Annual Forecast \$m	
			Note	Actual \$m	Forecast \$m	Variance \$m		%
		Revenue						
60,879	50,050	Taxation revenue	2	54,502	54,085	417	0.8	65,462
5,450	4,533	Other sovereign revenue	2	4,395	4,341	54	1.2	5,191
66,329	54,583	Total Revenue Levied through the Crown's Sovereign Power		58,897	58,426	471	0.8	70,653
16,472	13,582	Sales of goods and services		13,692	13,659	33	0.2	16,625
3,175	2,566	Interest revenue and dividends	3	2,827	2,918	(91)	(3.1)	3,565
3,420	3,025	Other revenue		3,055	3,083	(28)	(0.9)	3,594
23,067	19,173	Total revenue earned through the Crown's operations		19,574	19,660	(86)	(0.4)	23,784
89,396	73,756	Total revenue (excluding gains)		78,471	78,086	385	0.5	94,437
		Expenses						
23,360	19,234	Transfer payments and subsidies	4	19,552	19,535	(17)	(0.1)	23,846
20,484	16,949	Personnel expenses	5	17,562	17,609	47	0.3	21,182
4,872	3,592	Depreciation and amortisation	6	3,804	3,877	73	1.9	4,855
35,553	28,865	Other operating expenses	7	29,638	30,149	511	1.7	36,757
4,400	3,662	Finance costs	8	3,775	3,901	126	3.2	4,689
3,501	2,598	Insurance expenses	9	3,354	3,435	81	2.4	4,023
-	-	Forecast new operating spending		-	-	-	-	7
-	-	Top-down expense adjustment		-	(139)	(139)	(100.0)	(555)
92,170	74,900	Total expenses (excluding losses)		77,685	78,367	682	0.9	94,804
(159)	(227)	Minority interests share of operating balance before gains/(losses)		(338)	(274)	(64)	(23.4)	(317)
(2,933)	(1,371)	Operating balance before gains/(losses) (excluding minority interests)		448	(555)	1,003	180.7	(684)
4,841	3,853	Net gains/(losses) on financial instruments	10	5,299	5,503	(204)	(3.7)	5,955
540	1,121	Net gains/(losses) on non-financial instruments	11	(5,534)	(6,399)	865	13.5	(6,551)
5,381	4,974	Total gains/(losses)		(235)	(896)	661	73.8	(596)
360	203	Net surplus/(deficit) from associates and joint ventures		582	588	(6)	(1.0)	646
2,808	3,806	Operating balance (excluding minority interests)		795	(863)	1,658	192.1	(634)

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

ANALYSIS OF EXPENSES BY FUNCTIONAL CLASSIFICATION

for the ten months ended 30 April 2015

Year to 30 Jun 2014	10 months to 30 Apr 2014		Current Year Actual vs Forecast				Annual Forecast \$m
			Actual \$m	Forecast \$m	Variance \$m	%	
		Total Crown expenses					
27,266	22,326	Social security and welfare	23,353	23,361	8	-	28,224
295	221	GSF pension expenses	302	305	3	1.0	375
14,344	11,906	Health	12,274	12,288	14	0.1	14,748
13,064	10,986	Education	11,419	11,590	171	1.5	13,772
4,104	3,144	Core government services	3,185	3,385	200	5.9	3,940
3,730	3,053	Law and order	3,131	3,134	3	0.1	3,863
1,776	1,468	Defence	1,546	1,563	17	1.1	1,878
9,137	7,081	Transport and communications	7,229	7,455	226	3.0	9,583
7,767	6,157	Economic and industrial services	6,770	6,706	(64)	(1.0)	8,169
2,372	1,944	Heritage, culture and recreation	1,836	1,836	-	-	2,174
1,703	1,398	Primary services	1,454	1,469	15	1.0	1,848
1,095	917	Housing and community development	874	968	94	9.7	1,211
538	392	Environmental protection	446	454	8	1.8	593
579	245	Other	91	91	-	-	285
4,400	3,662	Finance costs	3,775	3,901	126	3.2	4,689
-	-	Forecast new operating spending	-	-	-	-	7
-	-	Top-down expense adjustment	-	(139)	(139)	(100.0)	(555)
92,170	74,900	Total Crown expenses excluding losses	77,685	78,367	682	0.9	94,804

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 Jun 2014	10 months to 30 Apr 2014		Current Year Actual vs Forecast				Annual Forecast \$m
			Actual \$m	Forecast \$m	Variance \$m	%	
		Core Crown expenses					
23,281	19,024	Social security and welfare	19,661	19,661	-	-	23,842
282	213	GSF pension expenses	290	290	-	-	359
14,898	12,364	Health	12,492	12,510	18	0.1	15,075
12,300	10,040	Education	10,495	10,659	164	1.5	13,021
4,502	3,355	Core government services	3,467	3,687	220	6.0	4,401
3,501	2,871	Law and order	2,918	2,923	5	0.2	3,606
1,811	1,500	Defence	1,588	1,603	15	0.9	1,927
2,237	1,643	Transport and communications	1,686	1,691	5	0.3	2,328
2,058	1,705	Economic and industrial services	1,830	1,851	21	1.1	2,268
842	690	Heritage, culture and recreation	685	699	14	2.0	779
676	549	Primary services	539	539	-	-	735
347	280	Housing and community development	272	287	15	5.2	357
533	393	Environmental protection	546	552	6	1.1	678
579	245	Other	91	91	-	-	285
3,620	3,004	Finance costs	3,193	3,269	76	2.3	3,977
-	-	Forecast new operating spending	-	-	-	-	7
-	-	Top-down expense adjustment	-	(139)	(139)	(100.0)	(555)
71,467	57,876	Core Crown expenses excluding losses	59,753	60,173	420	0.7	73,090

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

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

for the ten months ended 30 April 2015

Year to 30 Jun 2014	10 months to 30 Apr 2014		Current Year Actual vs Forecast				Annual Forecast \$m
			Actual \$m	Forecast \$m	Variance \$m	%	
2,946	4,052	Operating Balance (including minority interest)	1,140	(528)	1,668	315.9	(251)
		Other comprehensive revenue and expense					
5,395	(342)	Revaluation of physical assets	(24)	(31)	7	22.6	(51)
(34)	(82)	Net change in hedging instruments entered into for cash flow hedges	(91)	(23)	(68)	(295.7)	(142)
(51)	(29)	Foreign currency translation differences for foreign operations	(14)	7	(21)	(300.0)	7
(36)	(79)	Valuation gains/(losses) on investments available for sale taken to reserves	22	21	1	4.8	24
1	17	Other movements	(30)	(19)	(11)	(57.9)	(46)
5,275	(515)	Total other comprehensive revenue and expense	(137)	(45)	(92)	(204.4)	(208)
8,221	3,537	Total comprehensive revenue and expense	1,003	(573)	1,576	275.0	(459)
		Attributable to:					
147	246	- minority interest	336	318	18	5.7	306
8,074	3,291	- the Crown	667	(891)	1,558	174.9	(765)
8,221	3,537	Total comprehensive revenue and expense	1,003	(573)	1,576	275.0	(459)

STATEMENT OF CHANGES IN NET WORTH

for the ten months ended 30 April 2015

Year to 30 Jun 2014	10 months to 30 Apr 2014		Current Year Actual vs Forecast				Annual Forecast \$m
			Actual \$m	Forecast \$m	Variance \$m	%	
70,011	70,011	Opening net worth	80,779	80,779	-	-	80,779
2,946	4,052	Operating balance (including minority interest)	1,140	(528)	1,668	315.9	(251)
5,395	(342)	Net revaluations	(24)	(31)	7	22.6	(51)
(2)	(163)	Transfers to/(from) reserves (Gains)/losses transferred to the	(60)	(11)	(49)	(445.5)	(113)
(43)	(1)	Statement of Financial Performance	(1)	-	(1)	-	7
(75)	(9)	Other movements	(52)	(3)	(49)	-	(51)
8,221	3,537	Total comprehensive revenue and expense	1,003	(573)	1,576	275.0	(459)
(577)	(548)	Gain/(loss) on Government share offers in SOEs Increase in minority interest from Government	-	-	-	-	-
3,308	3,256	share offers	-	-	-	-	23
(184)	(49)	Transactions with minority interests	(333)	(350)	17	4.9	(359)
80,779	76,207	Closing net worth	81,449	79,856	1,593	2.0	79,984

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

STATEMENT OF CASH FLOWS

for the ten months ended 30 April 2015

Year to 30 Jun 2014 Actual \$m	10 months to 30 Apr 2014 Actual \$m		Current Year Actual vs Forecast				Annual Forecast \$m
			Actual \$m	Forecast \$m	Variance \$m	%	
Cash Flows from Operations							
Cash was provided from							
59,853	46,789	Taxation receipts	51,213	50,949	264	0.5	64,650
4,974	4,197	Other sovereign receipts	4,194	4,075	119	2.9	4,642
16,608	13,385	Sales of goods and services	14,095	14,580	(485)	(3.3)	17,135
2,945	2,412	Interest and dividends receipts	2,742	2,868	(126)	(4.4)	3,465
5,737	5,217	Other operating receipts	3,397	3,610	(213)	(5.9)	4,319
90,117	72,000	Total cash provided from operations	75,641	76,082	(441)	(0.6)	94,211
Cash was disbursed to							
23,447	19,509	Transfer payments and subsidies	19,411	19,392	(19)	(0.1)	23,944
59,891	50,339	Personnel and operating payments	50,856	52,421	1,565	3.0	62,090
4,312	3,446	Interest payments	3,683	3,896	213	5.5	4,784
-	-	Forecast new operating spending	-	-	-	-	7
-	-	Top-down expense adjustment	-	(139)	(139)	(100.0)	(555)
87,650	73,294	Total cash disbursed to operations	73,950	75,570	1,620	2.1	90,270
2,467	(1,294)	Net cash flows from operations	1,691	512	1,179	230.3	3,941
Cash Flows from Investing Activities							
Cash was provided from/(disbursed to)							
(5,503)	(4,441)	Net (purchase)/sale of physical assets	(4,778)	(4,973)	195	3.9	(7,022)
(5,725)	(4,007)	Net (purchase)/sale of shares and other securities	3,355	2,683	672	25.0	952
(658)	(488)	Net (purchase)/sale of intangible assets	(454)	(463)	9	1.9	(601)
(1,529)	(1,326)	Net (issue)/repayment of advances	(1,473)	(1,492)	19	1.3	(1,786)
73	111	Net acquisition of investments in associates	107	60	47	78.3	134
-	-	Forecast new capital spending	-	-	-	-	-
-	-	Top-down capital adjustment	-	94	(94)	(100.0)	375
(13,342)	(10,151)	Net cash flows from investing activities	(3,243)	(4,091)	848	20.7	(7,948)
(10,875)	(11,445)	Net cash flows from operating and investing activities	(1,552)	(3,579)	2,027	56.6	(4,007)
Cash Flows from Financing Activities							
Cash was provided from/(disbursed to)							
274	444	Issues of circulating currency	425	484	(59)	(12.2)	511
2,186	2,186	Net proceeds from Government share offer programme	-	-	-	-	595
5,520	5,867	Net issue/(repayment) of Government bonds	(1,364)	(1,367)	3	0.2	(482)
1,442	569	Net issue/(repayment) of foreign currency borrowing	(1,836)	(2,141)	305	14.2	(2,101)
(832)	(505)	Net issue/(repayment) of other New Zealand dollar borrowing	6,702	7,523	(821)	(10.9)	6,688
(166)	(165)	Dividends paid to minority interests	(472)	(482)	10	2.1	(471)
8,424	8,396	Net cash flows from financing activities	3,455	4,017	(562)	(14.0)	4,740
(2,451)	(3,049)	Net movement in cash	1,903	438	1,465	334.5	733
14,924	14,924	Opening cash balance	11,888	11,888	-	-	11,888
(585)	(483)	Foreign-exchange gains/(losses) on opening cash	422	592	(170)	(28.7)	588
11,888	11,392	Closing cash balance	14,213	12,918	1,295	10.0	13,209

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

STATEMENT OF CASH FLOWS (CONTINUED)

for the ten months ended 30 April 2015

Year to 30 Jun 2014 Actual \$m	10 months to 30 Apr 2014 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							
2,467	(1,294)	Net Cash Flows from Operations	1,691	512	1,179	230.3	3,941
		<i>Items included in the operating balance but not in net cash flows from operations</i>					
		Gains/(losses)					
4,841	3,853	Net gains/(losses) on financial instruments	5,299	5,503	(204)	(3.7)	5,955
540	1,121	Net gains/(losses) on non-financial instruments	(5,534)	(6,399)	865	13.5	(6,551)
5,381	4,974	Total gains/(losses)	(235)	(896)	661	73.8	(596)
		Other Non-cash Items in Operating Balance					
(4,872)	(3,592)	Depreciation and amortisation	(3,804)	(3,877)	73	1.9	(4,855)
(789)	(727)	Write-down on initial recognition of financial assets	(624)	(635)	11	1.7	(738)
(47)	(8)	Impairment of financial assets (excluding receivables)	(281)	(290)	9	3.1	(290)
442	383	Decrease/(increase) in defined benefit retirement plan liabilities	315	315	-	-	374
1,409	1,086	Decrease/(increase) in insurance liabilities	26	659	(633)	(96.1)	1,538
202	(25)	Other	247	314	(67)	(21.3)	330
(3,655)	(2,883)	Total other non-cash Items	(4,121)	(3,514)	(607)	(17.3)	(3,641)
		Movements in Working Capital					
(1,553)	1,861	Increase/(decrease) in receivables	2,634	2,221	413	18.6	390
143	(62)	Increase/(decrease) in accrued interest	(7)	46	(53)	(115.2)	194
(41)	(75)	Increase/(decrease) in inventories	(21)	-	(21)	-	(33)
39	280	Increase/(decrease) in prepayments	235	161	74	46.0	(61)
(248)	45	Decrease/(increase) in deferred revenue	(74)	(79)	5	6.3	(40)
275	960	Decrease/(increase) in payables/provisions	693	686	7	1.0	(788)
(1,385)	3,009	Total movements in working capital	3,460	3,035	425	14.0	(338)
2,808	3,806	Operating balance (excluding minority interests)	795	(863)	1,658	192.1	(634)

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

STATEMENT OF FINANCIAL POSITION

as at 30 April 2015

As at 30 Jun 2014 Actual \$m	As at 30 Apr 2014 Actual \$m		Note	Current Year Actual vs Forecast				Annual Forecast \$m
				Actual \$m	Forecast \$m	Variance \$m	%	
Assets								
11,888	11,392	Cash and cash equivalents	13	14,213	12,918	1,295	10.0	13,209
17,480	21,124	Receivables	13	19,904	19,854	50	0.3	17,471
48,457	45,563	Marketable securities, deposits and derivatives in gain	13	46,836	45,081	1,755	3.9	46,469
20,596	20,613	Share investments	13	24,637	24,243	394	1.6	24,526
24,756	24,484	Advances	13	26,607	26,773	(166)	(0.6)	26,973
1,099	1,065	Inventory		1,079	1,099	(20)	(1.8)	1,067
2,510	2,697	Other assets		2,568	2,520	48	1.9	2,153
116,306	110,781	Property, plant and equipment	14	118,313	118,509	(196)	(0.2)	119,432
10,071	9,776	Equity accounted investments ¹		10,679	10,764	(85)	(0.8)	10,742
2,920	2,823	Intangible assets and goodwill	15	2,992	2,927	65	2.2	2,999
-	-	Forecast for new capital spending		-	-	-	-	-
-	-	Top-down capital adjustment		-	(94)	94	100.0	(375)
256,083	250,318	Total assets		267,828	264,594	3,234	1.2	264,666
Liabilities								
4,964	5,135	Issued currency		5,389	5,449	60	1.1	5,476
11,294	11,331	Payables	17	11,027	10,305	(722)	(7.0)	11,500
1,962	1,669	Deferred revenue		2,036	2,041	5	0.2	2,002
103,419	103,058	Borrowings		109,662	108,566	(1,096)	(1.0)	107,898
35,825	36,207	Insurance liabilities	18	39,085	39,309	224	0.6	38,519
10,885	10,634	Retirement plan liabilities		12,618	12,618	-	-	12,560
6,955	6,077	Provisions	19	6,562	6,450	(112)	(1.7)	6,727
175,304	174,111	Total liabilities		186,379	184,738	(1,641)	(0.9)	184,682
80,779	76,207	Total assets less total liabilities		81,449	79,856	1,593	2.0	79,984
Net Worth								
13,300	14,241	Taxpayers' funds	20	14,162	12,485	1,677	13.4	12,720
62,225	56,646	Property, plant and equipment revaluation reserve	20	62,148	62,189	(41)	(0.1)	62,142
43	(73)	Other reserves	20	(75)	3	(78)	-	(59)
75,568	70,814	Total net worth attributable to the Crown		76,235	74,677	1,558	2.1	74,803
5,211	5,393	Net worth attributable to minority interest	20	5,214	5,179	35	0.7	5,181
80,779	76,207	Total net worth		81,449	79,856	1,593	2.0	79,984

1. Tertiary education institutions constitute most equity accounted investments.

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

STATEMENT OF BORROWINGS

as at 30 April 2015

As at 30 Jun 2014 Actual \$m	As at 30 Apr 2014 Actual \$m		Current Year Actual vs Forecast				Annual Forecast \$m
			Actual \$m	Forecast \$m	Variance \$m	%	
60,337	60,735	Government bonds ¹	59,006	57,948	(1,058)	(1.8)	58,381
3,147	3,541	Treasury bills	7,024	6,801	(223)	(3.3)	5,917
183	185	Government retail stock	186	180	(6)	(3.3)	179
7,758	6,602	Settlement deposits with Reserve Bank	7,293	7,311	18	0.2	7,311
2,245	2,504	Derivatives in loss	3,831	2,842	(989)	(34.8)	2,582
1,501	1,490	Finance lease liabilities	1,818	1,872	54	2.9	2,088
28,248	28,001	Other borrowings	30,504	31,612	1,108	3.5	31,440
103,419	103,058	Total borrowings	109,662	108,566	(1,096)	(1.0)	107,898
77,461	77,197	Sovereign-guaranteed debt	81,010	80,200	(810)	(1.0)	79,702
25,958	25,861	Non sovereign-guaranteed debt	28,652	28,366	(286)	(1.0)	28,196
103,419	103,058	Total borrowings	109,662	108,566	(1,096)	(1.0)	107,898
		Net Debt:					
89,090	88,953	Core Crown borrowings ²	92,687	92,119	(568)	(0.6)	91,162
(622)	(553)	Add back NZS Fund holdings of sovereign-issued debt and NZS Fund borrowings	(1,083)	(1,193)	(110)	(9.2)	(1,168)
88,468	88,400	Gross sovereign-issued debt³	91,604	90,926	(678)	(0.7)	89,994
68,047	64,445	Less core Crown financial assets ⁴	71,145	69,519	1,626	2.3	71,777
20,421	23,955	Net core Crown debt	20,459	21,407	948	4.4	18,217
13,753	13,671	Add back core Crown advances	14,159	14,125	(34)	(0.2)	14,352
34,174	37,626	Net core Crown debt (incl NZS Fund)⁵	34,618	35,532	914	2.6	32,569
25,757	24,626	Add back NZS Fund holdings of core Crown financial assets and NZS Fund fin assets ⁶	29,551	28,905	(646)	(2.2)	29,104
59,931	62,252	Net core Crown debt (excl NZS Fund and advances)⁷	64,169	64,437	268	0.4	61,673
		Gross Debt:					
88,468	88,400	Gross sovereign-issued debt ³	91,604	90,926	(678)	(0.7)	89,994
(8,112)	(6,961)	Less Reserve Bank settlement cash and Reserve Bank bills	(7,687)	(7,633)	54	0.7	(7,684)
1,600	1,600	Add back changes to DMO borrowing due to settlement cash ⁸	1,600	1,600	-	-	1,600
81,956	83,039	Gross sovereign-issued debt excluding Reserve Bank settlement cash and Reserve Bank bills	85,517	84,893	(624)	(0.7)	83,910

Notes on borrowings:

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.

- Government bonds includes \$395 million of infrastructure bonds.
- Core Crown borrowings in this instance includes unsettled purchases of securities (classified as accounts payable in the statement of financial position).
- 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.
- Core Crown financial assets exclude receivables.
- 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 creditworthiness of a country.
- 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.
- Net Core Crown Debt (excluding NZS Fund and advances) excludes financial assets which are held for public policy rather than treasury management purposes.
- 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 COMMITMENTS

as at 30 April 2015

	As at 30 Apr 2015 \$m	As at 30 Jun 2014 \$m	As at 30 Apr 2014 \$m
Capital Commitments			
Specialist military equipment	415	732	393
Land and buildings	1,118	878	973
Other property, plant and equipment	5,513	5,307	5,125
Other capital commitments	839	919	878
Tertiary Education Institutions	201	201	169
Total capital commitments	8,086	8,037	7,538
Operating Commitments			
Non-cancellable accommodation leases	2,838	3,059	2,622
Other non-cancellable leases	2,381	2,340	2,544
Tertiary Education Institutions	494	494	466
Total operating commitments	5,713	5,893	5,632
Total commitments	13,799	13,930	13,170
Total Commitments by Segment			
Core Crown	4,216	4,916	3,665
Crown entities	5,362	5,465	5,359
State-owned Enterprises	5,022	4,847	5,004
Inter-segment eliminations	(801)	(1,298)	(858)
Total commitments	13,799	13,930	13,170

STATEMENT OF CONTINGENT LIABILITIES AND ASSETS

as at 30 April 2015

	As at 30 Apr 2015 \$m	As at 30 Jun 2014 \$m	As at 30 Apr 2014 \$m
Quantifiable Contingent Liabilities			
Guarantees and indemnities	224	222	167
Uncalled capital	6,083	5,662	5,821
Legal proceedings and disputes	452	604	665
Other contingent liabilities	364	357	498
Total quantifiable contingent liabilities	7,123	6,845	7,151
Total Quantifiable Contingent Liabilities by Segment			
Core Crown	6,857	6,568	6,786
Crown entities	47	44	51
State-owned Enterprises	219	233	314
Inter-segment eliminations	-	-	-
Total quantifiable contingent liabilities	7,123	6,845	7,151
Quantifiable Contingent Assets			
Core Crown	138	129	164
Crown entities	3	4	4
State owned enterprises	12	-	-
Inter-segment eliminations	-	-	-
Total quantifiable contingent assets	153	133	168

A list of unquantifiable contingent liabilities is included on the Treasury's website
<http://www.treasury.govt.nz/budget/forecasts/befu2015/047.htm>

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: Accounting Policies

Reporting Entity

These financial statements are the consolidated financial statements for the Government reporting entity as specified in Part III of the Public Finance Act 1989. This comprises:

- Ministers of the Crown
- Government Departments
- Offices of Parliament
- New Zealand Superannuation Fund
- Reserve Bank of New Zealand
- State-Owned Enterprises (SOEs)
- Crown Entities (excluding Tertiary Education Institutions)
- Air New Zealand Limited
- Organisations listed in Schedule 4 and 4A of the Public Finance Act 1989
- Organisations listed in Schedule 5 of the Public Finance Act 1989
- Organisations listed in Schedule 6 of the Public Finance Act 1989

A schedule of the entities that are included in the Government reporting entity was set out on pages 94 - 96 of the *2015 Budget Economic and Fiscal Update* released on 21 May 2015.

With the exception of the 30 June 2014 comparative figures, all actual, forecast and comparative figures presented in these financial statements are unaudited.

Basis of Preparation and General Accounting Policies

These unaudited interim financial statements of the Government reporting entity comply with generally accepted accounting practice as defined in the Financial Reporting Act 2013 and have been prepared in accordance with Public Sector PBE Accounting Standards (PBE Standards), including 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.

These financial statements are prepared in accordance with PBE Standards. There were no material adjustments as a result of transitioning to PBE standards.

The measurement base applied is historical cost adjusted for revaluations of property, plant and equipment (where appropriate), commercial forests; and marketable securities, deposits and equity investments held for trading purposes. The accrual basis of accounting has been used unless otherwise stated.

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:
<http://www.treasury.govt.nz/publications/guidance/reporting/accounting>

Forecasts

The annual forecasts in these financial statements are for the year to 30 June 2015.

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: Accounting Policies (continued)

Comparative Figures

When presentation or classification of items in the financial statements is 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 and Estimates

The preparation of these financial statements requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income 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.

A further area of uncertainty relates to the estimation of the claims and provisions arising from the Canterbury earthquakes. 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.

NOTES TO THE FINANCIAL STATEMENTS

Year to 30 Jun 2014 Actual \$m	10 months to 30 Apr 2014 Actual \$m		Current Year Actual vs Forecast				Annual Forecast \$m
			Actual \$m	Forecast \$m	Variance \$m	%	
NOTE 2: Sovereign Revenue (Accrual)							
Taxation Revenue (accrual)							
Individuals							
23,738	19,744	Source deductions	21,058	20,977	81	0.4	25,114
5,216	4,222	Other persons	4,680	4,681	(1)	-	5,661
(1,573)	(959)	Refunds	(947)	(941)	(6)	(0.6)	(1,517)
489	419	Fringe benefit tax	448	439	9	2.1	519
27,870	23,426	Total individuals	25,239	25,156	83	0.3	29,777
Corporate Tax							
9,020	6,983	Gross companies tax	7,886	7,711	175	2.3	9,838
(192)	(172)	Refunds	(117)	(131)	14	10.7	(152)
428	319	Non-resident withholding tax	342	362	(20)	(5.5)	486
8	9	Foreign-source dividend w/holding payments	(4)	(2)	(2)	(100.0)	(2)
9,264	7,139	Total corporate tax	8,107	7,940	167	2.1	10,170
Other Direct Income Tax							
1,644	1,345	Resident w/holding tax on interest income	1,450	1,455	(5)	(0.3)	1,777
446	353	Resident w/holding tax on dividend income	435	434	1	0.2	523
2,090	1,698	Total other direct income tax	1,885	1,889	(4)	(0.2)	2,300
39,224	32,263	Total income tax	35,231	34,985	246	0.7	42,247
Goods and Services Tax							
27,208	22,409	Gross goods and services tax	23,327	23,374	(47)	(0.2)	28,519
(11,191)	(9,330)	Refunds	(9,192)	(9,380)	188	2.0	(11,312)
16,017	13,079	Total goods and services tax	14,135	13,994	141	1.0	17,207
Other Indirect Taxation							
1,205	1,000	Road user charges	1,076	1,069	7	0.7	1,265
1,612	1,310	Petroleum fuels excise ¹	1,393	1,401	(8)	(0.6)	1,688
892	734	Alcohol excise ¹	779	773	6	0.8	924
1,272	1,119	Tobacco excise ¹	1,333	1,313	20	1.5	1,461
172	145	Other customs duty	142	144	(2)	(1.4)	169
211	177	Gaming duties	185	182	3	1.6	217
187	154	Motor vehicle fees	151	158	(7)	(4.4)	199
52	44	Approved issuer levy and cheque duty	48	37	11	29.7	48
35	25	Energy resources levies	29	29	-	-	37
5,638	4,708	Total other indirect taxation	5,136	5,106	30	0.6	6,008
21,655	17,787	Total indirect taxation	19,271	19,100	171	0.9	23,215
60,879	50,050	Total taxation revenue	54,502	54,085	417	0.8	65,462
Other Sovereign Revenue (accrual)							
3,600	3,033	ACC levies	2,802	2,770	32	1.2	3,303
339	276	Fire Service levies	294	292	2	0.7	355
274	227	EQC levies	234	233	1	0.4	280
545	484	Child support	448	422	26	6.2	501
179	146	Court fines	148	147	1	0.7	179
513	367	Other miscellaneous items	469	477	(8)	(1.7)	573
5,450	4,533	Total other sovereign revenue	4,395	4,341	54	1.2	5,191
66,329	54,583	Total sovereign revenue	58,897	58,426	471	0.8	70,653

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

NOTES TO THE FINANCIAL STATEMENTS

Year to 30 Jun 2014 Actual \$m	10 months to 30 Apr 2014 Actual \$m		Current Year Actual vs Forecast				Annual Forecast \$m
			Actual \$m	Forecast \$m	Variance \$m	%	
NOTE 2 (continued): Sovereign Receipts (Cash)							
Taxation Receipts (cash)							
Individuals							
23,621	19,589	Source deductions	20,861	20,890	(29)	(0.1)	24,982
5,466	4,038	Other persons	4,494	4,491	3	0.1	5,949
(2,276)	(1,717)	Refunds	(1,685)	(1,679)	(6)	(0.4)	(2,111)
482	355	Fringe benefit tax	370	372	(2)	(0.5)	517
27,293	22,265	Total individuals	24,040	24,074	(34)	(0.1)	29,337
Corporate Tax							
9,374	7,100	Gross companies tax	8,127	7,902	225	2.8	10,050
(563)	(475)	Refunds	(467)	(459)	(8)	(1.7)	(544)
405	307	Non-resident withholding tax	409	407	2	0.5	517
-	1	Foreign-source dividend w/holding payments	(4)	(4)	-	-	(4)
9,216	6,933	Total corporate tax	8,065	7,846	219	2.8	10,019
Other Direct Income Tax							
1,629	1,364	Resident w/holding tax on interest income	1,538	1,502	36	2.4	1,776
449	381	Resident w/holding tax on dividend income	467	459	8	1.7	523
2,078	1,745	Total other direct income tax	2,005	1,961	44	2.2	2,299
38,587	30,943	Total income tax	34,110	33,881	229	0.7	41,655
Goods and Services Tax							
26,596	20,053	Gross goods and services tax	20,928	20,885	43	0.2	27,799
(10,948)	(8,969)	Refunds	(9,014)	(9,014)	-	-	(10,812)
15,648	11,084	Total goods and services tax	11,914	11,871	43	0.4	16,987
Other Indirect Taxation							
1,187	971	Road user charges	1,075	1,069	6	0.6	1,265
1,780	1,515	Excise duties	1,658	1,650	8	0.5	1,944
2,179	1,861	Customs duty	2,036	2,074	(38)	(1.8)	2,298
208	175	Gaming duties	182	182	-	-	217
178	170	Motor vehicle fees	162	158	4	2.5	199
51	45	Approved issuer levy and cheque duty	47	35	12	34.3	48
35	25	Energy resources levies	29	29	-	-	37
5,618	4,762	Total other indirect taxation	5,189	5,197	(8)	(0.2)	6,008
21,266	15,846	Total indirect taxation	17,103	17,068	35	0.2	22,995
59,853	46,789	Total tax receipts collected	51,213	50,949	264	0.5	64,650
Other Sovereign Receipts (cash)							
3,579	3,042	ACC levies	2,813	2,708	105	3.9	3,154
340	277	Fire Service levies	294	292	2	0.7	355
273	227	EQC levies	233	239	(6)	(2.5)	287
219	182	Child support	172	167	5	3.0	207
149	123	Court fines	123	124	(1)	(0.8)	152
414	346	Other miscellaneous items	559	545	14	2.6	487
4,974	4,197	Total other sovereign receipts	4,194	4,075	119	2.9	4,642
64,827	50,986	Total sovereign receipts	55,407	55,024	383	0.7	69,292

NOTES TO THE FINANCIAL STATEMENTS

Year to 30 Jun 2014	10 months to 30 Apr 2014	Actual \$m	Actual \$m	Current Year Actual vs Forecast				Annual Forecast \$m
				Actual \$m	Forecast \$m	Variance \$m	%	
NOTE 3: Interest Revenue and Dividends								
<i>By type</i>								
2,516	2,040			2,297	2,392	(95)	(4.0)	2,913
659	526			530	526	4	0.8	652
3,175	2,566			2,827	2,918	(91)	(3.1)	3,565
<i>By source</i>								
2,295	2,012			2,099	2,115	(16)	(0.8)	2,419
1,249	972			1,176	1,208	(32)	(2.6)	1,459
879	735			881	886	(5)	(0.6)	1,070
(1,248)	(1,153)			(1,329)	(1,291)	(38)	(2.9)	(1,383)
3,175	2,566			2,827	2,918	(91)	(3.1)	3,565
NOTE 4: Transfer Payments and Subsidies								
10,913	9,013			9,593	9,601	8	0.1	11,589
1,691	1,415			1,419	1,425	6	0.4	1,686
1,422	1,170			1,260	1,262	2	0.2	1,512
1,222	1,016			993	997	4	0.4	1,186
1,965	1,565			1,420	1,453	33	2.3	1,857
567	443			472	442	(30)	(6.8)	550
1,146	959			942	943	1	0.1	1,128
660	511			584	537	(47)	(8.8)	718
379	316			314	315	1	0.3	377
539	424			406	416	10	2.4	520
1,519	1,378			1,104	1,102	(2)	(0.2)	1,310
22,023	18,210			18,507	18,493	(14)	(0.1)	22,433
Subsidies								
804	658			703	700	(3)	(0.4)	882
Other transfer payments								
533	366			342	342	-	-	531
23,360	19,234			19,552	19,535	(17)	(0.1)	23,846
NOTE 5: Personnel Expenses								
6,232	5,134			5,380	5,419	39	0.7	6,540
11,315	9,385			9,780	9,788	8	0.1	11,749
2,956	2,441			2,415	2,415	-	-	2,909
(19)	(11)			(13)	(13)	-	-	(16)
20,484	16,949			17,562	17,609	47	0.3	21,182
NOTE 6: Depreciation and Amortisation								
1,476	1,149			1,190	1,220	30	2.5	1,457
1,661	1,326			1,394	1,387	(7)	(0.5)	1,687
1,735	1,117			1,220	1,270	50	3.9	1,711
-	-			-	-	-	-	-
4,872	3,592			3,804	3,877	73	1.9	4,855

NOTES TO THE FINANCIAL STATEMENTS

Year to 30 Jun 2014 Actual \$m	10 months to 30 Apr 2014 Actual \$m		Current Year Actual vs Forecast				Annual Forecast \$m
			Actual \$m	Forecast \$m	Variance \$m	%	
NOTE 7: Other Operating Expenses							
<i>By source</i>							
36,777	29,352	Core Crown	30,437	30,866	429	1.4	37,816
17,297	14,377	Crown entities	14,649	14,786	137	0.9	17,947
9,042	7,514	State-owned Enterprises	7,690	7,666	(24)	(0.3)	9,270
(27,563)	(22,378)	Inter-segment eliminations	(23,138)	(23,169)	(31)	(0.1)	(28,276)
35,553	28,865	Total other operating expenses	29,638	30,149	511	1.7	36,757
NOTE 8: Finance Costs							
<i>By type</i>							
4,360	3,634	Interest on financial liabilities	3,741	3,869	128	3.3	4,633
40	28	Interest unwind on provisions	34	32	(2)	(6.3)	56
4,400	3,662	Total finance costs	3,775	3,901	126	3.2	4,689
<i>By source</i>							
3,620	3,004	Core Crown	3,193	3,269	76	2.3	3,977
219	182	Crown entities	186	189	3	1.6	221
1,161	948	State-owned Enterprises	1,055	1,109	54	4.9	1,333
(600)	(472)	Inter-segment eliminations	(659)	(666)	(7)	(1.1)	(842)
4,400	3,662	Total finance costs	3,775	3,901	126	3.2	4,689
NOTE 9: Insurance Expenses							
<i>By entity</i>							
3,484	2,869	ACC	3,226	3,214	(12)	(0.4)	3,783
(111)	(339)	EQC	(177)	(81)	96	118.5	(59)
87	59	Southern Response	289	290	1	0.3	286
41	9	Other insurance expenses	16	12	(4)	(33.3)	13
3,501	2,598	Total insurance expenses	3,354	3,435	81	2.4	4,023
NOTE 10: Net Gains and Losses on Financial Instruments							
<i>By source</i>							
4,045	3,145	Core Crown	4,015	3,998	17	0.4	4,415
702	567	Crown entities	2,572	2,717	(145)	(5.3)	2,765
182	157	State-owned Enterprises	(167)	(26)	(141)	-	(7)
(88)	(16)	Inter-segment eliminations	(1,121)	(1,186)	65	5.5	(1,218)
4,841	3,853	Net gains/(losses) on financial instruments	5,299	5,503	(204)	(3.7)	5,955

NOTES TO THE FINANCIAL STATEMENTS

Year to 30 Jun 2014 Actual \$m	10 months to 30 Apr 2014 Actual \$m		Current Year Actual vs Forecast				Annual Forecast \$m
			Actual \$m	Forecast \$m	Variance \$m	%	
NOTE 11: Net Gains and Losses on Non-Financial Instruments							
<i>By type</i>							
577	887	Actuarial gains/(losses) on GSF liability ¹	(2,049)	(2,049)	-	-	(2,049)
479	418	Actuarial gains/(losses) on ACC liability ²	(3,286)	(4,143)	857	20.7	(4,232)
(516)	(184)	Other	(199)	(207)	8	3.9	(270)
540	1,121	Net gains/(losses) on non-financial instruments	(5,534)	(6,399)	865	13.5	(6,551)
<i>By source</i>							
220	719	Core Crown	(2,284)	(2,300)	16	0.7	(2,360)
477	418	Crown entities	(3,293)	(4,148)	855	20.6	(4,243)
(156)	(16)	State-owned Enterprises	43	49	(6)	(12.2)	53
(1)	-	Inter-segment eliminations	-	-	-	-	(1)
540	1,121	Net gains/(losses) on non-financial instruments	(5,534)	(6,399)	865	13.5	(6,551)
NOTE 12: Operating Balance (excluding Minority Interests)							
<i>By source</i>							
203	1,572	Core Crown	1,904	1,047	857	81.9	916
2,874	2,448	Crown entities	453	(384)	837	218.0	(392)
428	811	State-owned Enterprises	520	533	(13)	(2.4)	490
(697)	(1,025)	Inter-segment eliminations	(2,082)	(2,059)	(23)	(1.1)	(1,648)
2,808	3,806	Total operating balance	795	(863)	1,658	192.1	(634)

1. The most recent GSF valuation was as at 31 January 2015.

2. The most recent ACC valuation was as at 31 December 2014, updated monthly for changes to discount rates.

NOTES TO THE FINANCIAL STATEMENTS

As at 30 June 2014 \$m	As at 30 Apr 2014 \$m		Current Year Actual vs Forecast				Annual Forecast \$m
			Actual \$m	Forecast \$m	Variance \$m	%	
NOTE 13: Financial Assets and Sovereign Receivables							
11,888	11,392	Cash and cash equivalents	14,213	12,918	1,295	10.0	13,209
8,112	10,681	Tax receivables	10,452	10,386	66	0.6	8,884
9,368	10,443	Trade and other receivables	9,452	9,468	(16)	(0.2)	8,587
8,716	8,734	Student loans	8,885	8,884	1	-	8,878
14,630	14,457	Kiwibank mortgages	15,420	15,811	(391)	(2.5)	16,037
3,844	3,165	Long-term deposits	3,660	3,744	(84)	(2.2)	3,046
2,142	2,194	IMF financial assets	2,141	2,325	(184)	(7.9)	2,504
1,410	1,293	Other advances	2,302	2,078	224	10.8	2,058
20,596	20,613	Share investments	24,637	24,243	394	1.6	24,526
4,164	3,811	Derivatives in gain	4,359	3,550	809	22.8	3,303
38,307	36,393	Other marketable securities	36,676	35,462	1,214	3.4	37,616
123,177	123,176	Total financial assets and sovereign receivables	132,197	128,869	3,328	2.6	128,648
Financial Assets by Entity							
18,359	17,273	Debt Management Office	16,549	15,482	1,067	6.9	17,552
18,849	17,992	Reserve Bank of New Zealand	20,722	20,431	291	1.4	20,521
26,990	25,785	NZ Superannuation Fund	30,114	29,774	340	1.1	30,062
24,358	27,092	Other core Crown	26,513	26,648	(135)	(0.5)	22,988
(8,473)	(8,932)	Intra-segment eliminations	(9,167)	(8,891)	(276)	(3.1)	(7,585)
80,083	79,210	Total core Crown segment	84,731	83,444	1,287	1.5	83,538
30,897	31,435	ACC portfolio	36,321	34,968	1,353	3.9	34,787
3,605	3,891	EQC portfolio	2,604	2,010	594	29.6	1,557
9,806	8,905	Other Crown entities	9,775	9,604	171	1.8	8,984
(2,464)	(1,835)	Intra-segment eliminations	(2,832)	(2,821)	(11)	(0.4)	(2,765)
41,844	42,396	Total Crown entities segment	45,868	43,761	2,107	4.8	42,563
21,151	21,081	Total State-owned Enterprises segment	22,191	22,832	(641)	(2.8)	23,156
(19,901)	(19,511)	Inter-segment eliminations	(20,593)	(21,168)	575	2.7	(20,609)
123,177	123,176	Total financial assets and sovereign receivables	132,197	128,869	3,328	2.6	128,648

NOTES TO THE FINANCIAL STATEMENTS

As at 30 June 2014 \$m	As at 30 Apr 2014 \$m		Current Year Actual vs Forecast				Annual Forecast \$m
			Actual \$m	Forecast \$m	Variance \$m	%	
NOTE 14: Property, Plant and Equipment							
Net Carrying Value¹							
By class of asset:							
37,138	34,483	Land	37,208	37,222	(14)	-	37,312
27,396	26,212	Buildings	27,689	27,879	(190)	(0.7)	28,498
19,709	18,820	State highways	20,646	20,584	62	0.3	20,828
13,941	13,507	Electricity generation assets	13,649	13,727	(78)	(0.6)	13,643
3,992	4,040	Electricity distribution network (cost)	4,042	4,117	(75)	(1.8)	4,124
2,891	2,241	Specialist military equipment	3,024	3,056	(32)	(1.0)	3,091
2,975	2,623	Specified cultural and heritage assets	2,970	2,984	(14)	(0.5)	2,993
2,287	2,228	Aircraft (excl military)	2,847	2,831	16	0.6	2,891
936	1,145	Rail network	1,097	1,068	29	2.7	1,040
5,041	5,482	Other plant and equipment (cost)	5,141	5,041	100	2.0	5,012
116,306	110,781	Total net carrying value	118,313	118,509	(196)	(0.2)	119,432
By source							
30,963	29,473	Core Crown	31,396	31,512	(116)	(0.4)	31,956
56,802	52,763	Crown entities	57,977	57,987	(10)	-	58,773
28,541	28,545	State-owned Enterprises	28,940	29,010	(70)	(0.2)	28,703
-	-	Inter-segment eliminations	-	-	-	-	-
116,306	110,781	Total net carrying value	118,313	118,509	(196)	(0.2)	119,432
Land breakdown by usage							
11,361	9,575	Housing stock	11,348	11,333	15	0.1	11,371
8,853	8,003	State highway corridor land	8,853	8,853	-	-	8,853
5,432	5,359	Conservation estate	5,358	5,354	4	0.1	5,357
3,256	3,257	Rail network corridor land	3,255	3,244	11	0.3	3,231
3,167	2,863	Schools	3,134	3,186	(52)	(1.6)	3,186
1,312	1,398	Commercial (SOE) excluding rail	1,344	1,321	23	1.7	1,327
3,757	4,028	Other	3,916	3,931	(15)	(0.4)	3,987
37,138	34,483	Total land	37,208	37,222	(14)	-	37,312
Schedule of Movements							
Cost or Valuation							
122,796	122,796	Opening balance	130,342	130,342	-	-	130,342
6,672	4,694	Additions (refer below)	5,897	5,906	(9)	(0.2)	8,039
(1,432)	(666)	Disposals	(581)	(539)	(42)	(7.8)	(731)
3,038	(362)	Net revaluations	(43)	(52)	9	17.3	(3)
(732)	40	Other	(125)	108	(233)	(215.7)	(54)
130,342	126,502	Total cost or valuation	135,490	135,765	(275)	(0.2)	137,593
Accumulated Depreciation and Impairment							
12,963	12,963	Opening balance	14,036	14,036	-	-	14,036
(813)	(283)	Eliminated on disposal	(191)	(145)	(46)	(31.7)	(92)
(2,133)	(82)	Eliminated on revaluation	(20)	(19)	(1)	(5)	(19)
4,151	3,088	Depreciation expense and impairment losses	3,238	3,296	(58)	(1.8)	4,199
(132)	35	Other	114	88	26	29.5	37
14,036	15,721	Total accumulated depreciation and impairment	17,177	17,256	(79)	(0.5)	18,161
116,306	110,781	Total property, plant and equipment	118,313	118,509	(196)	(0.2)	119,432
Additions - by functional classification							
2,363	1,561	Transport and communications	2,469	2,245	224	10.0	3,081
1,108	960	Economic and industrial services	515	551	(36)	(6.5)	593
529	347	Education	721	768	(47)	(6.1)	899
443	377	Health	406	410	(4)	(1.0)	772
386	304	Defence	427	449	(22)	(4.9)	334
1,843	1,145	Other	1,359	1,483	(124)	(8.4)	2,360
6,672	4,694	Total additions	5,897	5,906	(9)	(0.2)	8,039

1. Using a revaluation methodology unless otherwise stated.

NOTES TO THE FINANCIAL STATEMENTS

As at 30 June 2014 \$m	As at 30 Apr 2014 \$m		Current Year Actual vs Forecast				Annual Forecast \$m
			Actual \$m	Forecast \$m	Variance \$m	%	
NOTE 15: Intangible Assets and Goodwill							
628	668	Goodwill	602	589	13	2.2	589
2,292	2,155	Other intangible assets	2,390	2,338	52	2.2	2,410
2,920	2,823	Total intangible assets and goodwill	2,992	2,927	65	2.2	2,999
By source							
1,184	1,129	Core Crown	1,234	1,230	4	0.3	1,247
542	487	Crown entities	543	494	49	9.9	573
1,194	1,207	State-owned Enterprises	1,215	1,203	12	1.0	1,179
-	-	Inter-segment eliminations	-	-	-	-	-
2,920	2,823	Total intangible assets and goodwill	2,992	2,927	65	2.2	2,999
NOTE 16: NZ Superannuation Fund							
767	615	Revenue	594	562	32	5.7	678
(1,074)	(855)	Less: current tax expense	(438)	(406)	32	7.9	(508)
(164)	(151)	Less: other expenses ¹	(104)	(112)	(8)	(7.1)	(138)
3,735	2,908	Add gains/(losses)	3,058	2,992	66	2.2	3,328
3,264	2,517	Operating balance	3,110	3,036	74	2.4	3,360
22,549	22,549	Opening net worth	25,809	25,809	-	-	25,809
3,264	2,517	Operating balance	3,110	3,036	74	2.4	3,360
(4)	(3)	Other movements in reserves	10	19	(9)	(47.4)	21
25,809	25,063	Closing net worth	28,929	28,864	65	0.2	29,190
comprising:							
26,990	25,785	Financial assets	30,114	29,774	340	1.1	30,062
(2,323)	(1,868)	Financial liabilities	(2,321)	(2,044)	(277)	(13.6)	(2,005)
1,142	1,146	Net other assets	1,136	1,134	2	0.2	1,133
25,809	25,063	Closing net worth	28,929	28,864	65	0.2	29,190
1. NZS Fund other expenses include deferred tax expense/(credits).							
NOTE 17: Payables							
7,626	7,774	Accounts payable	7,677	6,693	(984)	(14.7)	7,081
3,668	3,557	Taxes repayable	3,350	3,612	262	7.3	4,419
11,294	11,331	Total payables	11,027	10,305	(722)	(7.0)	11,500
By source							
7,800	7,717	Core Crown	7,546	7,168	(378)	(5.3)	7,869
5,382	5,460	Crown entities	5,264	4,854	(410)	(8.4)	5,027
4,832	4,758	State-owned Enterprises	4,685	4,874	189	3.9	5,040
(6,720)	(6,604)	Inter-segment eliminations	(6,468)	(6,591)	(123)	(1.9)	(6,436)
11,294	11,331	Total intangible assets and goodwill	11,027	10,305	(722)	(7.0)	11,500
NOTE 18: Insurance Liabilities							
29,948	30,189	ACC liability	34,758	35,546	788	2.2	35,307
4,747	4,870	EQC property damage liability	3,307	2,737	(570)	(20.8)	2,288
1,434	1,479	Southern Response	1,286	1,288	2	0.2	1,193
63	56	Other insurance liabilities	53	57	4	7.0	62
(367)	(387)	Inter-segment eliminations	(319)	(319)	-	-	(331)
35,825	36,207	Total insurance liabilities	39,085	39,309	224	0.6	38,519

NOTES TO THE FINANCIAL STATEMENTS

As at 30 June 2014 \$m	As at 30 Apr 2014 \$m		Current Year Actual vs Forecast				Annual Forecast \$m
			Actual \$m	Forecast \$m	Variance \$m	%	
NOTE 19: Provisions							
3,444	3,034	Provision for employee entitlements	3,171	3,103	(68)	(2.2)	3,264
521	370	Provision for ETS Credits ¹	769	769	-	-	863
910	938	Provision for National Provident Fund guarantee	874	874	-	-	872
394	423	Provision for Infrastructure costs	261	249	(12)	(4.8)	204
		Provision for weathertight services					
92	119	financial assistance package	94	94	-	-	64
1,594	1,193	Other provisions	1,393	1,361	(32)	(2.4)	1,460
6,955	6,077	Total provisions	6,562	6,450	(112)	(1.7)	6,727
By source							
4,208	3,583	Core Crown	4,323	4,299	(24)	(0.6)	4,413
2,076	1,957	Crown entities	2,035	2,048	13	0.6	1,994
1,177	923	State-owned Enterprises	1,102	1,003	(99)	(9.9)	964
(506)	(386)	Inter-segment eliminations	(898)	(900)	(2)	(0.2)	(644)
6,955	6,077	Total provisions	6,562	6,450	(112)	(1.7)	6,727
1. Further information on the ETS, and the Kyoto net asset (included as an intangible asset in these financial statements) can be found on the Ministry for the Environment's climate change website www.climatechange.govt.nz							
NOTE 20: Changes in Net Worth							
13,300	14,241	Taxpayers' funds	14,162	12,485	1,677	13.4	12,720
62,225	56,646	Property, plant and equipment revaluation reserve	62,148	62,189	(41)	(0.1)	62,142
5,211	5,393	Net worth attributable to minority interests	5,214	5,179	35	0.7	5,181
43	(73)	Other reserves	(75)	3	(78)	-	(59)
80,779	76,207	Total net worth	81,449	79,856	1,593	2.0	79,984
10,862	10,862	Opening taxpayers funds	13,300	13,300	-	-	13,300
2,808	3,806	Operating balance excluding minority interests	795	(863)	1,658	192.1	(634)
		Gain/(loss) on Government share offers in					
(577)	(548)	state-owned enterprises	-	-	-	-	-
207	121	Transfers from/(to) other reserves	67	48	19	39.6	54
13,300	14,241	Closing taxpayers funds	14,162	12,485	1,677	13.4	12,720
		Opening property, plant and equipment					
57,068	57,068	revaluation reserve	62,225	62,225	-	-	62,225
5,386	(342)	Net revaluations	(24)	(14)	(10)	(71.4)	(39)
(229)	(80)	Transfers from/(to) other reserves	(53)	(22)	(31)	(140.9)	(44)
62,225	56,646	Closing property, plant and equipment revaluation reserve	62,148	62,189	(41)	(0.1)	62,142
		Opening net worth attributable to					
1,940	1,940	minority interests	5,211	5,211	-	-	5,211
3,271	3,453	Net movements	3	(32)	35	109.4	(30)
5,211	5,393	Closing net worth attributable to minority interests	5,214	5,179	35	0.7	5,181
141	141	Opening other reserves	43	43	-	-	43
(98)	(214)	Net movements	(118)	(40)	(78)	(195.0)	(102)
43	(73)	Closing other reserves	(75)	3	(78)	-	(59)

NOTES TO THE FINANCIAL STATEMENTS

Year to 30 Jun 2014 \$m	10 months to 30 Apr 2014 \$m	Current Year Actual vs Forecast				Annual Forecast \$m
		Actual \$m	Forecast \$m	Variance \$m	%	
NOTE 21: Core Crown Residual Cash						
Core Crown Cash Flows from Operations						
61,321	48,067	52,457	52,228	229	0.4	66,032
747	636	834	810	24	3.0	821
1,627	1,484	1,629	1,715	(86)	(5.0)	1,921
2,397	1,984	1,878	1,841	37	2.0	2,442
(23,447)	(19,509)	(19,410)	(19,391)	(19)	(0.1)	(23,944)
(41,989)	(35,391)	(35,727)	(35,891)	164	0.5	(42,757)
(3,642)	(2,869)	(3,107)	(3,194)	87	2.7	(4,043)
-	-	-	-	-	-	(7)
-	-	-	139	(139)	(100.0)	555
(2,986)	(5,598)	(1,446)	(1,743)	297	17.0	1,020
(1,867)	(1,520)	(1,658)	(1,799)	141	7.8	(2,486)
(716)	(714)	(578)	(613)	35	5.6	(759)
(865)	(1,000)	(1,156)	(1,197)	41	3.4	(1,452)
2,325	2,325	-	-	-	-	628
-	-	-	-	-	-	-
-	-	-	94	(94)	(100.0)	375
(1,123)	(909)	(3,392)	(3,515)	123	3.5	(3,694)
(4,109)	(6,507)	(4,838)	(5,258)	420	8.0	(2,674)
<i>The residual cash deficit is funded as follows:</i>						
Debt Programme Cash Flows						
Market:						
7,716	7,039	7,320	7,316	4	0.1	8,201
(2,196)	(1,172)	(8,684)	(8,684)	-	-	(8,684)
(935)	(535)	4,669	4,370	299	6.8	3,380
4,585	5,332	3,305	3,002	303	10.1	2,897
Non market:						
-	-	-	-	-	-	-
-	-	(375)	(679)	304	44.8	(1,152)
-	-	(380)	(380)	-	-	(480)
-	-	(755)	(1,059)	304	28.7	(1,632)
4,585	5,332	2,550	1,943	607	31.2	1,265
Other Borrowing Cash Flows						
(674)	(1,331)	2,247	2,391	(144)	(6.0)	1,682
1,083	635	(1,899)	(2,203)	304	13.8	(1,769)
409	(696)	348	188	160	7.8	(87)
Investing Cash Flows						
(1,510)	17	3,675	4,067	(392)	(9.6)	2,120
274	444	425	484	(59)	(12.2)	511
351	1,410	(2,160)	(1,424)	(736)	(51.7)	(1,135)
(885)	1,871	1,940	3,127	(1,187)	(38.0)	1,496
4,109	6,507	4,838	5,258	(420)	(8.0)	2,674

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