

3 June 2016

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 2016

The *Financial Statements of the Government of New Zealand* for the ten months ended 30 April 2016 were released by the Treasury today. The statements are compared against forecasts based on the *2016 Budget Year Economic and Fiscal Update (BEFU)* published on 26 May 2016.

While for the most part results were consistent with the *BEFU* forecasts, there were some timing-related variances (eg, corporate tax revenue and cash payments) that we expect to reverse by 30 June.

Core Crown tax revenue at \$56.7 billion, was 1.9% or \$1.1 billion lower than forecast largely due to corporate tax being \$1.4 billion below forecast. The majority of the variance was timing-related, where a number of large income tax assessments that were expected to be filed in April (based on historical patterns) had not yet been filed. Instead we now expect these large taxpayers to file in May and June. Other tax types were broadly in line with forecast.

Core Crown expenses at \$60.8 billion, were close to forecast.

The **operating balance before gains and losses** (OBEGAL) was a surplus of \$297 million for the ten months to 30 April, \$941 million lower than forecast, mainly reflecting lower than forecast core Crown tax revenue.

When these gains and losses are combined with the OBEGAL result, the **operating balance** was a deficit of \$3.4 billion (\$1.1 billion larger than forecast).

The **core Crown residual cash** position, at a deficit of \$4.1 billion, was \$594 million smaller than expected, primarily reflecting higher than expected tax receipts and lower cash payments.

Net debt at \$64.6 billion (26.3% of GDP) was \$274 million lower than forecast, largely reflecting the residual cash result, partly offset by lower than forecast gains on borrowings and marketable securities.

At 30 April 2016, total Crown assets were valued at \$281.4 billion and liabilities were \$193.1 billion while the Crown's share of **net worth** stood at \$82.6 billion.

The current OBEGAL surplus of \$297 million compares to a surplus of \$448 million at the same time last year. Core Crown tax revenue has increased by 3.0%, while core Crown expenses have grown by 2.2% over that time.

\$ million	Year to date				Full Year
	April	April	Variance to BEFU 16	Variance to BEFU 16	June
	2016	BEFU 16			2016
	Actual ¹	Forecast ¹	\$m	%	BEFU 16 Forecast ²
Core Crown					
Core Crown tax revenue	56,701	57,823	(1,122)	(1.9)	69,682
Core Crown revenue	61,374	62,444	(1,070)	(1.7)	75,329
Core Crown expenses	60,822	60,886	64	0.1	74,382
Core Crown residual cash	(4,063)	(4,657)	594	12.8	(2,115)
Gross debt ³	86,555	86,251	(304)	(0.4)	86,783
<i>as a percentage of GDP</i>	35.2%	35.0%			34.7%
Net debt ⁴	64,641	64,915	274	0.4	62,272
<i>as a percentage of GDP</i>	26.3%	26.4%			24.9%
Total Crown					
Operating balance before gains and losses	297	1,238	(941)	(76.0)	668
Operating balance	(3,412)	(2,338)	(1,074)	(45.9)	(2,565)
Net worth attributable to the Crown	82,561	83,804	(1,243)	(1.5)	83,547

1 Using the most recently published GDP (for the year ended 31 Dec 2015) of \$246,080 million (Source: Statistics New Zealand).

2 Using forecast GDP for the year ending 30 June 2016 of \$250,126 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 2016



Prepared by the Treasury
3 June 2016

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The URL for this site is <http://www.treasury.govt.nz>

New Zealand Government

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CONTENTS

Commentary

Summary	2
Analysis	3
Year-on-Year Perspective	6

Financial Statements

Statement of Financial Performance	10
<i>The statement outlines the operating results of the total Government (ie, the revenues and expenses of all departments + Reserve Bank + NZS Fund (core Crown), SOEs (including Air New Zealand), and Crown entities). Expense by functional class is also shown for total Crown and core Crown.</i>	
Analysis of Expenses by Functional Classification	11
<i>Breakdown of expenses by function for total Crown and core Crown.</i>	
Statement of Comprehensive Revenue and Expense	12
<i>The statement reports changes in net worth due to the operating balance, items of revenue or expense that are recognised directly in net worth, the effect of certain accounting changes, and corrections of errors.</i>	
Statement of Changes in Net Worth	12
<i>The statement provides a reconciliation of opening and closing net worth for the period.</i>	
Statement of Cash Flows	13
<i>The statement sets out the cash flows that result from the operating, investing and financing activities of the Government. The net cash flows from operations are reconciled to the operating balance reported in the statement of financial performance.</i>	
Statement of Financial Position	15
<i>The statement outlines the balance sheet of the total Government (ie, the assets and liabilities of the core Crown, SOEs, and Crown entities).</i>	
Statement of Borrowings	16
<i>The statement outlines total borrowings (split by sovereign-guaranteed debt and non sovereign-guaranteed debt), including the calculation of the core Crown debt indicators.</i>	
Statement of Commitments	17
<i>The statement outlines the commitments of the total Government by type and segment.</i>	
Statement of Contingent Liabilities and Assets	17
<i>The statement outlines the contingent liabilities and assets of the total Government by type and segment.</i>	
Notes to the Financial Statements	18
<i>The notes are an integral part of the financial statements, providing further explanatory material to that provided in the main statements.</i>	

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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 2016 and its financial position as at that date.

The April results are reported against forecasts based on the 2016 *Budget Economic and Fiscal Update (BEFU)*, published on 26 May 2016.

At a Glance

Table 1 – Key indicators for the ten months ended 30 April 2016 compared to *BEFU*

\$ million	Year to date				Full Year
	April	April	Variance to BEFU 16	Variance to BEFU 16	June
	2016	2016 BEFU 16			2016
	Actual ¹	Forecast ¹	\$m	%	Forecast ²
Core Crown					
Core Crown tax revenue	56,701	57,823	(1,122)	(1.9)	69,682
Core Crown revenue	61,374	62,444	(1,070)	(1.7)	75,329
Core Crown expenses	60,822	60,886	64	0.1	74,382
Core Crown residual cash	(4,063)	(4,657)	594	12.8	(2,115)
Gross debt ³	86,555	86,251	(304)	(0.4)	86,783
<i>as a percentage of GDP</i>	35.2%	35.0%			34.7%
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Operating balance	(3,412)	(2,338)	(1,074)	(45.9)	(2,565)
Net worth attributable to the Crown	82,561	83,804	(1,243)	(1.5)	83,547

1 Using the most recently published GDP (for the year ended 31 Dec 2015) of \$246,080 million (Source: Statistics New Zealand).

2 Using forecast GDP for the year ending 30 June 2016 of \$250,126 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.

Results for the ten months ended 30 April 2016

While for the most part results were consistent with the BEFU forecasts, there were some timing-related variances (e.g. corporate tax revenue and cash payments) that we expect to reverse by 30 June.

Core Crown tax revenue at \$56.7 billion, was 1.9% or \$1.1 billion lower than forecast largely due to corporate tax being \$1.4 billion below forecast. The majority of the variance was timing-related, where a number of large income tax assessments that were expected to be filed in April (based on historical patterns) had not yet been filed. Instead we now expect these large taxpayers to file in May and June. Other tax types were broadly in line with forecast.

Core Crown expenses at \$60.8 billion, were close to forecast.

The operating balance before gains and losses (OBEGAL) was a surplus of \$297 million for the ten months to 30 April, \$941 million lower than forecast, mainly reflecting lower than forecast core Crown tax revenue.

Net losses on non-financial instruments were \$555 million higher than forecast, mainly due an increase of the carbon price on the emissions trading scheme liability since the Budget forecast (\$441 million). Offsetting this result, net gains from the Crown's investment portfolios were \$442 million higher than forecast.

When these gains and losses are combined with the OBEGAL result, the **operating balance** was a deficit of \$3.4 billion (\$1.1 billion larger than forecast).

The **core Crown residual cash** position, at a deficit of \$4.1 billion, was \$594 million smaller than expected, primarily reflecting higher than expected tax receipts and lower cash payments.

Net debt at \$64.6 billion (26.3% of GDP) was \$274 million lower than forecast, largely reflecting the residual cash result, partly offset by lower than forecast gains on borrowings and marketable securities.

At 30 April 2016, total Crown assets were valued at \$281.4 billion and liabilities were \$193.1 billion while the Crown's share of **net worth** stood at \$82.6 billion.

The current OBEGAL surplus of \$297 million compares to a surplus of \$448 million at the same time last year. Core Crown tax revenue has increased by 3.0%, while core Crown expenses have grown by 2.2% over that time.

ANALYSIS

Table 2 – Key indicator variances for the ten months ended 30 April 2016 compared to BEFU:

Item/indicator	Variance ¹	Key drivers
Core Crown		
Core Crown revenue	(\$1,070 million) lower than forecast	<p>Core Crown revenue was lower than forecast primarily due to lower core Crown tax revenue of \$1.1 billion across the following tax types:</p> <ul style="list-style-type: none"> • Corporate tax was \$1.4 billion (14.6%) below forecast. The majority (\$1.2 billion) of the variance was caused by a timing effect; a number of large income tax assessments that were expected to be filed in April had not yet been filed. A large portion of the variance is expected to reverse out by the end of June 2016 once these assessments are filed. \$200 million of the variance arose from Portfolio Investment Entity (PIE) tax coming in below forecast. The PIE tax variance is expected to persist for the remainder of the 2015/16 fiscal year as the peak PIE tax payment month of April has now passed. • Source deductions were \$202m (0.9%) above forecast. Although there may be a small timing element to this variance, it may also indicate that the strength in the labour market in the March quarter has persisted into the June quarter to a greater extent than forecast.
Core Crown expenses	\$64 million lower than forecast	<p>Core Crown expenses at \$60.8b were relatively close to forecast (0.1% variance). Excluding the top-down expense adjustment of \$180m, underlying expenses were \$244m lower than expected.</p> <ul style="list-style-type: none"> • The Ministry of Social Development had the largest variance from forecast of \$67m (0.4%) due in part to lower-than-forecast benefit expenditure and below forecast impairments of benefit debt due to lower interest rates. • Transport spending was \$42m below forecast mainly due to a different split between operating and capital on NZTA projects than what was forecast. <p>Partly offsetting this result, Inland Revenue had \$106m higher than forecast bad debt write-offs which were timing related.</p> <p>The remainder of the variance was spread across a number of departments.</p>

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

Item/indicator	Variance ¹	Key drivers
Core Crown residual cash deficit	\$594 million lower than forecast	<p>The residual cash deficit was \$594m lower than forecast largely due to the following:</p> <ul style="list-style-type: none"> The Ministry of Transport was \$127m below forecast, largely due to delays in payments to NZTA. MBIE grant payments were \$104m below forecast. This is timing related and is expected to reverse by the end of the financial year. <p>Also impacting the residual cash result, core Crown tax receipts were \$263m (0.5%) above forecast. Most tax types were close to, or slightly above, forecast, the exception being corporate tax, which was \$146m (1.5%) below forecast, mainly owing to the lower-than-expected PIE tax mentioned above. Corporate tax receipts were not affected by the return-filing timing issue that affected corporate tax revenue.</p>
Gross debt	(\$304 million) higher than forecast	Gross debt at \$86.6b (35.2% of GDP) was close to forecast.
Net debt	\$274 million lower than forecast	Net debt was lower than forecast largely as a result of the lower than forecast residual cash deficit, partly offset by lower than forecast gains on borrowings and marketable securities and lower issuances of circulating currencies.
Total Crown		
Operating balance before gains and losses	(\$941 million) lower than forecast	<p>The OBEGAL surplus at \$297m was \$941m lower than forecast.</p> <p>The key driver of the OBEGAL variance was lower than forecast core Crown tax revenue discussed above.</p>
Operating balance deficit	(\$1,074 million) higher than forecast	<p>The operating balance was in deficit by \$3.4b, which was \$1.1b larger than forecast.</p> <p>In addition to the unfavourable OBEGAL result, net losses were \$113m above forecast. This was largely due to higher than expected losses on the emissions trading scheme liability due to an increase in the carbon price, partly offset by higher-than-forecast gains from the Crown's investment portfolios.</p>
Net worth attributable to the Crown	(\$1,243 million) lower than forecast	Net worth at \$82.6b was \$1.2b lower than forecast largely due to the higher-than-forecast operating balance deficit.

Table 3 – Fiscal strategy and financial results

Fiscal Strategy		Financial Results			30 Apr 2016	30 Apr 2016			Annual
				Ret	Actual \$m	Forecast \$m	Variance \$m	Variance ² %	Forecast \$m
		Taxation as a % of GDP		1	27.7%	28.2%			27.9%
Operating revenue Ensure sufficient operating revenue to meet the operating balance objective		Core Crown taxation revenue ...			56,701	57,823	(1,122)	(1.9)	69,682
		... combined with other core Crown revenue ...			4,673	4,621	52	1.1	5,647
Operating expenses To control the growth in government spending so core Crown expenses are below 30% of GDP		... fund core Crown expenses...			(60,822)	(60,886)	64	0.1	(74,382)
		... and with SOE and Crown entity results and core Crown gains and losses...			(3,964)	(3,896)	(68)	(1.7)	(3,512)
Operating balance Deliver operating balances 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...			(3,412)	(2,338)	(1,074)	(45.9)	(2,565)
		...with income in SOEs, CEs and the NZS Fund retained...			3,120	3,357	(237)	(7.1)	2,768
		... and some items do not impact cash ...			52	(1,885)	1,937	102.8	1,930
		... leaving operating cash flows to ...			(240)	(866)	626	72.3	2,133
		... meet the capital expenditure budget ...			(1,603)	(1,675)	72	4.3	(2,267)
Debt Manage total debt at prudent levels ensuring net debt is reduced to around 20% of GDP in 2020. Beyond 2020, manage net debt within a range of 0% to 20% of GDP		... make advances (e.g. to students and DHBs)...			(2,220)	(2,116)	(104)	(4.9)	(1,981)
		With the residual cash ...			(4,063)	(4,657)	594	12.8	(2,115)
		... when combined with opening net debt ...			60,631	60,631	-	-	60,631
		... and fair value movements and other changes in financial assets and financial liabilities ...			(53)	(373)	(320)	(85.8)	(474)
		... results in a closing net debt ...			64,641	64,915	274	0.4	62,272
	... and as a % of GDP			26.3%	26.4%			24.9%	

1 GDP for the ten months ended 30 April 2016 (actual and forecast) is the actual data for the year ended 31 December 2015 (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 2016 Actual \$m	April 2015 Actual \$m	Change ¹ \$m	Change %
Statement of Financial Performance				
Core Crown Revenue				
Taxation revenue	56,701	55,048	1,653	3.0
Other revenue	4,673	4,599	74	1.6
Total core Crown revenue	61,374	59,647	1,727	2.9
Core Crown Expenses				
Social security and welfare	19,929	19,450	(479)	(2.5)
GSF pension expenses	225	290	65	22.4
Health	12,945	12,492	(453)	(3.6)
Education	10,628	10,495	(133)	(1.3)
Core government services	3,481	3,467	(14)	(0.4)
Law and order	2,997	2,891	(106)	(3.7)
Defence	1,657	1,588	(69)	(4.3)
Transport and communications	1,686	1,686	-	-
Economic and industrial services	1,738	1,830	92	5.0
Primary services	622	539	(83)	(15.4)
Heritage, culture and recreation	690	685	(5)	(0.7)
Environmental protection	435	546	111	20.3
Housing and community development	489	272	(217)	(79.8)
Other	284	91	(193)	(212.1)
Finance costs	3,016	3,193	177	5.5
Total core Crown expenses	60,822	59,515	(1,307)	(2.2)
Net surplus of SOE/CE's (and inter-segment eliminations)	(255)	316	(571)	(180.7)
OBEGAL	297	448	(151)	(33.7)
Total gains/(losses)	(3,920)	(235)	(3,685)	-
Other operating items	211	582	(371)	(63.7)
Operating balance	(3,412)	795	(4,207)	-
Core Crown residual cash	(4,063)	(4,838)	775	16.0
Debt indicators				
Gross debt²	86,555	85,517	(1,038)	(1.2)
Net debt³	64,641	64,169	(472)	(0.7)

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

2 Gross Sovereign 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 2016 increased by \$1.7 billion (3.0%) on the same period last year. Source deduction revenue was \$1.4 billion (6.7%) up, owing to growth in employment and wages. GST revenue was \$704 million (5%) up, due to growth in domestic spending by both NZ households and international visitors. Indirect taxes were also boosted due to increases in excise rates and transport-related tax rates. Contrasting these, corporate tax revenue was \$703 million (8.2%) down on last year owing to a number of large income tax assessments being filed later this year than they were last year.

Core Crown expenses increased by 2.2% 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	+ \$479 million	Indexation of welfare benefits and increase in recipient numbers, particularly NZ Superannuitants.
Health	+ \$453 million	Funding provided in the 2015 Budget to maintain and improve existing service levels.
Housing and community development	+ \$217 million	Mainly relates to funding for community participation and strong families and connected communities programmes, that was previously classified in the social security and welfare and economic and industrial services functional expense classifications.
Other functional classes	+ \$158 million	
Total	\$1,307 million	

Gains/Losses

Total net losses were \$3.9 billion in the ten months to 30 April 2016, compared to losses of \$235 million in the previous year. Last year, large actuarial losses on non-financial instruments more than offset gains on financial instruments. Overall, due to unfavourable market conditions, net losses are larger than last year.

Debt

Gross debt increased by \$1.0 billion or 1.2 % to \$86.6 billion from April 2015 and **net debt** increased by \$472 million or 0.7% over the same time.



FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE

for the ten months ended 30 April 2016

Year to 30 Jun 2015	10 months to 30 Apr 2015		Note	Current Year Actual vs Forecast				Annual Forecast \$m
				Actual \$m	Forecast \$m	Variance \$m	%	
		Revenue						
66,055	54,502	Taxation revenue	2	56,024	57,142	(1,118)	(2.0)	68,931
4,953	4,130	Other sovereign revenue	2	3,812	3,791	21	0.6	4,637
71,008	58,632	Total Revenue Levied through the Crown's Sovereign Power		59,836	60,933	(1,097)	(1.8)	73,568
16,866	13,692	Sales of goods and services		14,038	13,980	58	0.4	16,866
3,524	2,854	Interest revenue and dividends	3	2,947	3,058	(111)	(3.6)	3,721
3,615	3,055	Other revenue		3,115	3,120	(5)	(0.2)	3,607
24,005	19,601	Total revenue earned through the Crown's operations		20,100	20,158	(58)	(0.3)	24,194
95,013	78,233	Total revenue (excluding gains)		79,936	81,091	(1,155)	(1.4)	97,762
		Expenses						
23,723	19,552	Transfer payments and subsidies	4	19,964	19,992	28	0.1	24,421
21,124	17,562	Personnel expenses	5	17,870	17,871	1	-	21,783
4,842	3,804	Depreciation and amortisation	6	3,885	3,797	(88)	(2.3)	4,875
35,910	29,400	Other operating expenses	7	30,124	30,519	395	1.3	37,303
4,563	3,775	Finance costs	8	3,646	3,717	71	1.9	4,472
4,110	3,354	Insurance expenses	9	3,713	3,755	42	1.1	4,335
-	-	Forecast new operating spending		-	-	-	-	2
-	-	Top-down expense adjustment		-	(180)	(180)	(100.0)	(600)
94,272	77,447	Total expenses (excluding losses)		79,202	79,471	269	0.3	96,591
(327)	(338)	Minority interests share of operating balance before gains/(losses)		(437)	(382)	(55)	(14.4)	(503)
414	448	Operating balance before gains/(losses) (excluding minority interests)		297	1,238	(941)	(76.0)	668
5,978	5,299	Net gains/(losses) on financial instruments	10	1,044	602	442	73.4	979
(1,649)	(5,534)	Net gains/(losses) on non-financial instruments	11	(4,964)	(4,409)	(555)	(12.6)	(4,496)
4,329	(235)	Total gains/(losses)		(3,920)	(3,807)	(113)	(3.0)	(3,517)
1,028	582	Net surplus/(deficit) from associates and joint ventures		211	231	(20)	(8.7)	284
5,771	795	Operating balance (excluding minority interests)		(3,412)	(2,338)	(1,074)	(45.9)	(2,565)

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 2016

Year to 30 Jun 2015	10 months to 30 Apr 2015		Current Year Actual vs Forecast				Annual Forecast \$m
			Actual \$m	Forecast \$m	Variance \$m	%	
		Total Crown expenses					
28,231	23,142	Social security and welfare	23,947	24,033	86	0.4	29,036
373	302	GSF pension expenses	236	238	2	0.8	290
14,696	12,274	Health	12,684	12,610	(74)	(0.6)	15,156
13,537	11,419	Education	11,481	11,539	58	0.5	13,968
3,898	3,185	Core government services	3,321	3,332	11	0.3	4,236
3,730	3,104	Law and order	3,173	3,149	(24)	(0.8)	3,926
1,917	1,546	Defence	1,645	1,651	6	0.4	2,033
9,279	7,229	Transport and communications	7,275	7,458	183	2.5	9,435
8,235	6,770	Economic and industrial services	6,314	6,357	43	0.7	7,729
2,198	1,836	Heritage, culture and recreation	1,882	1,889	7	0.4	2,208
1,740	1,454	Primary services	1,557	1,605	48	3.0	1,908
1,114	874	Housing and community development	1,320	1,339	19	1.4	1,593
616	446	Environmental protection	437	450	13	2.9	687
145	91	Other	284	284	-	-	512
4,563	3,775	Finance costs	3,646	3,717	71	1.9	4,472
-	-	Forecast new operating spending	-	-	-	-	2
-	-	Top-down expense adjustment	-	(180)	(180)	(100.0)	(600)
94,272	77,447	Total Crown expenses excluding losses	79,202	79,471	269	0.3	96,591

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 2015	10 months to 30 Apr 2015		Current Year Actual vs Forecast				Annual Forecast \$m
			Actual \$m	Forecast \$m	Variance \$m	%	
		Core Crown expenses					
23,523	19,450	Social security and welfare	19,929	19,995	66	0.3	24,296
358	290	GSF pension expenses	225	225	-	-	272
15,058	12,492	Health	12,945	12,961	16	0.1	15,635
12,879	10,495	Education	10,628	10,658	30	0.3	13,215
4,134	3,467	Core government services	3,481	3,464	(17)	(0.5)	4,446
3,515	2,891	Law and order	2,997	3,009	12	0.4	3,691
1,961	1,588	Defence	1,657	1,661	4	0.2	2,047
2,291	1,686	Transport and communications	1,686	1,728	42	2.4	2,246
2,228	1,830	Economic and industrial services	1,738	1,761	23	1.3	2,134
778	685	Heritage, culture and recreation	690	698	8	1.1	794
667	539	Primary services	622	647	25	3.9	777
320	272	Housing and community development	489	490	1	0.2	583
723	546	Environmental protection	435	448	13	2.9	685
145	91	Other	284	284	-	-	512
3,783	3,193	Finance costs	3,016	3,037	21	0.7	3,647
-	-	Forecast new operating spending	-	-	-	-	2
-	-	Top-down expense adjustment	-	(180)	(180)	(100.0)	(600)
72,363	59,515	Core Crown expenses excluding losses	60,822	60,886	64	0.1	74,382

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 2016

Year to 30 Jun 2015	10 months to 30 Apr 2015		Current Year Actual vs Forecast				Annual Forecast
			Actual \$m	Forecast \$m	Variance \$m	%	
6,316	1,140	Operating Balance (including minority interest)	(2,961)	(1,891)	(1,070)	(56.6)	(2,000)
		Other comprehensive revenue and expense					
5,519	(24)	Revaluation of physical assets	(295)	(283)	(12)	(4.2)	(259)
(99)	(91)	Net change in hedging instruments entered into for cash flow hedges	(203)	(79)	(124)	(157.0)	(117)
51	(14)	Foreign currency translation differences for foreign operations	(37)	-	(37)	-	(112)
43	22	Valuation gains/(losses) on investments available for sale taken to reserves	(22)	(23)	1	4.3	(2)
(13)	(30)	Other movements	(54)	(25)	(29)	(116.0)	(4)
5,501	(137)	Total other comprehensive revenue and expense	(611)	(410)	(201)	(49.0)	(494)
11,817	1,003	Total comprehensive revenue and expense	(3,572)	(2,301)	(1,271)	(55.2)	(2,494)
		Attributable to:					
849	336	- minority interest	321	349	(28)	(8.0)	413
10,968	667	- the Crown	(3,893)	(2,650)	(1,243)	(46.9)	(2,907)
11,817	1,003	Total comprehensive revenue and expense	(3,572)	(2,301)	(1,271)	(55.2)	(2,494)

STATEMENT OF CHANGES IN NET WORTH

for the ten months ended 30 April 2016

Year to 30 Jun 2015	10 months to 30 Apr 2015		Current Year Actual vs Forecast				Annual Forecast
			Actual \$m	Forecast \$m	Variance \$m	%	
80,697	80,779	Opening net worth	92,236	92,236	-	-	92,236
6,316	1,140	Operating balance (including minority interest)	(2,961)	(1,891)	(1,070)	(56.6)	(2,000)
5,519	(24)	Net revaluations	(295)	(283)	(12)	(4.2)	(259)
-	(60)	Transfers to/(from) reserves (Gains)/losses transferred to the Statement of Financial Performance	(272)	(146)	(126)	(86.3)	(211)
(56)	(1)		32	31	1	3.2	22
38	(52)	Other movements	(76)	(12)	(64)	-	(46)
11,817	1,003	Total comprehensive revenue and expense	(3,572)	(2,301)	(1,271)	(55.2)	(2,494)
(278)	(333)	Transactions with minority interests	(374)	(429)	55	12.8	(440)
92,236	81,449	Closing net worth	88,290	89,506	(1,216)	(1.4)	89,302

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

STATEMENT OF CASH FLOWS

for the ten months ended 30 April 2016

Year to 30 Jun 2015	10 months to 30 Apr 2015		Current Year Actual vs Forecast				Annual Forecast \$m
			Actual \$m	Forecast \$m	Variance \$m	%	
		Cash Flows from Operations					
		Cash was provided from					
64,945	51,213	Taxation receipts	54,413	54,214	199	0.4	68,401
4,731	4,194	Other sovereign receipts	3,982	4,024	(42)	(1.0)	4,566
17,232	14,095	Sales of goods and services	14,100	14,275	(175)	(1.2)	17,130
3,364	2,742	Interest and dividends receipts	2,795	2,838	(43)	(1.5)	3,401
3,823	3,397	Other operating receipts	3,654	3,351	303	9.0	4,044
94,095	75,641	Total cash provided from operations	78,944	78,702	242	0.3	97,542
		Cash was disbursed to					
23,896	19,411	Transfer payments and subsidies	19,699	19,757	58	0.3	24,449
60,009	50,856	Personnel and operating payments	51,670	52,462	792	1.5	62,110
4,598	3,683	Interest payments	3,427	3,557	130	3.7	4,438
-	-	Forecast new operating spending	-	-	-	-	2
-	-	Top-down expense adjustment	-	(180)	(180)	(100.0)	(600)
88,503	73,950	Total cash disbursed to operations	74,796	75,596	800	1.1	90,399
5,592	1,691	Net cash flows from operations	4,148	3,106	1,042	33.5	7,143
		Cash Flows from Investing Activities					
		Cash was provided from/(disbursed to)					
(6,177)	(4,778)	Net (purchase)/sale of physical assets	(5,212)	(5,487)	275	5.0	(6,884)
(4,912)	3,355	Net (purchase)/sale of shares and other securities	4,015	3,137	878	28.0	(45)
(632)	(454)	Net (purchase)/sale of intangible assets	(455)	(539)	84	15.6	(703)
(1,685)	(1,473)	Net (issue)/repayment of advances	(1,377)	(1,303)	(74)	(5.7)	(962)
153	107	Net acquisition of investments in associates	91	106	(15)	(14.2)	116
-	-	Forecast new capital spending	-	-	-	-	(31)
-	-	Top-down capital adjustment	-	30	(30)	(100.0)	100
(13,253)	(3,243)	Net cash flows from investing activities	(2,938)	(4,056)	1,118	27.6	(8,409)
(7,661)	(1,552)	Net cash flows from operating and investing activities	1,210	(950)	2,160	227.4	(1,266)
		Cash Flows from Financing Activities					
		Cash was provided from/(disbursed to)					
372	425	Issues of circulating currency	450	564	(114)	(20.2)	564
579	-	Net proceeds from Government share offer programme	-	-	-	-	-
1,548	(1,364)	Net issue/(repayment) of Government bonds	5,238	5,888	(650)	(11.0)	6,564
(2,321)	(1,836)	Net issue/(repayment) of foreign currency borrowing	1,053	(154)	1,207	-	(419)
7,077	6,702	Net issue/(repayment) of other New Zealand dollar borrowing	(4,009)	(2,296)	(1,713)	(74.6)	(2,228)
(478)	(472)	Dividends paid to minority interests	(516)	(501)	(15)	(3.0)	(492)
6,777	3,455	Net cash flows from financing activities	2,216	3,501	(1,285)	(36.7)	3,989
(884)	1,903	Net movement in cash	3,426	2,551	875	34.3	2,723
11,888	11,888	Opening cash balance	11,982	11,982	-	-	11,982
978	422	Foreign-exchange gains/(losses) on opening cash	(42)	339	(381)	(112.4)	331
11,982	14,213	Closing cash balance	15,366	14,872	494	3.3	15,036

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 2016

Year to 30 Jun 2015	10 months to 30 Apr 2015		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					
5,592	1,691	Net Cash Flows from Operations	4,148	3,106	1,042	33.5	7,143
		<i>Items included in the operating balance but not in net cash flows from operations</i>					
		Gains/(losses)					
5,978	5,299	Net gains/(losses) on financial instruments	1,044	602	442	73.4	979
(1,649)	(5,534)	Net gains/(losses) on non-financial instruments	(4,964)	(4,409)	(555)	(12.6)	(4,496)
4,329	(235)	Total gains/(losses)	(3,920)	(3,807)	(113)	(3.0)	(3,517)
		Other Non-cash Items in Operating Balance					
(4,842)	(3,804)	Depreciation and amortisation	(3,885)	(3,797)	(88)	(2.3)	(4,875)
(696)	(624)	Cost of concessionary lending	(646)	(646)	-	-	(806)
(305)	(281)	Impairment of financial assets (excluding receivables)	(79)	(79)	-	-	(82)
373	315	Decrease/(increase) in defined benefit retirement plan liabilities	369	374	(5)	(1.3)	445
746	26	Decrease/(increase) in insurance liabilities	(704)	(229)	(475)	(207.4)	170
699	247	Other	(227)	(154)	(73)	(47.4)	(218)
(4,025)	(4,121)	Total other non-cash Items	(5,172)	(4,531)	(641)	(14.1)	(5,366)
		Movements in Working Capital					
141	2,634	Increase/(decrease) in receivables	238	1,853	(1,615)	(87.2)	(229)
196	(7)	Increase/(decrease) in accrued interest	(66)	60	(126)	(210.0)	286
(105)	(21)	Increase/(decrease) in inventories	16	25	(9)	(36.0)	(16)
(12)	235	Increase/(decrease) in prepayments	249	223	26	11.7	(3)
(149)	(74)	Decrease/(increase) in deferred revenue	(5)	(13)	8	61.5	(18)
(196)	693	Decrease/(increase) in payables/provisions	1,100	746	354	47.5	(845)
(125)	3,460	Total movements in working capital	1,532	2,894	(1,362)	(47.1)	(825)
5,771	795	Operating balance (excluding minority interests)	(3,412)	(2,338)	(1,074)	(45.9)	(2,565)

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

STATEMENT OF FINANCIAL POSITION

as at 30 April 2016

As at 30 Jun 2015 Actual \$m	As at 30 Apr 2015 Actual \$m		Note	Current Year Actual vs Forecast				Annual Forecast \$m
				Actual \$m	Forecast \$m	Variance \$m	%	
		Assets						
11,982	14,213	Cash and cash equivalents	13	15,366	14,872	494	3.3	15,036
17,602	19,904	Receivables	13	17,349	19,551	(2,202)	(11.3)	16,946
		Marketable securities, deposits and derivatives in gain						
54,298	46,836		13	51,104	46,813	4,291	9.2	49,729
25,408	24,637	Share investments	13	24,688	25,198	(510)	(2.0)	25,443
26,497	26,607	Advances	13	27,737	27,781	(44)	(0.2)	27,504
995	1,079	Inventory		1,010	1,020	(10)	(1.0)	979
2,389	2,568	Other assets		2,614	2,626	(12)	(0.5)	2,346
124,558	118,313	Property, plant and equipment	14	126,204	126,581	(377)	(0.3)	127,001
11,918	10,679	Equity accounted investments ¹		12,140	12,143	(3)	-	12,172
3,056	2,992	Intangible assets and goodwill	15	3,146	3,184	(38)	(1.2)	3,306
-	-	Forecast for new capital spending		-	-	-	-	31
-	-	Top-down capital adjustment		-	(30)	30	100.0	(100)
278,703	267,828	Total assets		281,358	279,739	1,619	0.6	280,393
		Liabilities						
5,336	5,389	Issued currency		5,786	5,900	114	1.9	5,900
11,953	11,027	Payables	17	11,491	11,511	20	0.2	12,088
2,112	2,036	Deferred revenue		2,117	2,125	8	0.4	2,130
112,580	109,662	Borrowings		114,396	112,537	(1,859)	(1.7)	113,009
36,431	39,085	Insurance liabilities	18	40,281	39,702	(579)	(1.5)	39,325
10,834	12,618	Retirement plan liabilities		11,363	11,359	(4)	-	11,287
7,221	6,562	Provisions	19	7,634	7,099	(535)	(7.5)	7,352
186,467	186,379	Total liabilities		193,068	190,233	(2,835)	(1.5)	191,091
92,236	81,449	Total assets less total liabilities		88,290	89,506	(1,216)	(1.4)	89,302
		Net Worth						
19,354	14,162	Taxpayers' funds	20	15,893	16,970	(1,077)	(6.3)	16,807
67,107	62,148	Property, plant and equipment revaluation reserve	20	66,832	66,861	(29)	-	66,831
(7)	(75)	Other reserves	20	(164)	(27)	(137)	-	(91)
86,454	76,235	Total net worth attributable to the Crown		82,561	83,804	(1,243)	(1.5)	83,547
		Net worth attributable to minority interest	20	5,729	5,702	27	0.5	5,755
5,782	5,214							
92,236	81,449	Total net worth		88,290	89,506	(1,216)	(1.4)	89,302

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 2016

As at 30 Jun 2015 Actual \$m	As at 30 Apr 2015 Actual \$m		Current Year Actual vs Forecast				Annual Forecast \$m
			Actual \$m	Forecast \$m	Variance \$m	%	
58,743	59,006	Government bonds ¹	64,135	63,651	(484)	(0.8)	64,045
6,734	7,024	Treasury bills	3,937	3,309	(628)	(19.0)	3,407
188	186	Government retail stock	198	191	(7)	(3.7)	190
7,931	7,293	Settlement deposits with Reserve Bank	7,373	7,657	284	3.7	7,657
6,261	3,831	Derivatives in loss	4,600	4,356	(244)	(5.6)	4,228
1,788	1,818	Finance lease liabilities	1,654	1,660	6	0.4	2,290
30,935	30,504	Other borrowings	32,499	31,713	(786)	(2.5)	31,192
112,580	109,662	Total borrowings	114,396	112,537	(1,859)	(1.7)	113,009
84,008	81,010	Sovereign-guaranteed debt	84,393	82,665	(1,728)	(2.1)	83,148
28,572	28,652	Non sovereign-guaranteed debt	30,003	29,872	(131)	(0.4)	29,861
112,580	109,662	Total borrowings	114,396	112,537	(1,859)	(1.7)	113,009
Net Debt:							
95,649	92,687	Core Crown borrowings ²	95,841	95,134	(707)	(0.7)	95,670
(2,493)	(1,083)	Add back NZS Fund holdings of sovereign-issued debt and NZS Fund borrowings	(1,672)	(1,652)	20	1.2	(1,606)
93,156	91,604	Gross sovereign-issued debt³	94,169	93,482	(687)	(0.7)	94,064
76,434	71,145	Less core Crown financial assets ⁴	74,155	71,642	2,513	3.5	74,843
16,722	20,459	Net core Crown debt	20,014	21,840	1,826	8.4	19,221
14,140	14,159	Add back core Crown advances	14,667	14,502	(165)	(1.1)	14,152
30,862	34,618	Net core Crown debt (incl NZS Fund)⁵	34,681	36,342	1,661	4.6	33,373
29,769	29,551	Add back NZS Fund holdings of core Crown financial assets and NZS Fund fin assets ⁶	29,960	28,573	(1,387)	(4.9)	28,899
60,631	64,169	Net core Crown debt (excl NZS Fund and advances)⁷	64,641	64,915	274	0.4	62,272
Gross Debt:							
93,156	91,604	Gross sovereign-issued debt ³	94,169	93,482	(687)	(0.7)	94,064
(8,631)	(7,687)	Less Reserve Bank settlement cash and Reserve Bank bills	(9,214)	(8,831)	383	4.3	(8,881)
1,600	1,600	Add back changes to DMO borrowing due to settlement cash ⁸	1,600	1,600	-	-	1,600
86,125	85,517	Gross sovereign-issued debt excluding Reserve Bank settlement cash and Reserve Bank bills	86,555	86,251	(304)	(0.4)	86,783

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 2016

	As at 30 Apr 2016 \$m	As at 30 Jun 2015 \$m	As at 30 Apr 2015 \$m
Capital Commitments			
Specialist military equipment	467	420	415
Land and buildings	2,077	1,122	1,118
Other property, plant and equipment	2,888	2,958	3,073
Other capital commitments	662	694	839
State highways	3,859	4,060	2,440
Tertiary Education Institutions	480	480	201
Total capital commitments	10,433	9,734	8,086
Operating Commitments			
Non-cancellable accommodation leases	3,146	3,088	2,838
Other non-cancellable leases	2,241	2,291	2,381
Tertiary Education Institutions	542	540	494
Total operating commitments	5,929	5,919	5,713
Total commitments	16,362	15,653	13,799
Total Commitments by Segment			
Core Crown	5,225	4,453	4,216
Crown entities	7,026	7,231	5,362
State-owned Enterprises	4,811	4,887	5,022
Inter-segment eliminations	(700)	(918)	(801)
Total commitments	16,362	15,653	13,799

STATEMENT OF CONTINGENT LIABILITIES AND ASSETS

as at 30 April 2016

	As at 30 Apr 2016 \$m	As at 30 Jun 2015 \$m	As at 30 Apr 2015 \$m
Quantifiable Contingent Liabilities			
Guarantees and indemnities	290	310	224
Uncalled capital	8,119	7,337	6,083
Legal proceedings and disputes	219	247	452
Other contingent liabilities	413	379	364
Total quantifiable contingent liabilities	9,041	8,273	7,123
Total Quantifiable Contingent Liabilities by Segment			
Core Crown	8,826	8,025	6,857
Crown entities	90	30	47
State-owned Enterprises	125	218	219
Inter-segment eliminations	-	-	-
Total quantifiable contingent liabilities	9,041	8,273	7,123
Quantifiable Contingent Assets			
Core Crown	141	160	138
Crown entities	4	3	3
State owned enterprises	28	75	12
Inter-segment eliminations	-	-	-
Total quantifiable contingent assets	173	238	153

A list of unquantifiable contingent liabilities is included on the Treasury's website

<http://www.treasury.govt.nz/budget/forecasts/befu2016/039.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
- the 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
- Legal entities listed in Schedule 6 of the Public Finance Act 1989
- Other Crown entity

A schedule of the entities that are included in the Government reporting entity was set out on pages 93 - 95 of the 2016 *Budget Economic and Fiscal Update* released on 26 May 2016.

With the exception of the 30 June 2015 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) – Tier 1, 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.

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

Forecasts

The annual forecasts in these financial statements are for the year to 30 June 2016, based on the 2016 *Budget Economic and Fiscal Update (BEFU)*.

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.

Comparative figures for 30 April 2015 were restated for the impact from the new PBE standards. Note 33 in the *Financial Statements of the Government for the year ended 30 June 2015* outlines the impact of adoption of NZ PBE standards.

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, 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.

NOTES TO THE FINANCIAL STATEMENTS

Year to 30 Jun 2015 Actual \$m	10 months to 30 Apr 2015 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							
25,309	21,058	Source deductions	22,461	22,258	203	0.9	26,578
5,848	4,680	Other persons	4,595	4,571	24	0.5	5,705
(1,595)	(947)	Refunds	(1,008)	(1,024)	16	1.6	(1,698)
514	448	Fringe benefit tax	443	444	(1)	(0.2)	529
30,076	25,239	Total individuals	26,491	26,249	242	0.9	31,114
Corporate Tax							
9,972	7,886	Gross companies tax	6,966	8,316	(1,350)	(16.2)	10,578
(143)	(117)	Refunds	(195)	(200)	5	2.5	(240)
470	342	Non-resident withholding tax	523	525	(2)	(0.4)	624
(3)	(4)	Foreign-source dividend w/holding payments	(8)	(9)	1	11.1	(9)
10,296	8,107	Total corporate tax	7,286	8,632	(1,346)	(15.6)	10,953
Other Direct Income Tax							
1,830	1,450	Resident w/holding tax on interest income	1,422	1,458	(36)	(2.5)	1,791
543	435	Resident w/holding tax on dividend income	491	493	(2)	(0.4)	590
2,373	1,885	Total other direct income tax	1,913	1,951	(38)	(1.9)	2,381
42,745	35,231	Total income tax	35,690	36,832	(1,142)	(3.1)	44,448
Goods and Services Tax							
28,123	23,327	Gross goods and services tax	24,177	24,030	147	0.6	28,969
(10,954)	(9,192)	Refunds	(9,338)	(9,128)	(210)	(2.3)	(10,840)
17,169	14,135	Total goods and services tax	14,839	14,902	(63)	(0.4)	18,129
Other Indirect Taxation							
1,283	1,076	Road user charges	1,151	1,135	16	1.4	1,345
1,739	1,393	Petroleum fuels excise ¹	1,542	1,520	22	1.4	1,825
910	779	Alcohol excise ¹	799	787	12	1.5	932
1,507	1,333	Tobacco excise ¹	1,473	1,440	33	2.3	1,620
214	142	Other customs duty	105	105	-	-	127
214	185	Gaming duties	181	183	(2)	(1.1)	221
181	151	Motor vehicle fees	183	180	3	1.7	207
57	48	Approved issuer levy and cheque duty	41	34	7	20.6	44
36	29	Energy resources levies	20	24	(4)	(16.7)	33
6,141	5,136	Total other indirect taxation	5,495	5,408	87	1.6	6,354
23,310	19,271	Total indirect taxation	20,334	20,310	24	0.1	24,483
66,055	54,502	Total taxation revenue	56,024	57,142	(1,118)	(2.0)	68,931
Other Sovereign Revenue (accrual)							
3,276	2,802	ACC levies	2,347	2,318	29	1.3	2,766
351	294	Fire Service levies	297	295	2	0.7	371
281	234	EQC levies	234	235	(1)	(0.4)	284
283	237	Child support and working for families penalties	229	230	(1)	(0.4)	275
110	94	Court fines	82	83	(1)	(1.2)	104
652	469	Other miscellaneous items	623	630	(7)	(1.1)	837
4,953	4,130	Total other sovereign revenue	3,812	3,791	21	0.6	4,637
71,008	58,632	Total sovereign revenue	59,836	60,933	(1,097)	(1.8)	73,568

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

NOTES TO THE FINANCIAL STATEMENTS

Year to 30 Jun 2015 Actual \$m	10 months to 30 Apr 2015 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							
25,128	20,861	Source deductions	22,270	22,125	145	0.7	26,484
6,044	4,494	Other persons	4,527	4,457	70	1.6	6,010
(2,275)	(1,685)	Refunds	(1,800)	(1,772)	(28)	(1.6)	(2,393)
498	370	Fringe benefit tax	373	378	(5)	(1.3)	528
29,395	24,040	Total individuals	25,370	25,188	182	0.7	30,629
Corporate Tax							
10,484	8,127	Gross companies tax	8,921	9,243	(322)	(3.5)	11,507
(600)	(467)	Refunds	(769)	(785)	16	2.0	(917)
532	409	Non-resident withholding tax	514	503	11	2.2	602
(5)	(4)	Foreign-source dividend w/holding payments	(4)	(6)	2	33.3	(6)
10,411	8,065	Total corporate tax	8,662	8,955	(293)	(3.3)	11,186
Other Direct Income Tax							
1,810	1,538	Resident w/holding tax on interest income	1,490	1,514	(24)	(1.6)	1,787
542	467	Resident w/holding tax on dividend income	534	514	20	3.9	590
2,352	2,005	Total other direct income tax	2,024	2,028	(4)	(0.2)	2,377
42,158	34,110	Total income tax	36,056	36,171	(115)	(0.3)	44,192
Goods and Services Tax							
27,609	20,928	Gross goods and services tax	21,729	21,360	369	1.7	28,347
(10,900)	(9,014)	Refunds	(8,994)	(8,828)	(166)	(1.9)	(10,590)
16,709	11,914	Total goods and services tax	12,735	12,532	203	1.6	17,757
Other Indirect Taxation							
1,283	1,075	Road user charges	1,152	1,135	17	1.5	1,345
1,924	1,658	Excise duties	1,925	1,916	9	0.5	2,225
2,395	2,036	Customs duty	2,079	2,040	39	1.9	2,378
214	182	Gaming duties	183	183	-	-	221
173	162	Motor vehicle fees	206	180	26	14.4	207
53	47	Approved issuer levy and cheque duty	43	33	10	30.3	43
36	29	Energy resources levies	34	24	10	41.7	33
6,078	5,189	Total other indirect taxation	5,622	5,511	111	2.0	6,452
22,787	17,103	Total indirect taxation	18,357	18,043	314	1.7	24,209
64,945	51,213	Total tax receipts collected	54,413	54,214	199	0.4	68,401
Other Sovereign Receipts (cash)							
3,170	2,813	ACC levies	2,747	2,702	45	1.7	3,037
351	294	Fire Service levies	303	295	8	2.7	370
281	233	EQC levies	231	240	(9)	(3.8)	283
208	172	Child support and working for families penalties	174	177	(3)	(1.7)	212
148	123	Court fines	109	112	(3)	(2.7)	134
573	559	Other miscellaneous items	418	498	(80)	(16.1)	530
4,731	4,194	Total other sovereign receipts	3,982	4,024	(42)	(1.0)	4,566
69,676	55,407	Total sovereign receipts	58,395	58,238	157	0.3	72,967

NOTES TO THE FINANCIAL STATEMENTS

Year to 30 Jun 2015 Actual \$m	10 months to 30 Apr 2015 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>					
2,802	2,324	Interest revenue	2,325	2,390	(65)	(2.7)	2,929
722	530	Dividends	622	668	(46)	(6.9)	792
3,524	2,854	Total interest revenue and dividends	2,947	3,058	(111)	(3.6)	3,721
		<i>By source</i>					
2,452	2,126	Core Crown	2,073	2,040	33	1.6	2,404
1,429	1,176	Crown entities	1,230	1,288	(58)	(4.5)	1,470
1,043	881	State-owned Enterprises	844	878	(34)	(3.9)	1,061
(1,400)	(1,329)	Inter-segment eliminations	(1,200)	(1,148)	(52)	(4.5)	(1,214)
3,524	2,854	Total interest revenue and dividends	2,947	3,058	(111)	(3.6)	3,721
		NOTE 4: Transfer Payments and Subsidies					
11,591	9,593	New Zealand superannuation	10,145	10,152	7	0.1	12,261
1,684	1,419	Jobseeker support and emergency benefit	1,404	1,408	4	0.3	1,674
1,515	1,260	Supported living payment	1,269	1,272	3	0.2	1,524
1,186	993	Sole parent support	953	955	2	0.2	1,151
1,854	1,420	Family tax credit	1,410	1,404	(6)	(0.4)	1,824
549	472	Other working for families tax credits	432	430	(2)	(0.5)	568
1,129	942	Accommodation assistance	948	949	1	0.1	1,135
703	584	Income related rents	622	629	7	1.1	766
377	314	Disability assistance	314	315	1	0.3	377
511	406	Student allowances	382	392	10	2.6	496
1,255	1,104	Other social assistance benefits	1,141	1,141	-	-	1,414
22,354	18,507	Total social assistance grants	19,020	19,047	27	0.1	23,190
		Subsidies					
856	703	KiwiSaver	568	568	-	-	701
		Other transfer payments					
513	342	Official development assistance	376	377	1	0.3	530
23,723	19,552	Total transfer payments and subsidies	19,964	19,992	28	0.1	24,421
		NOTE 5: Personnel Expenses					
6,552	5,380	Core Crown	5,465	5,491	26	0.5	6,683
11,660	9,780	Crown entities	9,968	9,939	(29)	(0.3)	12,185
2,935	2,415	State-owned Enterprises	2,455	2,459	4	0.2	2,937
(23)	(13)	Inter-segment eliminations	(18)	(18)	-	-	(22)
21,124	17,562	Total personnel expenses	17,870	17,871	1	-	21,783
		NOTE 6: Depreciation and Amortisation					
1,441	1,190	Core Crown	1,253	1,260	7	0.6	1,532
1,751	1,394	Crown entities	1,440	1,435	(5)	(0.3)	1,780
1,650	1,220	State-owned Enterprises	1,192	1,102	(90)	(8.2)	1,563
-	-	Inter-segment eliminations	-	-	-	-	-
4,842	3,804	Total depreciation and amortisation	3,885	3,797	(88)	(2.3)	4,875

NOTES TO THE FINANCIAL STATEMENTS

Year to 30 Jun 2015 Actual \$m	10 months to 30 Apr 2015 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>							
36,860	30,199	Core Crown	31,121	31,285	164	0.5	38,696
17,914	14,649	Crown entities	15,340	15,528	188	1.2	18,534
9,333	7,690	State-owned Enterprises	7,438	7,593	155	2.0	9,061
(28,197)	(23,138)	Inter-segment eliminations	(23,775)	(23,887)	(112)	(0.5)	(28,988)
35,910	29,400	Total other operating expenses	30,124	30,519	395	1.3	37,303
NOTE 8: Finance Costs							
<i>By type</i>							
4,522	3,741	Interest on financial liabilities	3,620	3,687	67	1.8	4,453
41	34	Interest unwind on provisions	26	30	4	13.3	19
4,563	3,775	Total finance costs	3,646	3,717	71	1.9	4,472
<i>By source</i>							
3,783	3,193	Core Crown	3,016	3,037	21	0.7	3,647
221	186	Crown entities	177	169	(8)	(4.7)	176
1,280	1,055	State-owned Enterprises	984	1,038	54	5.2	1,246
(721)	(659)	Inter-segment eliminations	(531)	(527)	4	0.8	(597)
4,563	3,775	Total finance costs	3,646	3,717	71	1.9	4,472
NOTE 9: Insurance Expenses							
<i>By entity</i>							
4,104	3,226	ACC	3,463	3,507	44	1.3	4,079
(357)	(177)	EQC	81	109	28	25.7	128
335	289	Southern Response	158	130	(28)	(21.5)	117
28	16	Other insurance expenses	11	9	(2)	(22.2)	11
4,110	3,354	Total insurance expenses	3,713	3,755	42	1.1	4,335
NOTE 10: Net Gains and Losses on Financial Instruments							
<i>By source</i>							
4,389	4,015	Core Crown	283	(427)	710	166.3	(53)
2,752	2,572	Crown entities	1,279	1,099	180	16.4	1,125
(281)	(167)	State-owned Enterprises	18	112	(94)	(83.9)	120
(882)	(1,121)	Inter-segment eliminations	(536)	(182)	(354)	(194.5)	(213)
5,978	5,299	Net gains/(losses) on financial instruments	1,044	602	442	73.4	979

NOTES TO THE FINANCIAL STATEMENTS

Year to 30 Jun 2015 Actual \$m	10 months to 30 Apr 2015 Actual \$m		Current Year Actual vs Forecast				
			Actual \$m	Forecast \$m	Variance \$m	%	Annual Forecast \$m
NOTE 11: Net Gains and Losses on Non-Financial Instruments							
<i>By type</i>							
(322)	(2,049)	Actuarial gains/(losses) on GSF liability ¹	(898)	(898)	-	-	(898)
(1,352)	(3,286)	Actuarial gains/(losses) on ACC liability ²	(3,146)	(3,042)	(104)	(3.4)	(3,065)
25	(199)	Other	(920)	(469)	(451)	(96.2)	(533)
(1,649)	(5,534)	Net gains/(losses) on non-financial instruments	(4,964)	(4,409)	(555)	(12.6)	(4,496)
<i>By source</i>							
(719)	(2,284)	Core Crown	(1,842)	(1,387)	(455)	(32.8)	(1,431)
(1,335)	(3,293)	Crown entities	(3,153)	(3,062)	(91)	(3.0)	(3,096)
405	43	State-owned Enterprises	31	40	(9)	(22.5)	31
-	-	Inter-segment eliminations	-	-	-	-	-
(1,649)	(5,534)	Net gains/(losses) on non-financial instruments	(4,964)	(4,409)	(555)	(12.6)	(4,496)
NOTE 12: Operating Balance (excluding Minority Interests)							
<i>By source</i>							
3,879	1,904	Core Crown	(950)	(178)	(772)	(433.7)	(437)
2,786	453	Crown entities	(1,778)	(1,939)	161	8.3	(2,111)
689	520	State-owned Enterprises	852	907	(55)	(6.1)	873
(1,583)	(2,082)	Inter-segment eliminations	(1,536)	(1,128)	(408)	(36.2)	(890)
5,771	795	Total operating balance	(3,412)	(2,338)	(1,074)	(45.9)	(2,565)

1. The most recent GSF valuation was as at 31 January 2016.

2. The most recent ACC valuation was as at 31 December 2015, updated monthly for changes to discount rates.

NOTES TO THE FINANCIAL STATEMENTS

As at 30 June 2015 \$m	As at 30 Apr 2015 \$m		Current Year Actual vs Forecast				Annual Forecast \$m
			Actual \$m	Forecast \$m	Variance \$m	%	
NOTE 13: Financial Assets and Sovereign Receivables							
11,982	14,213	Cash and cash equivalents	15,366	14,872	494	3.3	15,036
8,957	10,452	Tax receivables	9,858	11,216	(1,358)	(12.1)	9,040
8,645	9,452	Trade and other receivables	7,491	8,335	(844)	(10.1)	7,906
8,864	8,885	Student loans	9,104	9,103	1	-	9,097
15,598	15,420	Kiwibank mortgages	16,481	16,478	3	-	16,640
5,214	3,660	Long-term deposits	4,560	5,244	(684)	(13.0)	5,053
2,299	2,141	IMF financial assets	1,959	2,280	(321)	(14.1)	2,287
2,035	2,302	Other advances	2,152	2,200	(48)	(2.2)	1,767
25,408	24,637	Share investments	24,688	25,198	(510)	(2.0)	25,443
3,015	4,359	Derivatives in gain	5,369	3,299	2,070	62.7	3,209
43,770	36,676	Other marketable securities	39,216	35,990	3,226	9.0	39,180
135,787	132,197	Total financial assets and sovereign receivables	136,244	134,215	2,029	1.5	134,658
Financial Assets by Entity							
19,481	16,549	Debt Management Office	18,709	17,664	1,045	5.9	20,424
22,905	20,722	Reserve Bank of New Zealand	21,690	21,218	472	2.2	21,241
31,274	30,114	NZ Superannuation Fund	30,461	30,052	409	1.4	30,514
22,907	26,513	Other core Crown	25,242	25,829	(587)	(2.3)	22,731
(7,812)	(9,167)	Intra-segment eliminations	(9,629)	(8,737)	(892)	(10.2)	(7,764)
88,755	84,731	Total core Crown segment	86,473	86,026	447	0.5	87,146
35,765	36,321	ACC portfolio	38,192	37,384	808	2.2	37,119
2,485	2,604	EQC portfolio	2,118	1,849	269	14.5	1,614
10,311	9,775	Other Crown entities	9,265	9,239	26	0.3	8,938
(3,305)	(2,832)	Intra-segment eliminations	(2,428)	(2,543)	115	4.5	(2,403)
45,256	45,868	Total Crown entities segment	47,147	45,929	1,218	2.7	45,268
22,588	22,191	Total State-owned Enterprises segment	23,443	23,535	(92)	(0.4)	23,706
(20,812)	(20,593)	Inter-segment eliminations	(20,819)	(21,275)	456	2.1	(21,462)
135,787	132,197	Total financial assets and sovereign receivables	136,244	134,215	2,029	1.5	134,658

NOTES TO THE FINANCIAL STATEMENTS

As at 30 June 2015 \$m	As at 30 Apr 2015 \$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:							
39,912	37,208	Land	40,139	39,986	153	0.4	40,006
28,914	27,689	Buildings	29,255	29,469	(214)	(0.7)	29,694
21,034	20,646	State highways	21,978	21,982	(4)	-	22,201
14,739	13,649	Electricity generation assets	14,551	14,623	(72)	(0.5)	14,570
4,107	4,042	Electricity distribution network (cost)	4,064	4,106	(42)	(1.0)	4,109
3,080	3,024	Specialist military equipment	3,034	3,028	6	0.2	3,025
3,004	2,970	Specified cultural and heritage assets	2,992	3,000	(8)	(0.3)	2,997
3,272	2,847	Aircraft (excl military)	3,833	3,960	(127)	(3.2)	4,125
983	1,097	Rail network	1,107	1,115	(8)	(0.7)	1,083
5,513	5,141	Other plant and equipment (cost)	5,251	5,312	(61)	(1.1)	5,191
124,558	118,313	Total net carrying value	126,204	126,581	(377)	(0.3)	127,001
By source							
32,289	31,396	Core Crown	32,495	32,584	(89)	(0.3)	32,995
61,416	57,977	Crown entities	62,766	62,819	(53)	(0.1)	62,967
30,852	28,940	State-owned Enterprises	30,943	31,178	(235)	(0.8)	31,039
1	-	Inter-segment eliminations	-	-	-	-	-
124,558	118,313	Total net carrying value	126,204	126,581	(377)	(0.3)	127,001
Land breakdown by usage							
12,976	11,348	Housing stock	12,877	13,139	(262)	(2.0)	13,158
9,356	8,853	State highway corridor land	9,343	9,343	-	-	9,343
5,522	5,358	Conservation estate	5,503	5,521	(18)	(0.3)	5,504
3,363	3,255	Rail network corridor land	3,363	3,351	12	0.4	3,340
3,425	3,134	Schools	3,416	3,396	20	0.6	3,423
1,362	1,344	Commercial (SOE) excluding rail	1,686	1,644	42	2.6	1,637
3,908	3,916	Other	3,951	3,592	359	10.0	3,601
39,912	37,208	Total land	40,139	39,986	153	0.4	40,006
Schedule of Movements							
Cost or Valuation							
129,449	130,342	Opening balance	138,681	138,681	-	-	138,681
7,229	5,897	Additions (refer below)	5,697	5,781	(84)	(1.5)	7,550
(1,211)	(581)	Disposals	(587)	(408)	(179)	(43.9)	(650)
3,064	(43)	Net revaluations	(185)	(195)	10	5.1	(205)
150	(125)	Other	(64)	(35)	(29)	(82.9)	(167)
138,681	135,490	Total cost or valuation	143,542	143,824	(282)	(0.2)	145,209
Accumulated Depreciation and Impairment							
13,143	14,036	Opening balance	14,123	14,123	-	-	14,123
(655)	(191)	Eliminated on disposal	(160)	(142)	(18)	(12.7)	(124)
(2,159)	(20)	Eliminated on revaluation	-	-	-	-	-
3,951	3,238	Depreciation expense and impairment losses	3,444	3,387	57	1.7	4,234
(157)	114	Other	(69)	(125)	56	44.8	(25)
14,123	17,177	Total accumulated depreciation and impairment	17,338	17,243	95	0.6	18,208
124,558	118,313	Total property, plant and equipment	126,204	126,581	(377)	(0.3)	127,001
Additions - by functional classification							
3,364	2,469	Transport and communications	2,699	2,768	(69)	(2.5)	3,411
618	515	Economic and industrial services	344	235	109	46.4	328
893	721	Education	837	875	(38)	(4.3)	1,132
502	406	Health	497	511	(14)	(2.7)	563
523	427	Defence	258	291	(33)	(11.3)	401
1,329	1,359	Other	1,062	1,101	(39)	(3.5)	1,715
7,229	5,897	Total additions	5,697	5,781	(84)	(1.5)	7,550

1. Using a revaluation methodology unless otherwise stated.

NOTES TO THE FINANCIAL STATEMENTS

As at 30 June 2015 \$m	As at 30 Apr 2015 \$m		Current Year Actual vs Forecast				Annual Forecast \$m
			Actual \$m	Forecast \$m	Variance \$m	%	
		NOTE 15: Intangible Assets and Goodwill					
591	602	Goodwill	589	600	(11)	(1.8)	600
2,465	2,390	Other intangible assets	2,557	2,584	(27)	(1.0)	2,706
3,056	2,992	Total intangible assets and goodwill	3,146	3,184	(38)	(1.2)	3,306
		<i>By source</i>					
1,238	1,234	Core Crown	1,306	1,341	(35)	(2.6)	1,388
607	543	Crown entities	579	548	31	5.7	596
1,211	1,215	State-owned Enterprises	1,261	1,295	(34)	(2.6)	1,322
-	-	Inter-segment eliminations	-	-	-	-	-
3,056	2,992	Total intangible assets and goodwill	3,146	3,184	(38)	(1.2)	3,306
		NOTE 16: NZ Superannuation Fund					
760	594	Revenue	589	605	(16)	(2.6)	737
(46)	(438)	Less: current tax expense	(346)	(29)	317	-	(128)
(198)	(104)	Less: other expenses ¹	(111)	(517)	(406)	(78.5)	(546)
3,156	3,058	Add gains/(losses)	(179)	(892)	713	79.9	(573)
3,672	3,110	Operating balance	(47)	(833)	786	94.4	(510)
25,809	25,809	Opening net worth	29,522	29,522	-	-	29,522
3,672	3,110	Operating balance	(47)	(833)	786	94.4	(510)
41	10	Other movements in reserves	(14)	27	(41)	(151.9)	30
29,522	28,929	Closing net worth	29,461	28,716	745	2.6	29,042
		<i>Comprising:</i>					
31,274	30,114	Financial assets	30,461	30,052	409	1.4	30,514
(3,145)	(2,321)	Financial liabilities	(2,420)	(2,390)	(30)	(1.3)	(2,479)
1,393	1,136	Net other assets	1,420	1,054	366	34.7	1,007
29,522	28,929	Closing net worth	29,461	28,716	745	2.6	29,042
1. NZS Fund other expenses include deferred tax expense/(credits).							
		NOTE 17: Payables					
7,599	7,677	Accounts payable	7,256	7,467	211	2.8	7,325
4,354	3,350	Taxes repayable	4,235	4,044	(191)	(4.7)	4,763
11,953	11,027	Total payables	11,491	11,511	20	0.2	12,088
		<i>By source</i>					
8,131	7,546	Core Crown	7,918	7,835	(83)	(1.1)	8,544
5,670	5,264	Crown entities	5,424	5,333	(91)	(1.7)	4,981
4,951	4,685	State-owned Enterprises	4,749	4,925	176	3.6	4,964
(6,799)	(6,468)	Inter-segment eliminations	(6,600)	(6,582)	18	0.3	(6,401)
11,953	11,027	Total payables	11,491	11,511	20	0.2	12,088
		NOTE 18: Insurance Liabilities					
32,518	34,758	ACC liability	37,319	36,972	(347)	(0.9)	36,976
2,965	3,307	EQC property damage liability	2,350	2,161	(189)	(8.7)	1,908
1,216	1,286	Southern Response	874	833	(41)	(4.9)	710
68	53	Other insurance liabilities	54	52	(2)	(3.8)	64
(336)	(319)	Inter-segment eliminations	(316)	(316)	-	-	(333)
36,431	39,085	Total insurance liabilities	40,281	39,702	(579)	(1.5)	39,325

NOTES TO THE FINANCIAL STATEMENTS

As at 30 June 2015 \$m	As at 30 Apr 2015 \$m		Current Year Actual vs Forecast				Annual Forecast \$m
			Actual \$m	Forecast \$m	Variance \$m	%	
NOTE 19: Provisions							
3,533	3,171	Provision for employee entitlements	3,312	3,248	(64)	(2.0)	3,441
855	769	Provision for ETS Credits ¹	1,753	1,304	(449)	(34.4)	1,303
893	874	Provision for National Provident Fund guarantee	857	847	(10)	(1.2)	847
1,940	1,748	Other provisions	1,712	1,700	(12)	(0.7)	1,761
7,221	6,562	Total provisions	7,634	7,099	(535)	(7.5)	7,352
By source							
4,855	4,323	Core Crown	5,173	4,636	(537)	(11.6)	4,989
2,113	2,035	Crown entities	2,093	2,092	(1)	-	2,107
1,267	1,102	State-owned Enterprises	1,152	1,154	2	0.2	1,111
(1,014)	(898)	Inter-segment eliminations	(784)	(783)	1	0.1	(855)
7,221	6,562	Total provisions	7,634	7,099	(535)	(7.5)	7,352
1. Further information on the ETS, can be found on the Ministry for the Environment's climate change website www.climatechange.govt.nz							
NOTE 20: Changes in Net Worth							
19,354	14,162	Taxpayers' funds	15,893	16,970	(1,077)	(6.3)	16,807
67,107	62,148	Property, plant and equipment revaluation reserve	66,832	66,861	(29)	-	66,831
5,782	5,214	Net worth attributable to minority interests	5,729	5,702	27	0.5	5,755
(7)	(75)	Other reserves	(164)	(27)	(137)	-	(91)
92,236	81,449	Total net worth	88,290	89,506	(1,216)	(1.4)	89,302
13,218	13,300	Opening taxpayers funds	19,354	19,354	-	-	19,354
5,771	795	Operating balance excluding minority interests	(3,412)	(2,338)	(1,074)	(45.9)	(2,565)
365	67	Transfers from/(to) other reserves	(49)	(46)	(3)	(6.5)	18
19,354	14,162	Closing taxpayers funds	15,893	16,970	(1,077)	(6.3)	16,807
62,225	62,225	Opening property, plant and equipment revaluation reserve	67,107	67,107	-	-	67,107
5,274	(24)	Net revaluations	(291)	(283)	(8)	(2.8)	(259)
(392)	(53)	Transfers from/(to) other reserves	16	37	(21)	(56.8)	(17)
67,107	62,148	Closing property, plant and equipment revaluation reserve	66,832	66,861	(29)	-	66,831
5,211	5,211	Opening net worth attributable to minority interests	5,782	5,782	-	-	5,782
571	3	Net movements	(53)	(80)	27	33.8	(27)
5,782	5,214	Closing net worth attributable to minority interests	5,729	5,702	27	0.5	5,755
125	43	Opening other reserves	(7)	(7)	-	-	(7)
(132)	(118)	Net movements	(157)	(20)	(137)	-	(84)
(7)	(75)	Closing other reserves	(164)	(27)	(137)	-	(91)

NOTES TO THE FINANCIAL STATEMENTS

Year to 30 Jun 2015 \$m	10 months to 30 Apr 2015 \$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						
66,348	52,457	54,873	54,610	263	0.5	69,018
889	834	670	742	(72)	(9.7)	829
1,806	1,629	1,542	1,508	34	2.3	1,660
2,433	1,878	1,550	1,584	(34)	(2.1)	2,046
(23,895)	(19,410)	(19,699)	(19,757)	58	0.3	(24,449)
(42,064)	(35,727)	(36,351)	(36,904)	553	1.5	(43,942)
(3,922)	(3,107)	(2,825)	(2,829)	4	0.1	(3,627)
-	-	-	-	-	-	(2)
-	-	-	180	(180)	(100.0)	600
1,595	(1,446)	(240)	(866)	626	72.3	2,133
(1,955)	(1,658)	(1,603)	(1,705)	102	6.0	(2,336)
(570)	(578)	(487)	(445)	(42)	(9.4)	(64)
(897)	(1,156)	(1,733)	(1,671)	(62)	(3.7)	(1,917)
-	-	-	-	-	-	-
-	-	-	-	-	-	(31)
-	-	-	30	(30)	(100.0)	100
(3,422)	(3,392)	(3,823)	(3,791)	(32)	(0.8)	(4,248)
(1,827)	(4,838)	(4,063)	(4,657)	594	12.8	(2,115)
<i>The residual cash deficit is funded as follows:</i>						
Debt Programme Cash Flows						
Market:						
8,058	7,320	7,067	7,668	(601)	(7.8)	8,343
(8,684)	(8,684)	(1,779)	(1,779)	-	-	(1,779)
4,179	4,669	(3,453)	(3,753)	300	8.0	(3,653)
3,553	3,305	1,835	2,136	(301)	(14.1)	2,911
Non market:						
-	-	-	-	-	-	-
(482)	(375)	(138)	(138)	-	-	(138)
(480)	(380)	(100)	(100)	-	-	(100)
(962)	(755)	(238)	(238)	-	-	(238)
2,591	2,550	1,597	1,898	(301)	(15.9)	2,673
Other Borrowing Cash Flows						
3,207	2,247	(1,638)	(1,190)	(448)	(37.6)	(1,036)
(2,757)	(1,899)	2,327	1,116	1,211	108.5	844
450	348	689	(74)	763	70.9	(192)
Investing Cash Flows						
795	3,675	3,029	3,647	(618)	(16.9)	491
372	425	450	564	(114)	(20.2)	564
(2,381)	(2,160)	(1,702)	(1,378)	(324)	(23.5)	(1,421)
(1,214)	1,940	1,777	2,833	(1,056)	(37.3)	(366)
1,827	4,838	4,063	4,657	(594)	(12.8)	2,115

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