

## **CHAPTER 9: GOVERNMENT FINANCE STATISTICS AND UNIFORM REPORTING FRAMEWORK**

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- ◆ Financial aggregates are prepared on an accrual basis in accordance with the uniform presentation framework (UPF).
- ◆ A time series is provided from 2000-01 to 2009-10 for the general government, public trading enterprise and consolidated sectors.
- ◆ There has been a break in the time series denoted on the UPF tables by a vertical dotted line. From 2005-06 transactions have been recognised in accordance with Australian Equivalents to International Financial Reporting Standards (AEIFRS). Prior to 2005-06 transactions have been recognised and measured on a pre-AEIFRS basis.

### **9.1 INTRODUCTION**

This chapter presents financial aggregates for the general government and public trading enterprise (PTE)<sup>1</sup> sectors according to international statistical standards and in accordance with a uniform reporting framework agreed by the Australian Loan Council. The format of the aggregates is based on the reporting standards of the Australian Bureau of Statistics (ABS) accrual government finance statistics (GFS) framework.

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<sup>1</sup> The PTE sector is also referred to by the Australian Bureau of Statistics as the public non-financial corporation or PNFC sector. Other chapters in this budget paper use the term "PTE".

The financial aggregates presented in this chapter serve a number of purposes including:

- ◆ allowing comparisons between the financial position of Australian Governments on a consistent basis;
- ◆ facilitating time series comparisons since they are relatively unaffected by changes in public sector administrative structures; and
- ◆ permitting an assessment of the impact of NSW public sector transactions on the economy by providing data classified by economic type.

Section 9.2 outlines the format of the accrual UPF statements, comparing and contrasting them to their equivalent accrual accounting reports. It also describes the main fiscal measures in the accrual GFS reports.

The classification of public sector entities is outlined in Section 9.3.

The accrual uniform presentation framework estimates are presented in Section 9.4. They are presented in the sequence of operating statements, balance sheets and cash flow statements which are dissected by economic type. In addition to the UPF minimum disclosure requirements, these reports also include a historical and forward year time series. This is followed by tables of general government taxes by type, and expenses and purchases of non-financial assets by function. The functional reports are prepared according to the Australian Bureau of Statistics general purpose classifications.

Section 9.5 presents estimates of the State's Loan Council allocation (LCA) for 2006-07 and compares this to the original LCA bid provided to the March 2006 Treasurers' Conference. Information is also presented in Section 9.6 on new infrastructure projects involving the private sector for 2005-06 and 2006-07 in accordance with Loan Council reporting requirements.

Chapter 5 of Budget Paper No. 2 provides a brief commentary on the operations of the PTE sector.

## 9.2 ACCRUAL GFS REPORTING

### THE ACCRUAL GFS PRESENTATION

Public sector estimates and outcomes are presented in the accrual GFS framework in three primary statements: operating statement, balance sheet and cash flow statement. These statements form the core of the accrual UPF.

GFS includes only those transactions within the operating and cash flow statements over which a government exercises control under its legislative or policy framework. This means that, unlike the accounting viewpoint, the GFS excludes from the calculation of net operating balance both revaluations (holding gains or losses) arising from a change in market prices and other changes in the volume of assets that result from discoveries, depletion and destruction of assets. This means that differences arise between the GFS and accounting frameworks, particularly within the operating statement.

#### Operating Statement

The operating statement presents information on GFS revenues<sup>2</sup> and GFS expenses<sup>3</sup>. This statement is designed to capture the composition of revenues and expenses and the net cost of government activities within a fiscal year. It shows the full cost of resources consumed by government in achieving its objectives and how these costs are met from various revenue sources.

Unlike a standard accounting operating statement, the GFS operating statement reports two major fiscal measures – the GFS net operating balance and GFS net lending. The *GFS net operating balance*<sup>4</sup> is calculated as GFS revenue minus GFS expenses. *GFS net lending*<sup>5</sup> is GFS revenues less GFS expenses (excluding depreciation), less net capital expenditure (i.e. after asset sales) and other selected asset movements/adjustments, thereby giving a measure of a jurisdiction's call on financial markets.

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<sup>2</sup> *GFS revenue differs from accounting revenues. GFS revenues include all (mutually agreed) transactions that increase net worth. Revaluations, included in accounting revenues, are not considered mutually agreed transactions and so are excluded from GFS revenues. Asset sales, which involve a transfer of a non-financial asset for a financial asset, are also excluded.*

<sup>3</sup> *GFS expenses differ from accounting expenses. GFS expenses encompass all transactions that decrease net worth, including dividend and tax equivalent payments. Revaluations, included in accounting expenses, are not considered mutually agreed transactions and so are excluded from GFS expenses. Included in this revaluations category are asset write-offs.*

<sup>4</sup> *The net operating balance is equivalent to the Budget result shown elsewhere in the budget papers.*

<sup>5</sup> *Commonwealth Treasury has adopted the term "fiscal balance".*

## Balance Sheet

The balance sheet records the stocks of financial and non-financial assets and liabilities. This statement, also referred to as a ‘statement of assets and liabilities’ or a ‘statement of financial position’, discloses the resources over which a government exercises control. The balance sheet is a financial snapshot taken at the end of each financial year. By providing information on the type of assets and liabilities held by a government, the statement gives an indication of financial liquidity.

The balance sheet includes data on the composition of financial assets, on the holdings of fixed assets and on the extent of liabilities such as borrowing and unfunded superannuation. This allows for intertemporal and interjurisdictional comparisons of asset and liability levels.

The GFS balance sheet differs from the standard accounting presentation:

- ◆ it provides information on financial and non-financial assets, and does not distinguish between current and non-current assets and liabilities;
- ◆ receivables are presented on a gross basis (i.e. excluding all allowances for doubtful debts) resulting in GFS net worth being greater than accounting net assets; and
- ◆ the general government sector under GFS discloses an equity investment in the public financial enterprise (PFE)<sup>6</sup> and public trading enterprise (PTE) sectors. GFS recognises a holding company model for the general government’s ownership of the PFE and PTE sectors.

Balance sheet indicators include net debt, net financial worth and net worth.

*Net debt* comprises borrowings and net advances received less cash and investments.

The net debt measure is limited in that it does not include employee liabilities such as superannuation or insurance claim obligations, which can be substantial and a substitute for debt obligations. In addition, net debt does not provide information on whether this debt has been incurred to finance capital expenditure or operations.

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<sup>6</sup> The PFE sector is also referred to by the Australian Bureau of Statistics as the public financial corporation or PFC sector. Other chapters in this budget paper use the term “PFE”.

*Net financial worth* measures net holdings of financial assets. It is calculated from the balance sheet as financial assets minus total liabilities (ie it includes superannuation and insurance liabilities). It is also commonly referred to as net financial assets. Net financial worth excludes physical assets such as property and infrastructure which can be subject to significant valuation movements. It is a useful indicator for examining the soundness of a government's fiscal position, particularly over the medium-to-long term.

*Net worth*, also known as net assets, provides a comprehensive picture of the financial position, as it is measured by total assets less total liabilities. Net worth shows the impact of asset acquisitions over time, giving an indication of the extent to which borrowings are used to finance asset purchases, rather than current expenditure. However, given that many public sector assets do not generate a financial return or are not saleable assets, net worth does not give a good indication of fiscal sustainability.

The difference between total assets and total liabilities for the PTE and PFE sector is deemed to be owner's equity (shares and other contributed capital). GFS treats owner's equity for the PTE and PFE sectors similar to a liability. Therefore the GFS net worth for the PTE and PFE sectors is always zero.

In addition to the UPF requirement to report net debt and net financial worth, *underlying net debt* is also reported after adjusting for the impact of a special prepayment of superannuation (1999-2000 to 2000-01) and the establishment of the General Government Liability Management Fund, which commenced operations in 2002-03. While the financial assets in the General Government Liability Management Fund accrue within the general government sector, they are dedicated to meet superannuation liabilities. Underlying net debt is published after adjustment to avoid the distorting impact of the superannuation transactions, which are basically temporary and reversing.

## **Cash Flow Statement**

The cash flow statement records cash receipts and payments, revealing how a government obtains and expends cash.

This statement requires cash flows to be categorised into operating, investing and financing activities. Operating activities are those which relate to the collection of taxes, the distribution of grants, and the provision of goods and services. Investing activities are those which relate to the acquisition and disposal of financial and non-financial assets. Financing activities are those which relate to the changing size and composition of a government's financial structure.

The convention within the cash flow statement is that all inflows carry a positive sign and all outflows carry a negative sign (regardless of whether they are gross or net cash flows).

The GFS cash flow statement reports two major fiscal measures – net increase in cash held, and cash surplus. *Net increase in cash held* is the sum of net cash flows from all operating, investing and financing activities. The *cash surplus* comprises net cash received from operating activities, and from sales and purchases of non-financial assets, minus distributions paid (in the case of public trading enterprises), minus finance leases and similar arrangements.

The cash surplus measure is broadly comparable with the old cash-GFS surplus measure, allowing for comparisons between the two frameworks.

An *underlying cash surplus/deficit* has also been published. The underlying result removes the distortionary impact of both the 2000 Olympic and Paralympic Games for the PTE sector, and the discretionary timing of general government defined benefit superannuation contributions.

## **COMPARISON TO ACCRUAL BASED ACCOUNTING REPORTS**

Information reported in the accrual UPF tables is generally consistent with that reported elsewhere in Budget Paper No. 2. However, differences in treatment and disclosure can occur because the Australian Bureau of Statistics requires that:

- ◆ selected payments that pass through the State's accounts, e.g. for non-government schools, be included in the UPF tables. Reports in other chapters of the budget papers exclude these receipts and payments as the NSW Government has no control over them;
- ◆ the general government sector balance sheet in the UPF table reports an equity investment in the public financial and non-financial corporation sectors while the accounting based statement of financial position does not record this item. A residual entity model of the Crown is considered more appropriate under the accounting framework than a holding company model; and
- ◆ allowance for doubtful debts is excluded from balance sheets presented on a GFS basis.

## **BREAK IN TIME SERIES – INTRODUCTION OF AEIFRS**

There has been a break in the UPF time series. Prior to 2005-06 transactions have been recognised and measured in accordance with Australian Accounting Standards. From 2005-06 the underlying information has been recognised in accordance with Australian Equivalents to International Financial Reporting Standards (AEIFRS).

This break in the UPF series between 2004-05 and 2005-06 is denoted by a vertical dotted line.

## **APPLICATION OF GFS PRINCIPLES**

The standards applied to produce the uniform presentation tables in this chapter are the same as those used by the ABS in its government finance statistics publication (Catalogue No. 5512.0).

Current ABS statistical standards require a premium on a loan to be classified as a negative interest payment in the year the loan is raised. New South Wales disagrees with this approach since it results in an asymmetric treatment with discounts on loans which are treated as a balloon interest payment on the maturity of the loan.

The ABS has recognised the accounting difficulties of their approach. Given this, a compromise has been reached and all jurisdictions and the ABS have departed from GFS principles on this matter and record the premium as a negative interest payment in the final year of the loan.

### **9.3 CLASSIFICATION FRAMEWORK**

The economic type classification adopted in this budget paper follows international conventions as outlined in the ABS information paper, *Australian System of Government Finance Statistics: Concepts, Sources and Methods*, Catalogue Number 5514.0.55.001.

#### **CLASSIFICATION OF PUBLIC SECTOR ENTITIES**

Public sector entities in New South Wales can be classified as general government entities (GGEs), public trading enterprises (PTEs) or public financial enterprises (PFEs).

GGEs consist of those public sector entities that provide, in the main, goods and services outside the market mechanism as well as providing for the transfer of income for public policy purposes. The major form of financing of these goods and services is by taxation, imposed by the State or by the Commonwealth and subsequently on-passed to the State. In New South Wales, most government departments and a number of statutory authorities, e.g. WorkCover Authority, fit into this category.

In contrast, PTEs charge for services provided and hence have a broadly commercial orientation. They do not, however, necessarily operate in competitive markets. While PTEs are not required to be fully self-funding, a substantial portion of their costs must be met by user charges. The PTE sector in New South Wales includes for example Eraring Energy, TransGrid, Sydney Water Corporation and Rail Corporation New South Wales.

PFEs are the third category of authorities in the ABS framework. NSW Treasury Corporation is the major entity in New South Wales operating in this sector. PFEs are not included in this chapter as the Uniform Presentation Agreement only requires the publication of PFE data ex-post. Further, forward estimates of financial transactions in this sector are subject to considerable uncertainty.

Appendix C lists NSW public sector entities and their sector classifications.

The non-financial public (NFP) sector is a consolidation of GGEs and PTEs.

## **9.4 ACCRUAL UNIFORM PRESENTATION FRAMEWORK TABLES**

In accordance with the revised uniform presentation framework agreed by the Australian Loan Council in March 2000 and subsequent meetings, Tables 9.1 through to 9.12 of this Section provide estimates on a comparable basis to those which the ABS will be publishing.

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**Table 9.1: NSW General Government Sector Operating Statement (ABS Basis)**

	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Revised</i>	<i>Budget</i>	<i>Forward Estimates</i>		
	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03</i>	<i>2003-04</i>	<i>2004-05</i>	<i>2005-06<sup>(a)</sup></i>	<i>2006-07<sup>(a)</sup></i>	<i>2007-08<sup>(a)</sup></i>	<i>2008-09<sup>(a)</sup></i>	<i>2009-10<sup>(a)</sup></i>
	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
<b>GFS Revenue</b>										
Taxation revenue	13,343	13,216	14,153	15,026	15,332	15,812	16,719	17,472	18,394	19,365
Current grants and subsidies	13,741	15,873	16,475	16,905	17,659	18,523	19,144	19,973	20,912	21,820
Capital grants	866	891	914	900	1,130	1,241	1,333	1,406	1,455	1,179
Sales of goods and services	2,659	2,699	2,914	3,006	3,148	3,155	3,259	3,380	3,515	3,632
Interest income	471	282	440	862	1,051	1,450	914	793	840	896
Other	2,545	2,558	2,865	2,962	3,076	3,315	3,229	3,446	3,417	3,652
<b>Total Revenue</b>	<b>33,625</b>	<b>35,519</b>	<b>37,761</b>	<b>39,661</b>	<b>41,396</b>	<b>43,496</b>	<b>44,598</b>	<b>46,470</b>	<b>48,533</b>	<b>50,544</b>
<b>less GFS Expenses</b>										
Employee expenses	13,417	14,003	15,443	16,615	17,834	18,928	19,927	20,696	21,756	22,660
Depreciation	1,402	1,638	1,779	1,927	1,994	2,150	2,245	2,355	2,477	2,570
Other operating expenses	8,605	9,458	9,828	10,162	10,465	10,274	11,244	11,531	11,717	12,196
Nominal superannuation interest expense	438	564	745	860	919	905	652	390	393	397
Other interest expenses	1,016	868	803	788	818	883	991	1,166	1,293	1,384
Other property expenses	...	...	...	...	...	...	...	...	...	...
Current transfers	4,973	5,558	6,069	6,898	7,229	7,871	8,488	8,516	8,823	8,938
Capital transfers	2,287	1,864	1,342	1,258	1,413	1,841	1,747	1,438	1,367	1,300
<b>Total Expenses</b>	<b>32,138</b>	<b>33,953</b>	<b>36,009</b>	<b>38,508</b>	<b>40,672</b>	<b>42,852</b>	<b>45,294</b>	<b>46,092</b>	<b>47,826</b>	<b>49,445</b>
<b>equals GFS Net Operating Balance</b>	<b>1,487</b>	<b>1,566</b>	<b>1,752</b>	<b>1,153</b>	<b>724</b>	<b>644</b>	<b>(696)</b>	<b>378</b>	<b>707</b>	<b>1,099</b>

**Table 9.1: NSW General Government Sector Operating Statement (ABS Basis) (cont)**

	Actual 2000-01 \$m	Actual 2001-02 \$m	Actual 2002-03 \$m	Actual 2003-04 \$m	Actual 2004-05 \$m	Revised 2005-06 <sup>(a)</sup> \$m	Budget 2006-07 <sup>(a)</sup> \$m	Forward Estimates		
								2007-08 <sup>(a)</sup> \$m	2008-09 <sup>(a)</sup> \$m	2009-10 <sup>(a)</sup> \$m
<b>less Net Acquisition of Non-financial Assets</b>										
Purchases of non-financial assets <sup>(b)</sup>	2,569	2,745	3,004	3,019	3,144	3,742	4,371	4,403	4,513	4,590
less Sales of non-financial assets	(372)	(596)	(366)	(406)	(491)	(483)	(459)	(497)	(478)	(539)
less Depreciation	(1,402)	(1,638)	(1,779)	(1,927)	(1,994)	(2,150)	(2,245)	(2,355)	(2,477)	(2,570)
plus Change in inventories	11	...	4	21	(26)	6	(3)	(6)	(4)	2
plus Other movements in non-financial assets										
- finance leases <sup>(b)</sup>	290	351	345	312	187	46	16	125	269	...
- other	(134)	125	83	93	82	74	90	103	122	132
<b>equals Total Net Acquisition of Non-financial Assets</b>	<b>962</b>	<b>987</b>	<b>1,291</b>	<b>1,112</b>	<b>902</b>	<b>1,235</b>	<b>1,770</b>	<b>1,773</b>	<b>1,945</b>	<b>1,615</b>
<b>equals GFS Net Lending / (Borrowing)</b>	<b>525</b>	<b>579</b>	<b>461</b>	<b>41</b>	<b>(178)</b>	<b>(591)</b>	<b>(2,466)</b>	<b>(1,395)</b>	<b>(1,238)</b>	<b>(516)</b>

*Notes:*

(a) 2005-06 and forward years are based on data that has been recognised and measured in accordance with Australian Equivalents to International Financial Reporting Standards (AEIFRS). Prior to 2005-06 transactions were recorded in accordance with Australian Accounting Standards.

(b) Elsewhere in the Budget Papers reference is made to Capital Expenditure, which comprises purchases of non-financial assets and assets acquired under finance lease arrangements.

**Table 9.2: NSW Public Non-financial Corporation Sector Operating Statement<sup>(a)</sup> (ABS Basis)**

	<i>Actual</i>					<i>Revised</i>		<i>Forward Estimates</i>		
	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03</i>	<i>2003-04</i>	<i>2004-05</i>	<i>2005-06<sup>(b)</sup></i>	<i>2006-07<sup>(b)</sup></i>	<i>2007-08<sup>(b)</sup></i>	<i>2008-09<sup>(b)</sup></i>	<i>2009-10<sup>(b)</sup></i>
	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
<b>GFS Revenue</b>										
Sales of goods and services	11,564	9,347	9,371	9,874	10,243	10,165	10,773	11,407	11,921	12,721
Current grants and subsidies	1,071	1,072	1,404	1,693	1,741	2,037	2,111	2,205	2,353	2,377
Capital grants	771	925	690	698	760	1,035	983	727	832	764
Interest income	142	78	85	83	72	78	61	57	59	62
Other	843	870	827	768	719	824	694	705	663	690
<b>Total Revenue</b>	<b>14,391</b>	<b>12,292</b>	<b>12,377</b>	<b>13,116</b>	<b>13,535</b>	<b>14,139</b>	<b>14,622</b>	<b>15,101</b>	<b>15,828</b>	<b>16,614</b>
<b>less GFS Expenses</b>										
Employee expenses	3,375	3,017	2,985	3,013	3,177	3,225	3,401	3,477	3,567	3,702
Depreciation	1,514	1,563	2,068	2,164	2,068	2,106	2,238	2,368	2,488	2,661
Other operating expenses	6,622	4,664	5,235	5,493	5,636	5,739	6,132	6,307	6,383	6,584
Interest expenses	825	813	823	787	904	895	1,040	1,174	1,401	1,575
Other property expenses	981	1,294	1,244	1,487	1,496	1,706	1,553	1,786	1,733	1,889
Current transfers	73	78	85	106	106	196	219	206	207	170
Capital transfers	56	92	32	18	16	...	...	7	...	...
<b>Total Expenses</b>	<b>13,446</b>	<b>11,521</b>	<b>12,472</b>	<b>13,068</b>	<b>13,403</b>	<b>13,867</b>	<b>14,583</b>	<b>15,325</b>	<b>15,779</b>	<b>16,581</b>
<b>equals GFS Net Operating Balance</b>	<b>945</b>	<b>771</b>	<b>(95)</b>	<b>48</b>	<b>132</b>	<b>272</b>	<b>39</b>	<b>(224)</b>	<b>49</b>	<b>33</b>

**Table 9.2: NSW Public Non-financial Corporation Sector Operating Statement<sup>(a)</sup> (ABS Basis) (cont)**

	Actual 2000-01 \$m	Actual 2001-02 \$m	Actual 2002-03 \$m	Actual 2003-04 \$m	Actual 2004-05 \$m	Revised 2005-06 <sup>(b)</sup> \$m	Budget 2006-07 <sup>(b)</sup> \$m	Forward Estimates		
								2007-08 <sup>(b)</sup> \$m	2008-09 <sup>(b)</sup> \$m	2009-10 <sup>(b)</sup> \$m
<b>less Net Acquisition of Non-financial Assets</b>										
Purchases of non-financial assets	2,510	2,989	3,352	3,378	3,655	4,309	5,559	5,933	5,987	5,576
less Sales of non-financial assets	(315)	(302)	(332)	(201)	(196)	(223)	(295)	(407)	(408)	(437)
less Depreciation	(1,514)	(1,563)	(2,068)	(2,164)	(2,068)	(2,106)	(2,238)	(2,368)	(2,488)	(2,661)
plus Change in inventories	(651)	58	47	47	95	65	15	137	24	72
plus Other movements in non-financial assets										
- finance leases	...	...	...	...	...	...	...	...	...	...
- other	159	166	119	78	130	159	143	129	129	131
<b>equals Total Net Acquisition of Non-financial Assets</b>	<b>189</b>	<b>1,348</b>	<b>1,118</b>	<b>1,138</b>	<b>1,616</b>	<b>2,204</b>	<b>3,184</b>	<b>3,424</b>	<b>3,244</b>	<b>2,681</b>
<b>equals GFS Net Lending / (Borrowing)</b>	<b>756</b>	<b>(577)</b>	<b>(1,213)</b>	<b>(1,090)</b>	<b>(1,484)</b>	<b>(1,932)</b>	<b>(3,145)</b>	<b>(3,648)</b>	<b>(3,195)</b>	<b>(2,648)</b>

*Notes:*

(a) The public non-financial corporation (PNFC) sector is also referred to in these budget papers as the public trading enterprise (PTE) sector.

(b) 2005-06 and forward years are based on data that has been recognised and measured in accordance with Australian Equivalents to International Financial Reporting Standards (AEIFRS). Prior to 2005-06 transactions were recorded in accordance with Australian Accounting Standards.

(c) The Net Lending / (Borrowing) has been adjusted to exclude the impact of the 2000 Olympic and Paralympic Games on the results.

<b>GFS Net Lending / (Borrowing)</b>	<b>756</b>	<b>(577)</b>	<b>(1,213)</b>	<b>(1,090)</b>	<b>(1,484)</b>	<b>(1,932)</b>	<b>(3,145)</b>	<b>(3,648)</b>	<b>(3,195)</b>	<b>(2,648)</b>
adjustment to exclude SOCOG and SPOC	(974)	(11)	...	...	...	...	...	...	...	...
<b>Underlying Net Lending/ (Borrowing)<sup>(c)</sup></b>	<b>(218)</b>	<b>(588)</b>	<b>(1,213)</b>	<b>(1,090)</b>	<b>(1,484)</b>	<b>(1,932)</b>	<b>(3,145)</b>	<b>(3,648)</b>	<b>(3,195)</b>	<b>(2,648)</b>

**Table 9.3: NSW Non-financial Public Sector Operating Statement (ABS Basis)**

	<i>Actual</i>					<i>Revised</i>		<i>Forward Estimates</i>		
	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03</i>	<i>2003-04</i>	<i>2004-05</i>	<i>2005-06<sup>(a)</sup></i>	<i>2006-07<sup>(a)</sup></i>	<i>2007-08<sup>(a)</sup></i>	<i>2008-09<sup>(a)</sup></i>	<i>2009-10<sup>(a)</sup></i>
	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
<b>GFS Revenue</b>										
Taxation revenue	12,656	12,597	13,437	14,218	14,756	15,149	16,014	16,733	17,625	18,553
Current grants and subsidies	13,769	15,852	16,442	16,841	17,623	18,402	19,013	19,850	20,789	21,727
Sales of goods and services	14,007	11,933	12,179	12,728	13,226	13,179	13,889	14,644	15,288	16,202
Capital grants	805	886	908	900	1,130	1,237	1,333	1,405	1,454	1,179
Interest income	549	306	473	892	1,148	1,478	926	802	852	913
Other	2,173	2,091	2,425	2,296	2,309	2,433	2,343	2,282	2,467	2,514
<b>Total Revenue</b>	<b>43,959</b>	<b>43,665</b>	<b>45,864</b>	<b>47,875</b>	<b>50,192</b>	<b>51,878</b>	<b>53,518</b>	<b>55,716</b>	<b>58,475</b>	<b>61,088</b>
<b>less GFS Expenses</b>										
Employee expenses	16,789	17,030	18,434	19,653	21,015	22,156	23,320	24,167	25,316	26,355
Depreciation	2,916	3,201	3,847	4,091	4,062	4,256	4,482	4,723	4,965	5,231
Other operating expenses	14,313	13,385	14,233	14,690	15,350	15,200	16,511	16,916	17,189	17,825
Nominal superannuation interest expense	438	564	745	860	919	905	652	390	393	396
Other interest expenses	1,778	1,627	1,573	1,523	1,672	1,728	1,983	2,292	2,647	2,914
Other property expenses	...	...	...	...	...	...	...	...	...	...
Current transfers	3,937	4,550	4,738	5,283	5,585	5,929	6,490	6,405	6,564	6,659
Capital transfers	1,559	962	638	575	658	789	737	669	645	576
<b>Total Expenses</b>	<b>41,730</b>	<b>41,319</b>	<b>44,208</b>	<b>46,675</b>	<b>49,261</b>	<b>50,963</b>	<b>54,175</b>	<b>55,562</b>	<b>57,719</b>	<b>59,956</b>
<b>equals GFS Net Operating Balance</b>	<b>2,229</b>	<b>2,346</b>	<b>1,656</b>	<b>1,200</b>	<b>931</b>	<b>915</b>	<b>(657)</b>	<b>154</b>	<b>756</b>	<b>1,132</b>

**Table 9.3: NSW Non-financial Public Sector Operating Statement (ABS Basis) (cont)**

	Actual 2000-01 \$m	Actual 2001-02 \$m	Actual 2002-03 \$m	Actual 2003-04 \$m	Actual 2004-05 \$m	Revised 2005-06 <sup>(a)</sup> \$m	Budget 2006-07 <sup>(a)</sup> \$m	Forward Estimates		
								2007-08 <sup>(a)</sup> \$m	2008-09 <sup>(a)</sup> \$m	2009-10 <sup>(a)</sup> \$m
<b>less Net Acquisition of Non-financial Assets</b>										
Purchases of non-financial assets <sup>(b)</sup>	5,075	5,729	6,352	6,394	6,795	8,046	9,925	10,331	10,495	10,161
less Sales of non-financial assets	(687)	(898)	(698)	(607)	(686)	(706)	(754)	(904)	(886)	(976)
less Depreciation	(2,916)	(3,201)	(3,847)	(4,091)	(4,062)	(4,256)	(4,482)	(4,723)	(4,965)	(5,231)
plus Change in inventories	(641)	58	51	67	70	71	12	131	20	74
plus Other movements in non-financial assets										
- finance leases <sup>(b)</sup>	290	351	345	312	187	47	15	125	269	...
- other	27	291	202	171	210	231	233	231	251	262
<b>equals Total Net Acquisition of Non-financial Assets</b>	<b>1,148</b>	<b>2,330</b>	<b>2,405</b>	<b>2,246</b>	<b>2,514</b>	<b>3,433</b>	<b>4,949</b>	<b>5,191</b>	<b>5,184</b>	<b>4,290</b>
<b>equals GFS Net Lending / (Borrowing)</b>	<b>1,081</b>	<b>16</b>	<b>(749)</b>	<b>(1,046)</b>	<b>(1,583)</b>	<b>(2,518)</b>	<b>(5,606)</b>	<b>(5,037)</b>	<b>(4,428)</b>	<b>(3,158)</b>

*Notes:*

(a) 2005-06 and forward years are based on data that has been recognised and measured in accordance with Australian Equivalents to International Financial Reporting Standards (AEIFRS). Prior to 2005-06 transactions were recorded in accordance with Australian Accounting Standards.

(b) Elsewhere in the Budget Papers reference is made to Capital Expenditure which comprises purchases of non-financial assets and assets acquired under finance lease arrangements.

(c) The Net Lending / (Borrowing) has been adjusted to exclude the impact of the 2000 Olympic and Paralympic Games on the results.

<b>GFS Net Lending / (Borrowing)</b>	<b>1,081</b>	<b>16</b>	<b>(749)</b>	<b>(1,046)</b>	<b>(1,583)</b>	<b>(2,518)</b>	<b>(5,606)</b>	<b>(5,037)</b>	<b>(4,428)</b>	<b>(3,158)</b>
adjustment adjustment to exclude SOCOG and SPOC	(975)	(12)	...	...	...	...	...	...	...	...
<b>Underlying Net Lending/ (Borrowing)<sup>(c)</sup></b>	<b>106</b>	<b>4</b>	<b>(749)</b>	<b>(1,046)</b>	<b>(1,583)</b>	<b>(2,518)</b>	<b>(5,606)</b>	<b>(5,037)</b>	<b>(4,428)</b>	<b>(3,158)</b>

**Table 9.4: NSW General Government Sector Balance Sheet (ABS Basis)**

	<i>Actual</i>					<i>Revised</i>	<i>Budget</i>	<i>Forward Estimates</i>		
	<i>June 2001</i>	<i>June 2002</i>	<i>June 2003</i>	<i>June 2004</i>	<i>June 2005</i>	<i>June 2006<sup>(a)</sup></i>	<i>June 2007<sup>(a)</sup></i>	<i>June 2008<sup>(a)</sup></i>	<i>June 2009<sup>(a)</sup></i>	<i>June 2010<sup>(a)</sup></i>
	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
<b>Assets</b>										
Financial assets										
Cash and deposits	1,096	1,719	1,091	1,869	1,465	1,098	1,036	1,010	807	1,051
Advances paid	1,442	1,521	1,401	1,359	1,304	1,281	1,255	1,209	1,208	1,183
Investments, loans and placements	3,950	4,409	7,940	9,575	12,042	14,688	8,373	8,950	9,573	10,026
Other non-equity assets	4,854	5,172	5,358	5,846	6,246	9,563	9,470	9,732	9,736	10,072
Equity	47,501	48,337	66,780	68,067	68,694	65,008	65,831	66,473	67,394	68,992
<b>Total Financial Assets</b>	<b>58,843</b>	<b>61,158</b>	<b>82,570</b>	<b>86,716</b>	<b>89,751</b>	<b>91,638</b>	<b>85,965</b>	<b>87,374</b>	<b>88,718</b>	<b>91,324</b>
Non-financial assets										
Land and fixed assets	66,306	73,916	78,936	80,402	84,210	86,226	88,619	91,234	93,923	96,326
Other non-financial assets	847	952	1,047	1,176	1,260	1,492	1,600	1,733	1,877	2,031
<b>Total Non-financial Assets</b>	<b>67,153</b>	<b>74,868</b>	<b>79,983</b>	<b>81,578</b>	<b>85,470</b>	<b>87,718</b>	<b>90,219</b>	<b>92,967</b>	<b>95,800</b>	<b>98,357</b>
<b>Total Assets</b>	<b>125,996</b>	<b>136,026</b>	<b>162,553</b>	<b>168,294</b>	<b>175,221</b>	<b>179,356</b>	<b>176,184</b>	<b>180,341</b>	<b>184,518</b>	<b>189,681</b>

**Table 9.4: NSW General Government Sector Balance Sheet (ABS Basis) (cont)**

	Actual					Revised	Budget	Forward Estimates		
	June 2001	June 2002	June 2003	June 2004	June 2005	June 2006 <sup>(a)</sup>	June 2007 <sup>(a)</sup>	June 2008 <sup>(a)</sup>	June 2009 <sup>(a)</sup>	June 2010 <sup>(a)</sup>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>Liabilities</b>										
Deposits held	61	65	53	68	98	85	86	87	87	86
Advances received	2,041	1,826	1,808	1,681	1,641	1,507	1,467	1,418	1,368	1,317
Borrowing	12,026	10,814	10,164	10,796	11,392	12,096	15,301	17,445	18,903	19,990
Superannuation liability <sup>(b)</sup>	8,127	11,398	14,720	15,460	16,462	23,380	14,883	15,191	15,431	15,616
Other employee entitlements and provisions	9,185	9,982	11,155	12,127	13,050	12,993	13,296	13,629	14,074	14,494
Other non-equity liabilities	3,055	3,511	3,611	3,872	3,689	5,125	4,841	4,357	3,955	3,801
<b>Total Liabilities</b>	<b>34,495</b>	<b>37,596</b>	<b>41,511</b>	<b>44,004</b>	<b>46,332</b>	<b>55,186</b>	<b>49,874</b>	<b>52,127</b>	<b>53,818</b>	<b>55,304</b>
<b>NET WORTH</b>	<b>91,501</b>	<b>98,430</b>	<b>121,042</b>	<b>124,290</b>	<b>128,889</b>	<b>124,170</b>	<b>126,310</b>	<b>128,214</b>	<b>130,700</b>	<b>134,377</b>
<b>Net Financial Worth<sup>(c)</sup></b>	<b>24,348</b>	<b>23,562</b>	<b>41,059</b>	<b>42,712</b>	<b>43,419</b>	<b>36,452</b>	<b>36,091</b>	<b>35,247</b>	<b>34,900</b>	<b>36,020</b>
<b>Net Debt<sup>(d)</sup></b>	<b>7,640</b>	<b>5,056</b>	<b>1,593</b>	<b>(258)</b>	<b>(1,680)</b>	<b>(3,379)</b>	<b>6,190</b>	<b>7,781</b>	<b>8,770</b>	<b>9,133</b>

*Notes:*

(a) June 2006 and forward years are based on data that has been recognised and measured in accordance with Australian Equivalents to International Financial Reporting Standards (AEIFRS). Prior to 2005-06 transactions were recorded in accordance with Australian Accounting Standards.

(b) Comprises net unfunded obligations.

(c) Net financial worth equals total financial assets minus total liabilities.

(d) Net debt equals the sum of deposits held, advances received and borrowing, minus the sum of cash and deposits, advances paid, and investments, loans and placements.

(e) Adjusted for prepaid superannuation in the year 2001, and Crown deposits to the Liability Management Fund and fund earnings in the years 2003 to 2006 inclusive.

<b>GFS Net Debt<sup>(d)</sup></b>	<b>7,640</b>	<b>5,056</b>	<b>1,593</b>	<b>(258)</b>	<b>(1,680)</b>	<b>(3,379)</b>	<b>6,190</b>	<b>7,781</b>	<b>8,770</b>	<b>9,133</b>
Impact of prepayment of superannuation	(1,179)	...	...	...	...	...	...	...	...	...
Impact of deposits to the Liability Management Fund	...	...	1,651	2,851	4,001	5,235	...	...	...	...
<b>Underlying Net Debt<sup>(e)</sup></b>	<b>6,461</b>	<b>5,056</b>	<b>3,244</b>	<b>2,593</b>	<b>2,321</b>	<b>1,856</b>	<b>6,190</b>	<b>7,781</b>	<b>8,770</b>	<b>9,133</b>

**Table 9.5: NSW Public Non-financial Corporation Sector Balance Sheet<sup>(a)</sup> (ABS Basis)**

	<i>Actual</i>					<i>Revised</i>	<i>Budget</i>	<i>Forward Estimates</i>		
	<i>June 2001</i>	<i>June 2002</i>	<i>June 2003</i>	<i>June 2004</i>	<i>June 2005</i>	<i>June 2006<sup>(b)</sup></i>	<i>June 2007<sup>(b)</sup></i>	<i>June 2008<sup>(b)</sup></i>	<i>June 2009<sup>(b)</sup></i>	<i>June 2010<sup>(b)</sup></i>
	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
<b>Assets</b>										
Financial assets										
Cash and deposits	960	1,289	1,163	1,202	1,435	1,320	1,071	957	979	1,068
Investments, loans and placements	920	900	568	518	397	490	417	440	482	483
Other non-equity assets	2,349	2,358	2,183	2,507	2,691	3,068	3,101	3,154	3,206	3,314
Equity	139	77	56	32	30	39	68	83	98	111
<b>Total Financial Assets</b>	<b>4,368</b>	<b>4,624</b>	<b>3,970</b>	<b>4,259</b>	<b>4,553</b>	<b>4,917</b>	<b>4,657</b>	<b>4,634</b>	<b>4,765</b>	<b>4,976</b>
Non-financial assets										
Land and fixed assets	61,720	62,617	82,892	84,777	86,319	87,024	90,929	95,031	98,999	103,129
Other non-financial assets	304	245	262	294	163	695	733	752	780	813
<b>Total Non-financial Assets</b>	<b>62,024</b>	<b>62,862</b>	<b>83,154</b>	<b>85,071</b>	<b>86,482</b>	<b>87,719</b>	<b>91,662</b>	<b>95,783</b>	<b>99,779</b>	<b>103,942</b>
<b>Total Assets</b>	<b>66,392</b>	<b>67,486</b>	<b>87,124</b>	<b>89,330</b>	<b>91,035</b>	<b>92,636</b>	<b>96,319</b>	<b>100,417</b>	<b>104,544</b>	<b>108,918</b>

**Table 9.5: NSW Public Non-financial Corporation Sector Balance Sheet<sup>(a)</sup> (ABS Basis) (cont)**

	Actual	Actual	Actual	Actual	Actual	Revised	Budget	Forward Estimates		
	June 2001	June 2002	June 2003	June 2004	June 2005	June 2006 <sup>(b)</sup>	June 2007 <sup>(b)</sup>	June 2008 <sup>(b)</sup>	June 2009 <sup>(b)</sup>	June 2010 <sup>(b)</sup>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>Liabilities</b>										
Deposits held	49	85	93	156	166	166	177	147	145	148
Advances received	1,155	1,153	1,116	1,088	1,041	976	949	923	896	868
Borrowing	11,309	11,522	12,056	12,568	13,676	15,421	18,436	21,702	25,058	27,630
Superannuation liability / (prepaid contributions) <sup>(c)</sup>	(150)	325	736	391	29	141	90	27	(49)	(138)
Other employee entitlements & provisions	3,814	4,138	4,242	4,741	5,042	8,689	8,588	8,837	8,849	9,188
Other non-equity liabilities	2,397	2,144	2,262	2,558	2,639	2,591	2,648	2,748	2,753	2,800
<b>Total Liabilities</b>	<b>18,574</b>	<b>19,367</b>	<b>20,505</b>	<b>21,502</b>	<b>22,593</b>	<b>27,984</b>	<b>30,888</b>	<b>34,384</b>	<b>37,652</b>	<b>40,496</b>
Shares and other contributed capital <sup>(d)</sup>	47,818	48,119	66,619	67,828	68,442	64,652	65,431	66,033	66,892	68,422
<b>NET WORTH<sup>(d)(e)</sup></b>	<b>...</b>	<b>...</b>	<b>...</b>	<b>...</b>	<b>...</b>	<b>...</b>	<b>...</b>	<b>...</b>	<b>...</b>	<b>...</b>
<b>Net Financial Worth<sup>(d)(f)</sup></b>	<b>(62,024)</b>	<b>(62,862)</b>	<b>(83,154)</b>	<b>(85,071)</b>	<b>(86,482)</b>	<b>(87,719)</b>	<b>(91,662)</b>	<b>(95,783)</b>	<b>(99,779)</b>	<b>(103,942)</b>
<b>Net Debt<sup>(g)</sup></b>	<b>10,633</b>	<b>10,571</b>	<b>11,534</b>	<b>12,092</b>	<b>13,051</b>	<b>14,753</b>	<b>18,074</b>	<b>21,375</b>	<b>24,638</b>	<b>27,095</b>

*Notes:*

- (a) The public non-financial corporation (PNFC) sector is also referred to in these budget papers as the public trading enterprise (PTE) sector.
- (b) June 2006 and forward years are based on data that has been recognised and measured in accordance with Australian Equivalents to International Financial Reporting Standards (AEIFRS). Prior to 2005-06 transactions were recorded in accordance with Australian Accounting Standards.
- (c) Comprises net unfunded obligations.
- (d) The Australian Bureau of Statistics treats 'shares and other contributed capital' as a liability to the general government sector and deducts it to calculate a zero GFS net worth and negative net financial worth. However, these shares and other contributed capital reflect the value of the government's cumulative equity and earnings over time for the PTE sector. The PTE sector equity has grown since 2001 from \$47.8 billion to a projected \$68.4 billion in 2010 reflecting an increase in the value of the Government's investment. This improvement is reflected in the equity investment line in the GFS general government sector balance sheet.
- (e) For entities whose equity is not traded on the market, the GFS net worth is zero as the equity (shares and other contributed capital) is recorded as an asset in the general government balance sheet.
- (f) Net financial worth equals total financial assets minus total liabilities, and minus shares and other contributed capital.
- (g) Net debt equals the sum of deposits held, advances received and borrowing, minus the sum of cash and deposits, advances paid, and investments, loans and placements.

**Table 9.6: NSW Non-financial Public Sector Balance Sheet (ABS Basis)**

	<i>Actual</i>					<i>Revised</i>	<i>Budget</i>	<i>Forward Estimates</i>		
	<i>June 2001</i>	<i>June 2002</i>	<i>June 2003</i>	<i>June 2004</i>	<i>June 2005</i>	<i>June 2006<sup>(a)</sup></i>	<i>June 2007<sup>(a)</sup></i>	<i>June 2008<sup>(a)</sup></i>	<i>June 2009<sup>(a)</sup></i>	<i>June 2010<sup>(a)</sup></i>
	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
<b>Assets</b>										
Financial assets										
Cash and deposits	2,056	3,008	2,254	3,070	2,900	2,418	2,107	1,966	1,787	2,119
Advances paid	286	368	285	271	263	306	305	287	312	315
Investments, loans and placements	4,870	5,309	8,506	10,092	12,439	15,178	8,790	9,390	10,054	10,509
Other non-equity assets	4,724	4,666	4,565	4,879	5,225	5,066	5,140	5,213	5,275	5,383
Equity	(179)	296	218	271	283	396	469	523	602	682
<b>Total Financial Assets</b>	<b>11,757</b>	<b>13,647</b>	<b>15,828</b>	<b>18,583</b>	<b>21,110</b>	<b>23,364</b>	<b>16,811</b>	<b>17,379</b>	<b>18,030</b>	<b>19,008</b>
Non-financial assets										
Land and fixed assets	128,026	136,532	161,828	165,180	170,528	173,251	179,548	186,266	192,922	199,456
Other non-financial assets	1,151	1,198	1,318	1,474	1,425	2,183	2,330	2,482	2,657	2,845
<b>Total Non-financial Assets</b>	<b>129,177</b>	<b>137,730</b>	<b>163,146</b>	<b>166,654</b>	<b>171,953</b>	<b>175,434</b>	<b>181,878</b>	<b>188,748</b>	<b>195,579</b>	<b>202,301</b>
<b>Total Assets</b>	<b>140,934</b>	<b>151,377</b>	<b>178,974</b>	<b>185,237</b>	<b>193,063</b>	<b>198,798</b>	<b>198,689</b>	<b>206,127</b>	<b>213,609</b>	<b>221,309</b>

**Table 9.6: NSW Non-financial Public Sector Balance Sheet (ABS Basis) (cont)**

	Actual					Revised	Budget	Forward Estimates		
	June 2001	June 2002	June 2003	June 2004	June 2005	June 2006 <sup>(a)</sup>	June 2007 <sup>(a)</sup>	June 2008 <sup>(a)</sup>	June 2009 <sup>(a)</sup>	June 2010 <sup>(a)</sup>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>Liabilities</b>										
Deposits held	110	149	146	224	264	252	263	234	231	233
Advances received	2,041	1,826	1,808	1,681	1,641	1,507	1,467	1,418	1,368	1,317
Borrowing	23,334	22,337	22,218	23,362	25,068	27,517	33,737	39,147	43,962	47,621
Superannuation liability <sup>(b)</sup>	7,978	11,723	15,456	15,851	16,491	23,522	14,974	15,218	15,381	15,479
Other employee entitlements & provisions	11,181	12,014	13,166	14,149	15,160	15,223	15,525	15,866	16,341	16,790
Other non-equity liabilities	4,789	4,898	5,138	5,680	5,550	6,607	6,413	6,030	5,626	5,492
<b>Total Liabilities</b>	<b>49,433</b>	<b>52,947</b>	<b>57,932</b>	<b>60,947</b>	<b>64,174</b>	<b>74,628</b>	<b>72,379</b>	<b>77,913</b>	<b>82,909</b>	<b>86,932</b>
Shares and other contributed capital	...	...	...	...	...	...	...	...	...	...
<b>NET WORTH</b>	<b>91,501</b>	<b>98,430</b>	<b>121,042</b>	<b>124,290</b>	<b>128,889</b>	<b>124,170</b>	<b>126,310</b>	<b>128,214</b>	<b>130,700</b>	<b>134,377</b>
<b>Net Financial Worth<sup>(c)</sup></b>	<b>(37,676)</b>	<b>(39,300)</b>	<b>(42,104)</b>	<b>(42,364)</b>	<b>(43,064)</b>	<b>(51,264)</b>	<b>(55,568)</b>	<b>(60,534)</b>	<b>(64,879)</b>	<b>(67,924)</b>
<b>Net Debt<sup>(d)</sup></b>	<b>18,273</b>	<b>15,627</b>	<b>13,127</b>	<b>11,834</b>	<b>11,371</b>	<b>11,374</b>	<b>24,265</b>	<b>29,156</b>	<b>33,408</b>	<b>36,228</b>
<i>Notes:</i>										
<i>(a) June 2006 and forward years are based on data that has been recognised and measured in accordance with Australian Equivalents to International Financial Reporting Standards (AEIFRS). Prior to 2005-06 transactions were recorded in accordance with Australian Accounting Standards.</i>										
<i>(b) Comprises net unfunded obligations.</i>										
<i>(c) Net financial worth equals total financial assets minus total liabilities.</i>										
<i>(d) Net debt equals the sum of deposits held, advances received and borrowing, minus the sum of cash and deposits, advances paid, and investments, loans and placements.</i>										
<i>(e) Adjusted for prepaid superannuation in the year 2001, and Crown deposits to the Liability Management Fund and fund earnings in the years ending June 2003 to 2006 inclusive.</i>										
<b>GFS Net Debt<sup>(d)</sup></b>	<b>18,273</b>	<b>15,627</b>	<b>13,127</b>	<b>11,834</b>	<b>11,371</b>	<b>11,374</b>	<b>24,265</b>	<b>29,156</b>	<b>33,408</b>	<b>36,228</b>
Impact of prepayment of superannuation	(1,179)	...	...	...	...	...	...	...	...	...
Impact of deposits to the Liability Management Fund	...	...	1,651	2,851	4,001	5,235	...	...	...	...
<b>Underlying Net Debt<sup>(d) (e)</sup></b>	<b>17,094</b>	<b>15,627</b>	<b>14,778</b>	<b>14,685</b>	<b>15,372</b>	<b>16,609</b>	<b>24,265</b>	<b>29,156</b>	<b>33,408</b>	<b>36,228</b>

**Table 9.7: NSW General Government Sector Cash Flow Statement<sup>(a)</sup> (ABS Basis)**

	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Revised</i>	<i>Budget</i>	<i>Forward Estimates</i>		
	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03</i>	<i>2003-04</i>	<i>2004-05</i>	<i>2005-06<sup>(b)</sup></i>	<i>2006-07<sup>(b)</sup></i>	<i>2007-08<sup>(b)</sup></i>	<i>2008-09<sup>(b)</sup></i>	<i>2009-10<sup>(b)</sup></i>
	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
<b>Cash Receipts from Operating Activities</b>										
Taxes received	13,170	13,341	13,952	14,979	15,043	15,824	16,574	17,419	18,357	19,319
Receipts from sales of goods and services	2,516	2,638	3,032	2,830	3,245	3,305	3,259	3,359	3,492	3,604
Grants/subsidies received	14,608	16,762	17,587	17,853	18,541	20,721	20,378	21,079	21,969	22,840
Other receipts	4,027	3,665	4,206	5,103	5,608	6,224	6,068	5,753	5,984	6,141
<b>Total Receipts</b>	<b>34,321</b>	<b>36,406</b>	<b>38,777</b>	<b>40,765</b>	<b>42,437</b>	<b>46,074</b>	<b>46,279</b>	<b>47,610</b>	<b>49,802</b>	<b>51,904</b>
<b>Cash Payments for Operating Activities</b>										
Payment for goods and services <sup>(c)</sup>	(21,258)	(21,784)	(23,984)	(25,660)	(27,068)	(28,499)	(39,003)	(32,275)	(33,373)	(34,808)
Grants and subsidies paid	(6,013)	(6,809)	(6,881)	(7,499)	(7,971)	(9,229)	(9,687)	(9,373)	(9,583)	(9,641)
Interest paid	(1,067)	(848)	(818)	(863)	(777)	(1,036)	(977)	(1,043)	(1,377)	(1,315)
Other payments	(1,656)	(1,852)	(1,679)	(2,338)	(2,558)	(2,488)	(2,518)	(2,447)	(2,431)	(2,458)
<b>Total Payments</b>	<b>(29,994)</b>	<b>(31,293)</b>	<b>(33,362)</b>	<b>(36,360)</b>	<b>(38,374)</b>	<b>(41,252)</b>	<b>(52,185)</b>	<b>(45,138)</b>	<b>(46,764)</b>	<b>(48,222)</b>
<b>Net Cash Flows from Operating Activities</b>	<b>4,327</b>	<b>5,113</b>	<b>5,415</b>	<b>4,405</b>	<b>4,063</b>	<b>4,822</b>	<b>(5,906)</b>	<b>2,472</b>	<b>3,038</b>	<b>3,682</b>
<b>Net Cash Flows from Investments in Non-financial Assets</b>										
Sales of non-financial assets	344	424	497	408	485	545	476	515	478	539
Purchases of non-financial assets	(2,590)	(2,787)	(3,052)	(2,903)	(3,006)	(3,844)	(4,371)	(4,404)	(4,513)	(4,590)
<b>Net Cash Flows from Investments in Non-financial Assets</b>	<b>(2,246)</b>	<b>(2,363)</b>	<b>(2,555)</b>	<b>(2,495)</b>	<b>(2,521)</b>	<b>(3,299)</b>	<b>(3,895)</b>	<b>(3,889)</b>	<b>(4,035)</b>	<b>(4,051)</b>
<b>Net Cash Flows from Investments in Financial Assets for Policy Purposes</b>	<b>3,228</b>	<b>756</b>	<b>839</b>	<b>186</b>	<b>130</b>	<b>85</b>	<b>203</b>	<b>100</b>	<b>123</b>	<b>32</b>

**Table 9.7: NSW General Government Sector Cash Flow Statement<sup>(a)</sup> (ABS Basis) (cont)**

	Actual	Actual	Actual	Actual	Actual	Revised	Budget	Forward Estimates		
	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06 <sup>(b)</sup>	2006-07 <sup>(b)</sup>	2007-08 <sup>(b)</sup>	2008-09 <sup>(b)</sup>	2009-10 <sup>(b)</sup>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>Net Cash Flows from Investments in Financial Assets for liquidity purposes<sup>(c)</sup></b>	<b>(354)</b>	<b>(575)</b>	<b>(1,115)</b>	<b>(1,542)</b>	<b>(2,404)</b>	<b>(2,281)</b>	<b>6,258</b>	<b>(546)</b>	<b>(589)</b>	<b>(617)</b>
<b>Net Cash Flows from Financing Activities</b>										
Advances received (net)	(85)	(220)	(31)	(140)	(28)	(133)	(47)	(49)	(50)	(53)
Borrowing (net)	(4,480)	(2,122)	(1,017)	367	417	494	3,341	1,886	1,307	1,245
Deposits received (net)	(25)	(5)	(8)	6	20	(14)	...	...	(1)	(2)
Other financing (net)	...	...	(2)	(1)	(18)	...	...	...	...	...
<b>Net Cash Flows from Financing Activities</b>	<b>(4,590)</b>	<b>(2,347)</b>	<b>(1,058)</b>	<b>232</b>	<b>391</b>	<b>347</b>	<b>3,294</b>	<b>1,837</b>	<b>1,256</b>	<b>1,190</b>
<b>Net Increase / (Decrease) in Cash Held</b>	<b>365</b>	<b>584</b>	<b>1,526</b>	<b>786</b>	<b>(341)</b>	<b>(326)</b>	<b>(46)</b>	<b>(26)</b>	<b>(207)</b>	<b>236</b>
<b>SURPLUS / (DEFICIT)</b>										
<b>Net Cash from Operating Activities and Investments in Non-financial Assets</b>	<b>2,081</b>	<b>2,750</b>	<b>2,860</b>	<b>1,910</b>	<b>1,542</b>	<b>1,523</b>	<b>(9,801)</b>	<b>(1,417)</b>	<b>(997)</b>	<b>(369)</b>
Finance leases and similar arrangements	(290)	(351)	(345)	(312)	(187)	(47)	(15)	(125)	(269)	...
<b>SURPLUS / (DEFICIT)</b>	<b>1,791</b>	<b>2,399</b>	<b>2,515</b>	<b>1,598</b>	<b>1,355</b>	<b>1,476</b>	<b>(9,816)</b>	<b>(1,542)</b>	<b>(1,266)</b>	<b>(369)</b>

*Notes:*

(a) A positive number denotes a cash inflow; a negative (i.e. bracketed) sign denotes a cash outflow.

(b) 2005-06 and forward years are based on data that has been recognised and measured in accordance with Australian Equivalents to International Financial Reporting Standards (AEIFRS). Prior to 2005-06 transactions were recorded in accordance with Australian Accounting Standards.

(c) In 2006-07 the government will be contributing \$8,700 million from the Liability Management Fund to reduce its superannuation liabilities.

(d) Deposits by the Crown to the Liability Management Fund and the fund's earnings have been set aside to meet future superannuation contributions.

<b>GFS SURPLUS / (DEFICIT)</b>	<b>1,791</b>	<b>2,399</b>	<b>2,515</b>	<b>1,598</b>	<b>1,355</b>	<b>1,476</b>	<b>(9,816)</b>	<b>(1,542)</b>	<b>(1,266)</b>	<b>(369)</b>
Impact of prepayment of superannuation	(1,058)	(1,134)	...	...	...	...	...	...	...	...
Impact of deposits to the Liability Management Fund <sup>(d)</sup>	...	...	(1,651)	(1,200)	(1,150)	(1,234)	5,235	...	...	...
<b>UNDERLYING SURPLUS / (DEFICIT) (after adjusting for the timing of superannuation contributions)</b>	<b>733</b>	<b>1,265</b>	<b>864</b>	<b>398</b>	<b>205</b>	<b>242</b>	<b>(4,581)</b>	<b>(1,542)</b>	<b>(1,266)</b>	<b>(369)</b>

**Table 9.8: NSW Public Non-financial Corporation Sector Cash Flow Statement<sup>(a) (b)</sup> (ABS Basis)**

	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Revised</i>	<i>Budget</i>	<i>Forward Estimates</i>		
	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03</i>	<i>2003-04</i>	<i>2004-05</i>	<i>2005-06<sup>(c)</sup></i>	<i>2006-07<sup>(c)</sup></i>	<i>2007-08<sup>(c)</sup></i>	<i>2008-09<sup>(c)</sup></i>	<i>2009-10<sup>(c)</sup></i>
	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
<b>Cash Receipts from Operating Activities</b>										
Receipts from sales of goods and services	10,765	9,431	9,653	10,049	10,639	10,423	11,117	11,755	12,303	13,080
Grants/subsidies received	1,957	2,022	2,124	2,404	2,511	3,076	3,099	2,938	3,191	3,148
Other receipts	1,933	1,962	2,149	2,294	2,267	2,120	2,070	2,135	2,151	2,249
<b>Total Receipts</b>	<b>14,655</b>	<b>13,415</b>	<b>13,926</b>	<b>14,747</b>	<b>15,417</b>	<b>15,619</b>	<b>16,286</b>	<b>16,828</b>	<b>17,645</b>	<b>18,477</b>
<b>Cash Payments for Operating Activities</b>										
Payment for goods and services	(9,367)	(7,645)	(8,002)	(8,524)	(8,942)	(9,407)	(9,824)	(10,031)	(10,289)	(10,656)
Grants and subsidies paid	(144)	8	(99)	(120)	(103)	(195)	(219)	(205)	(206)	(170)
Interest paid	(722)	(820)	(809)	(814)	(888)	(910)	(1,044)	(1,169)	(1,391)	(1,569)
Other payments	(1,853)	(1,847)	(1,776)	(1,852)	(2,109)	(1,743)	(2,045)	(2,159)	(2,136)	(2,272)
<b>Total Payments</b>	<b>(12,086)</b>	<b>(10,304)</b>	<b>(10,686)</b>	<b>(11,310)</b>	<b>(12,042)</b>	<b>(12,255)</b>	<b>(13,132)</b>	<b>(13,564)</b>	<b>(14,022)</b>	<b>(14,667)</b>
<b>Net Cash Flows from Operating Activities</b>	<b>2,569</b>	<b>3,111</b>	<b>3,240</b>	<b>3,437</b>	<b>3,375</b>	<b>3,364</b>	<b>3,154</b>	<b>3,264</b>	<b>3,623</b>	<b>3,810</b>
<b>Net Cash Flows from Investments in Non-financial Assets</b>										
Sales of non-financial assets	282	358	280	207	150	255	298	412	412	439
Purchases of non-financial assets	(2,414)	(2,945)	(3,343)	(3,376)	(3,556)	(4,257)	(5,508)	(5,961)	(6,007)	(5,579)
<b>Net Cash Flows from Investments in Non-financial Assets</b>	<b>(2,132)</b>	<b>(2,587)</b>	<b>(3,063)</b>	<b>(3,169)</b>	<b>(3,406)</b>	<b>(4,002)</b>	<b>(5,210)</b>	<b>(5,549)</b>	<b>(5,595)</b>	<b>(5,140)</b>
<b>Net Cash Flows from Investments in Financial Assets for Policy Purposes</b>	<b>(6)</b>	<b>579</b>	<b>134</b>	<b>(1)</b>	<b>(2)</b>	<b>...</b>	<b>(18)</b>	<b>24</b>	<b>13</b>	<b>53</b>
<b>Net Cash Flows from Investments in Assets for Liquidity Purposes</b>	<b>(69)</b>	<b>49</b>	<b>273</b>	<b>54</b>	<b>283</b>	<b>(21)</b>	<b>43</b>	<b>(54)</b>	<b>(60)</b>	<b>(55)</b>

**Table 9.8: NSW Public Non-financial Corporation Sector Cash Flow Statement<sup>(a) (b)</sup> (ABS Basis) (cont)**

	Actual 2000-01 \$m	Actual 2001-02 \$m	Actual 2002-03 \$m	Actual 2003-04 \$m	Actual 2004-05 \$m	Revised 2005-06 <sup>(c)</sup> \$m	Budget 2006-07 <sup>(c)</sup> \$m	Forward Estimates		
								2007-08 <sup>(c)</sup> \$m	2008-09 <sup>(c)</sup> \$m	2009-10 <sup>(c)</sup> \$m
<b>Net Cash Flows from Financing Activities</b>										
Advances received (net)	(3,230)	(798)	(578)	(165)	(116)	(102)	(237)	(114)	(143)	(30)
Borrowing (net)	3,253	640	591	505	1,108	1,520	3,117	3,346	3,380	2,594
Deposits received (net)	10	42	4	16	2	8	33	(22)	3	3
Distributions paid	(758)	(671)	(738)	(666)	(925)	(919)	(1,144)	(1,013)	(1,198)	(1,146)
Other financing (net)	25	(20)	4	7	(14)	...	...	...	(1)	...
<b>Net Cash Flows from Financing Activities</b>	<b>(700)</b>	<b>(807)</b>	<b>(717)</b>	<b>(303)</b>	<b>55</b>	<b>507</b>	<b>1,769</b>	<b>2,197</b>	<b>2,041</b>	<b>1,421</b>
<b>Net Increase / (Decrease) in Cash Held</b>	<b>(338)</b>	<b>345</b>	<b>(133)</b>	<b>18</b>	<b>305</b>	<b>(152)</b>	<b>(262)</b>	<b>(118)</b>	<b>22</b>	<b>89</b>
<b>SURPLUS / (DEFICIT)</b>										
<b>Net Cash from Operating Activities and Investments in Non-financial Assets</b>	<b>437</b>	<b>524</b>	<b>177</b>	<b>268</b>	<b>(31)</b>	<b>(638)</b>	<b>(2,056)</b>	<b>(2,285)</b>	<b>(1,972)</b>	<b>(1,330)</b>
Distribution paid	(758)	(671)	(738)	(666)	(925)	(919)	(1,144)	(1,013)	(1,198)	(1,146)
Finance leases and similar arrangements	...	...	...	...	...	...	...	...	...	...
<b>SURPLUS / (DEFICIT)</b>	<b>(321)</b>	<b>(147)</b>	<b>(561)</b>	<b>(398)</b>	<b>(956)</b>	<b>(1,557)</b>	<b>(3,200)</b>	<b>(3,298)</b>	<b>(3,170)</b>	<b>(2,476)</b>
<i>Notes:</i>										
<i>(a) The public non-financial corporation (PNFC) sector is also referred to in these budget papers as the public trading enterprise (PTE) sector.</i>										
<i>(b) A positive number denotes a cash inflow; a negative (i.e. bracketed) sign denotes a cash outflow.</i>										
<i>(c) 2005-06 and forward years are based on data that has been recognised and measured in accordance with Australian Equivalents to International Financial Reporting Standards (AEIFRS). Prior to 2005-06 transactions were recorded in accordance with Australian Accounting Standards.</i>										
<i>(d) The underlying surplus / (deficit) has been adjusted to exclude the impact of the 2000 Olympic and Paralympic Games on the results.</i>										
<b>GFS SURPLUS / (DEFICIT)</b>	<b>(321)</b>	<b>(147)</b>	<b>(561)</b>	<b>(398)</b>	<b>(956)</b>	<b>(1,557)</b>	<b>(3,200)</b>	<b>(3,298)</b>	<b>(3,170)</b>	<b>(2,476)</b>
Reversing the impact of SOCOG and SPOC operations	340	68	...	...	...	...	...	...	...	...
<b>UNDERLYING SURPLUS / (DEFICIT) adjusted to exclude SOCOG &amp; SPOC<sup>(d)</sup></b>	<b>19</b>	<b>(79)</b>	<b>(561)</b>	<b>(398)</b>	<b>(956)</b>	<b>(1,557)</b>	<b>(3,200)</b>	<b>(3,298)</b>	<b>(3,170)</b>	<b>(2,476)</b>

**Table 9.9: NSW Non-financial Public Sector Cash Flow Statement<sup>(a)</sup> (ABS Basis)**

	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Revised</i>	<i>Budget</i>	<i>Forward Estimates</i>		
	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03</i>	<i>2003-04</i>	<i>2004-05</i>	<i>2005-06<sup>(b)</sup></i>	<i>2006-07<sup>(b)</sup></i>	<i>2007-08<sup>(b)</sup></i>	<i>2008-09<sup>(b)</sup></i>	<i>2009-10<sup>(b)</sup></i>
	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
<b>Cash Receipts from Operating Activities</b>										
Taxes received	12,569	12,522	13,397	14,291	14,458	15,136	15,871	16,688	17,592	18,519
Receipts from sales of goods and services	13,068	12,051	12,531	12,683	13,709	13,598	14,223	14,967	15,645	16,532
Grants/subsidies received	14,602	16,738	17,557	17,777	18,502	20,600	20,246	20,955	21,844	22,746
Other receipts	4,714	4,711	5,160	6,475	6,601	6,977	6,477	6,257	6,501	6,683
<b>Total Receipts</b>	<b>44,953</b>	<b>46,022</b>	<b>48,645</b>	<b>51,226</b>	<b>53,270</b>	<b>56,311</b>	<b>56,817</b>	<b>58,867</b>	<b>61,582</b>	<b>64,480</b>
<b>Cash Payments for Operating Activities</b>										
Payment for goods and services <sup>(c)</sup>	(29,794)	(28,626)	(31,290)	(33,317)	(35,266)	(37,093)	(47,972)	(41,402)	(42,768)	(44,536)
Grants and subsidies paid	(4,199)	(4,897)	(4,867)	(5,223)	(5,569)	(6,216)	(6,688)	(6,477)	(6,584)	(6,614)
Interest paid	(1,723)	(1,614)	(1,575)	(1,626)	(1,615)	(1,896)	(1,971)	(2,170)	(2,731)	(2,848)
Other payments	(3,137)	(3,319)	(3,007)	(3,894)	(4,240)	(3,841)	(4,075)	(4,088)	(4,034)	(4,130)
<b>Total Payments</b>	<b>(38,853)</b>	<b>(38,456)</b>	<b>(40,739)</b>	<b>(44,060)</b>	<b>(46,690)</b>	<b>(49,046)</b>	<b>(60,706)</b>	<b>(54,137)</b>	<b>(56,117)</b>	<b>(58,128)</b>
<b>Net Cash Flows from Operating Activities</b>	<b>6,100</b>	<b>7,566</b>	<b>7,906</b>	<b>7,166</b>	<b>6,580</b>	<b>7,265</b>	<b>(3,889)</b>	<b>4,730</b>	<b>5,465</b>	<b>6,352</b>
<b>Net Cash Flows from Investments in Non-financial Assets</b>										
Sales of non-financial assets	626	781	778	615	635	800	773	926	890	978
Purchases of non-financial assets	(5,000)	(5,744)	(6,376)	(6,284)	(6,556)	(8,097)	(9,877)	(10,360)	(10,511)	(10,165)
<b>Net Cash Flows from Investments in Non-financial Assets</b>	<b>(4,374)</b>	<b>(4,963)</b>	<b>(5,598)</b>	<b>(5,669)</b>	<b>(5,921)</b>	<b>(7,297)</b>	<b>(9,104)</b>	<b>(9,434)</b>	<b>(9,621)</b>	<b>(9,187)</b>
<b>Net Cash Flows from Investments in Financial Assets for Policy Purposes</b>	<b>(7)</b>	<b>537</b>	<b>395</b>	<b>22</b>	<b>26</b>	<b>8</b>	<b>(42)</b>	<b>45</b>	<b>(11)</b>	<b>52</b>
<b>Net Cash Flows from Investments in Financial Assets for liquidity purposes<sup>(c)</sup></b>	<b>(423)</b>	<b>(526)</b>	<b>(842)</b>	<b>(1,488)</b>	<b>(2,270)</b>	<b>(2,302)</b>	<b>6,301</b>	<b>(600)</b>	<b>(649)</b>	<b>(672)</b>

**Table 9.9: NSW Non-financial Public Sector Cash Flow Statement<sup>(a)</sup> (ABS Basis) (cont)**

	Actual	Actual	Actual	Actual	Actual	Revised	Budget	Forward Estimates		
	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06 <sup>(b)</sup>	2006-07 <sup>(b)</sup>	2007-08 <sup>(b)</sup>	2008-09 <sup>(b)</sup>	2009-10 <sup>(b)</sup>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>Net Cash Flows from Financing Activities</b>										
Advances received (net)	(85)	(230)	(70)	(135)	(29)	(133)	(47)	(49)	(50)	(53)
Borrowing (net)	(1,227)	(1,472)	(387)	867	1,511	1,990	6,449	5,198	4,690	3,842
Deposits received (net)	(14)	38	(4)	22	23	(6)	32	(23)	1	1
Distributions paid	...	...	...	...	...	...	...	...	...	...
Other financing (net)	23	(21)	2	4	(33)	(1)	...	...	1	...
<b>Net Cash Flows from Financing Activities</b>	<b>(1,303)</b>	<b>(1,685)</b>	<b>(459)</b>	<b>758</b>	<b>1,472</b>	<b>1,850</b>	<b>6,434</b>	<b>5,126</b>	<b>4,642</b>	<b>3,790</b>
<b>Net Increase / (Decrease) in Cash Held</b>	<b>(7)</b>	<b>929</b>	<b>1,402</b>	<b>789</b>	<b>(113)</b>	<b>(476)</b>	<b>(300)</b>	<b>(133)</b>	<b>(174)</b>	<b>335</b>
<b>SURPLUS / (DEFICIT)</b>										
<b>Net Cash from Operating Activities and Investments in Non-financial Assets</b>	<b>1,726</b>	<b>2,603</b>	<b>2,308</b>	<b>1,497</b>	<b>659</b>	<b>(32)</b>	<b>(12,993)</b>	<b>(4,704)</b>	<b>(4,156)</b>	<b>(2,835)</b>
Distribution paid	...	...	...	...	...	...	...	...	...	...
Finance leases and similar arrangements	(290)	(351)	(345)	(312)	(187)	(47)	(15)	(125)	(269)	...
<b>SURPLUS / (DEFICIT)</b>	<b>1,436</b>	<b>2,252</b>	<b>1,963</b>	<b>1,185</b>	<b>472</b>	<b>(79)</b>	<b>(13,008)</b>	<b>(4,829)</b>	<b>(4,425)</b>	<b>(2,835)</b>

*Notes:*

(a) A positive number denotes a cash inflow, a negative (i.e. bracketed) sign denotes a cash outflow.

(b) 2005-06 and forward years are based on data that has been recognised and measured in accordance with Australian Equivalents to International Financial Reporting Standards (AEIFRS). Prior to 2005-06 transactions were recorded in accordance with Australian Accounting Standards.

(c) In 2006-07 the government will be contributing \$8,700 million from the Liability Management Fund towards reducing its superannuation liabilities.

(d) Deposits by the Crown to the Liability Management Fund and the fund's earnings have been set aside to meet future superannuation contributions.

(e) The underlying surplus / (deficit) has been adjusted to exclude the impact of the 2000 Olympic and Paralympic Games on the results.

<b>GFS SURPLUS / (DEFICIT)</b>	<b>1,436</b>	<b>2,252</b>	<b>1,963</b>	<b>1,185</b>	<b>472</b>	<b>(79)</b>	<b>(13,008)</b>	<b>(4,829)</b>	<b>(4,425)</b>	<b>(2,835)</b>
Impact of prepayment of superannuation	(1,058)	(1,134)	...	...	...	...	...	...	...	...
Impact of deposits to the Liability Management Fund <sup>(c) (d)</sup>	...	...	(1,651)	(1,200)	(1,150)	(1,234)	5,235	...	...	...
Impact of SOCOG and SPOC operations <sup>(e)</sup>	389	(12)	...	...	...	...	...	...	...	...
<b>UNDERLYING SURPLUS / (DEFICIT) (after adjusting for the timing of superannuation contributions and excluding SOCOG and SPOC operations)</b>	<b>767</b>	<b>1,106</b>	<b>312</b>	<b>(15)</b>	<b>(678)</b>	<b>(1,313)</b>	<b>(7,773)</b>	<b>(4,829)</b>	<b>(4,425)</b>	<b>(2,835)</b>

**Table 9.10: NSW General Government Sector Taxes (ABS Basis)**

	<i>Revised</i> 2005-06 \$m	<i>Budget</i> 2006-07 \$m
Taxes on employers' payroll and labour force	<b>5,112</b>	<b>5,438</b>
Taxes on property		
Land taxes	1,737	1,793
Stamp duties on financial and capital transactions	3,818	3,909
Financial institutions' transaction taxes	...	...
Other	68	67
<b>Total taxes on property</b>	<b>5,623</b>	<b>5,769</b>
Taxes on the provision of goods and services		
Excises and levies	...	...
Taxes on gambling	1,527	1,671
Taxes on insurance	1,423	1,545
<b>Total taxes on the provision of goods and services</b>	<b>2,950</b>	<b>3,216</b>
Taxes on use of goods and performance of activities		
Motor vehicle taxes	1,896	1,984
Franchise taxes	8	8
Other	223	304
<b>Total taxes on use of goods and performance of activities</b>	<b>2,127</b>	<b>2,296</b>
<b>Total GFS Taxation Revenue</b>	<b>15,812</b>	<b>16,719</b>

**Table 9.11: NSW General Government Sector Expenses by Function (ABS Basis)**

	<i>Revised</i> 2005-06 \$m	<i>Budget</i> 2006-07 \$m
General public services	1,386	1,314
Defence	...	...
Public order and safety	4,330	4,601
Education	11,295	11,886
Health	11,048	11,782
Social security and welfare	3,035	3,388
Housing and community amenities	1,546	1,753
Recreation and culture	968	917
Fuel and energy	73	119
Agriculture, forestry, fishing and hunting	800	725
Mining, manufacturing and construction	140	149
Transport and communications	5,089	5,317
Other economic affairs	843	878
Other purposes <sup>(a)</sup>	2,299	2,465
<b>Total GFS Expenses</b>	<b>42,852</b>	<b>45,294</b>

(a) 2006-07 includes \$245 million Advance to the Treasurer which will be allocated across functions as the funds are spent in the Budget Year.

**Table 9.12: NSW General Government Sector Purchases of Non-Financial Assets <sup>(a)</sup>**

	<i>Revised 2005-06 \$m</i>	<i>Budget 2006-07 \$m</i>
General public services	308	385
Defence		
Public order and safety	435	462
Education	446	558
Health	594	576
Social security and welfare	95	106
Housing and community amenities	177	116
Recreation and culture	147	165
Fuel and energy	...	...
Agriculture, forestry, fishing and hunting	40	35
Mining, manufacturing and construction	3	2
Transport and communications	1,410	1,753
Other economic affairs	32	20
Other purposes <sup>(b)</sup>	55	193
<b>Total GFS Purchases of Non-Financial Assets</b>	<b>3,742</b>	<b>4,371</b>

(a) Includes land and secondhand assets, however excludes assets acquired under finance leases.

(b) 2006-07 includes \$110 million Advance to the Treasurer which will be allocated across functions as the funds are spent in the Budget Year.

## 9.5 LOAN COUNCIL REPORTING REQUIREMENTS

Table 9.13 presents estimates of the State's Loan Council allocation (LCA) for 2006-07.

The 2006-07 estimated NSW Loan Council allocation is a deficit of \$4,838 million compared to an original deficit allocation of \$2,986 million. The variance of \$1,852 million exceeds the tolerance limit set by Loan Council. The tolerance limit for 2006-07 is \$1,141 million and is calculated as 2 per cent of cash receipts from operating activities for the Non-Financial Public Sector. The increase in the Loan Council Allocation requirement has occurred primarily due to lower than estimated general government operating cash flows as well as higher capital investment by the general government sector.

**Table 9.13: 2006-07 Loan Council Allocation Estimates, NSW**

	<i>Loan Council Allocation 2006-07 \$m</i>	<i>Budget-time Estimate 2006-07 \$m</i>
General government sector cash deficit / (surplus) <sup>(a)</sup>	6,949	9,816
Public Non-financial Corporations sector cash deficit / (surplus)	3,196	3,200
Non-financial public sector cash deficit / (surplus) <sup>(b)</sup>	<b>10,145</b>	<b>13,008</b>
Minus Net cash flows from investments in financial assets for policy purposes <sup>(c)</sup>	28	42
Plus Memorandum items <sup>(a) (d)</sup>	(7,187)	(8,212)
<b>Loan Council Allocation</b>	<b>2,986</b>	<b>4,838</b>

Notes:

- (a) Impacted in 2006-07 by a one-off contribution of \$8.7 billion from the General Government Liability Management Fund towards the defined benefit superannuation schemes.
- (b) Does not directly equate to the sum of the general government and PTE cash deficits due to intersectoral transfers which are netted out.
- (c) This item is the negative of net advances paid under a cash accounting framework
- (d) Memorandum items are used to adjust the ABS deficit to include in LCAs certain transactions, such as operating leases that have many of the characteristics of public sector borrowings but do not constitute formal borrowings. They are also used, where appropriate, to deduct from the ABS deficit certain transactions that Loan Council has agreed should not be included in LCAs - for example, the funding of more than employers' emerging costs under public sector superannuation schemes, or borrowings by entities such as universities.

## 9.6 PRIVATE SECTOR INFRASTRUCTURE PROJECTS

As confirmed at the 1997 Loan Council meeting, States are to report their full contingent exposure to infrastructure projects with private sector involvement. Exposure is to be measured by the government's termination liabilities in a case of private sector default and disclosed as a footnote to, rather than a component, of Loan Council Allocations.

### CONTRACTS EXPECTED TO BE ENTERED INTO IN 2005-06

None to be reported.

## CONTRACTS EXPECTED TO BE ENTERED INTO IN 2006-07

### Royal Prince Alfred Hospital Car Park

#### ***Project Description:***

Detailed proposals have been submitted by the private sector to finance and build a new 1,000 space car park on the Royal Prince Alfred Hospital campus. The total construction cost for the project is estimated to be \$13.5 million. The successful proponent will, under a 20 or 25 year licence, operate and collect user charges from around 1,300 campus car park spaces, including the 1,000 new spaces.

The form of the arrangement is expected to be similar to that for the Randwick and St George Hospital Car Parks. At this time no government liability is anticipated based on the termination provisions of the draft contract.

Government Contingent Liability
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To Be Determined
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