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# Financial Statements of the Government of New Zealand

for the year ended 30 June 2019

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# Commentary on the Financial Statements

## Fiscal Overview

FISCAL STRATEGY

### Operating revenue

Ensure a progressive taxation system that is fair, balanced, and promotes the long-term sustainability and productivity of the economy.

### Operating expenses

Maintain its expenditure to within the recent historical range of spending as a ratio of GDP. Ensure expenditure is phased, controlled, and directed to maximise its benefits, in particular prioritising investments to address the long-term financial and sustainability challenges facing New Zealand.

### Operating balance (before gains and losses)

Deliver a sustainable operating surplus (before gains and losses) across an economic cycle.

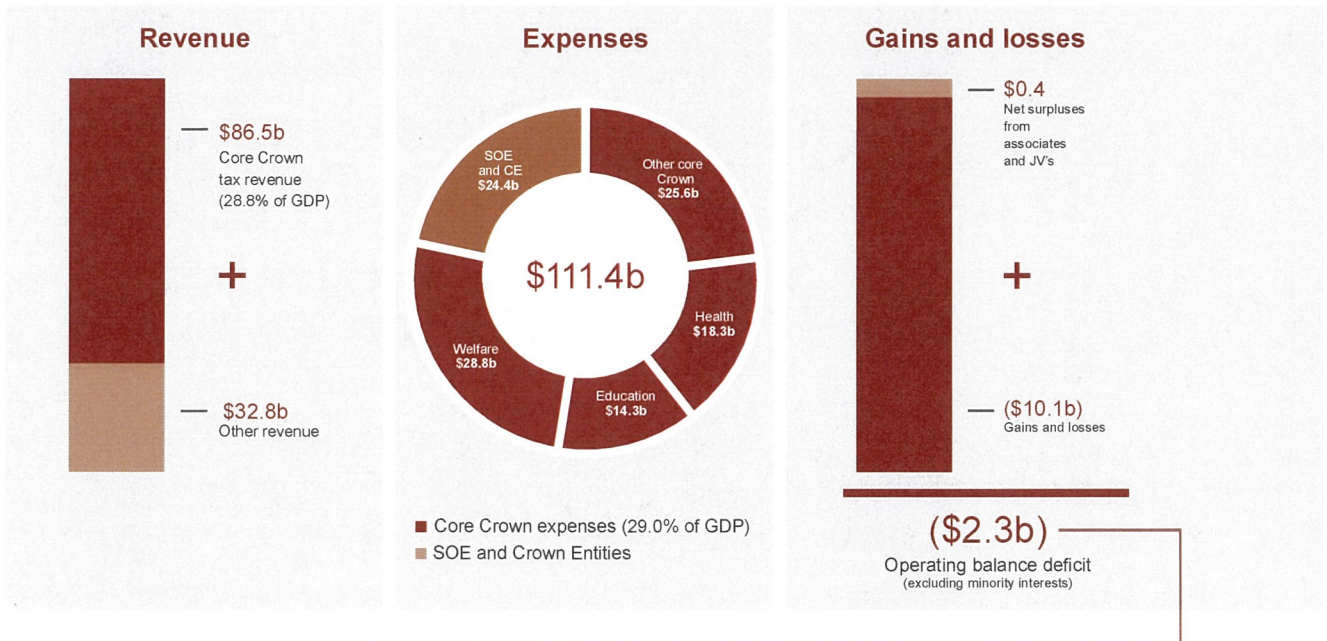
## Total Crown

The difference between total Crown revenue and expenses gives us the operating balance before gains and losses (OBEGAL)

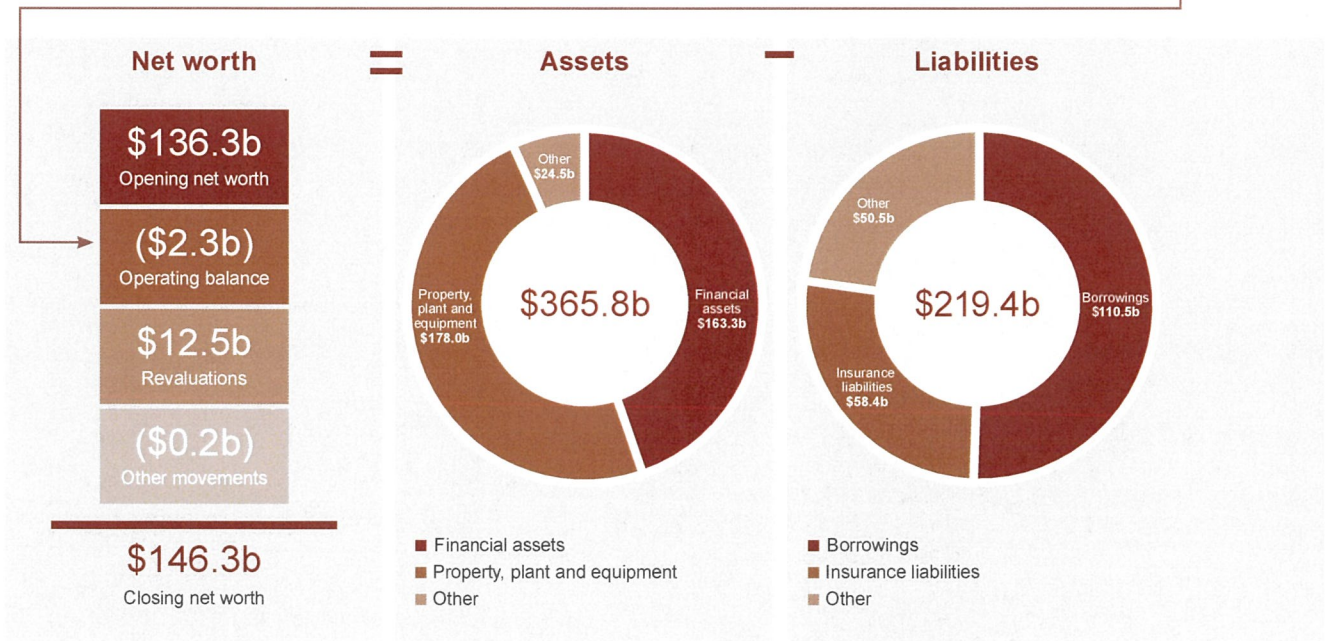
$$\begin{array}{r}
 \$119.3b \\
 \text{TOTAL REVENUE}
 \end{array}
 -
 \begin{array}{r}
 \$111.4b \\
 \text{TOTAL EXPENSES}
 \end{array}
 =
 \begin{array}{r}
 \$7.5b \\
 \text{OBEGAL (excluding minority interests)}
 \end{array}$$

- minority interests \$0.4b

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2019 FINANCIAL RESULTS



Numbers may not add due to rounding.