

6. FINANCE

Data given in Tables 6-1 to 6-12 and in Table 6-13 were provided by the Ministry of Finance of the CR and the Ministry of Defence of the CR, respectively.

Notes on Tables

Tables 6-1 to 6-4. General government operations

Tables 6-1 to 6-4 give consolidated general government operations, i.e. the **state budget** (including transactions on the accounts of the National Fund, which administers resources from EU funds and since 2006 resources from privatisation, i.e. the former National Property Fund, which was discontinued in 2006), **extrabudgetary funds**, i.e. state funds (the State Agricultural Intervention Fund, the State Environmental Fund, the State Culture Fund, the State Fund for Support and Development of Czech Cinematography, the State Housing Development Fund, the State Fund for Transport Infrastructure, up to 2005 the State Soil Reclamation Fund – discontinued in 2006), the Land Fund, up to 2005 the National Property Fund, **social security funds** (public health insurance), and **local governments** (i.e. budgets of regions, municipalities, voluntary unions of municipalities, and since 2006 of Regional Councils of Cohesion Regions).

The consolidation of general government operations is a method eliminating all transactions and reciprocal stock positions among the government units to obtain unbiased information on total volumes of all government transactions made only in relation to non-government units.

The source data for the processing are taken from the financial statements of individual general government components, the state final account, and annual reports of extrabudgetary funds. The data are compiled according to the methodology of the International Monetary Fund in accordance with the "Government Finance Statistics Manual 2001" (GFS 2001). The differences in the structure or the volumes of revenue and expenditure in Tables 6-1 to 6-4 and 6-5 to 6-12 are due to the coverage of general government and the methodology used for processing (the GFS 2001 methodology excludes drawing and creation of reserve funds from revenues and expenditure, classifies waste deposit charges as non-tax revenue and classifies expenditure on destructive equipment as expenditure on goods and services. Revenue excludes loan repayments; expenditure excludes lending, which is classified as financing activities).

The GFS 2001 methodology uses accrual and cash principle. Unlike the ESA95 methodology, which is based on the accrual principle, Tables 6-1 to 6-3 are now processed on the cash basis. Different is also coverage of institutions, for which GFS 2001 is compiled. Table 6-4 deals with a debt in the nominal value in contrast to the market value used in the ESA95 methodology.

Due to methodological changes from 1 January 2010 and revisions gradually made, data in Tables 6-1 to 6-3 might not be fully comparable with those published in the previous Statistical Yearbooks of the Czech Republic.

Tables 6-1 and 6-2 list revenue and expenditure of general government by kind.

Table 6-3 shows data broken down by function of general government according to the Classification of the Functions of Government (COFOG) adopted by the UN Statistical Commission.

Table 6-4 shows debt of individual general government components and the total consolidated general government debt as at 31 December 2011 by type of debt instrument.

Tables 6-5 to 6-12. Budget and state funds

The data given in Tables 6-5 to 6-12 are taken from the state final account of the Czech Republic every year and show the financial performance of the **state budget** of the Czech Republic, **local governments**, and **state funds**.

The state budget performance results given in the state final account follow up the data reported in financial statements of organizational units of the state as at 31 December of the respective year and the Czech National Bank's state budget performance data as at the same date.

Tables 6-5 to 6-8 present the state budget performance results broken down by the valid budget classification, Tables 6-9 to 6-11 show performance results of local governments (i.e. budgets of regions, municipalities, and voluntary unions of municipalities in total, including Regional Councils of Cohesion Regions).

Table 6-12 shows the financial performance of state funds, including grants/subsidies provided from the state budget.

Table 6-13. Defence expenditure by type of costs and use

The data comply with the standardized reporting of military expenditure according to the methodology of the UN and come from the state final account of the Czech Republic for 2011, chapter Ministry of Defence.

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The state budget current performance data are published on the web page of the Ministry of Finance of the CR at:

- www.mfcr.cz/cps/rde/xchg/mfcr/xsl/plneni_stat_rozp.html (Czech only)

General government operations are made available on the web page of the Ministry of Finance of the CR at:

- www.mfcr.cz/cps/rde/xchg/mfcr/xsl/govern_financ_stat.html

and, based on data supplied to the International Monetary Fund (IMF), general government operations appear every year in the IMF publication "Government Finance Statistics Yearbook" (data according to the IMF methodology).