

# Press Release



**Embargo:**

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## 2013 GOVERNMENT FINANCIAL STATEMENT

### GOVERNMENT POSTS A CUMULATIVE 0.8 TRILLION WON DEFICIT IN 2013

The government ran a 0.8 trillion won cumulative budget deficit in fiscal year 2013. The general and special accounts revenues amounted to 292.9 trillion won, while expenditures amounted to 286.4 trillion won.

#### Government Financial Statement

won)

(trillion

			2012	2013	Change
Revenues and Expenditures	General and special accounts	- Total revenues	282.4	292.9	10.5
		- Total expenditures	274.8	286.4	11.6
		- Cumulative budget surplus	-0.1	-0.8	-0.7
	Funds	- Revenues and expenditures	399.1	520.3	121.2
	Fiscal balance	- Consolidated fiscal account (a)	18.5	14.2	-4.3
		- Social security funds (b)	35.9	35.3	-0.6
		- Consolidated fiscal account excluding social security funds (a-b)	-17.4	-21.1	-3.7
Assets	National Debt		425.1	464.0	38.9
	Debt instruments		202.5	223.7	20.8
	National properties		892.2	912.0	19.9
	Tangible personal property		9.2	10.6	1.4
Consolidated Financial Statement	Assets (c)		1,580.3	1,666.3	86.0
	Liabilities (d)	Government bonds, housing fund liabilities	465.2	521.6	56.4
		Pension fund liabilities	436.9 <sup>1</sup> (577.1 <sup>3</sup> )	596.3 <sup>2</sup>	159.4 (19.2 <sup>4</sup> )
		Total	902.1 (1,042.3 <sup>3</sup> )	1,117.9	215.8 (75.6 <sup>4</sup> )
	Net assets (c-d)		678.2 (538.0 <sup>3</sup> )	548.4	-129.8 (10.4 <sup>4</sup> )

1. Accumulated Benefit Obligation (ABO) calculation, which assumes payments will not rise in the future
2. Projected Benefit Obligation (PBO) calculation, which assumes payments increase in the future
3. PBO estimates
4. Changes when PBO estimates apply

Total fund revenues and expenditures in 65 funds, including national pension funds, were 520.3 trillion won

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The consolidated fiscal account posted a surplus of 14.2 trillion won, and excluding social security funds,\* the fiscal account registered a deficit of 21.1 trillion won.

\* National Pension Fund, Korea Teachers' Pension Fund, Industrial Accident Compensation Insurance Fund, Unemployment Benefit Insurance Fund

Central government debt was 464.0 trillion won in 2013, and total government debt including local governments (18.5 trillion won, preliminary) was 482.6 trillion won.

National assets in debt instruments amounted to 223.7 trillion won, the value of national properties was estimated to be 912.0 trillion won, and government tangible personal properties were valued at 10.6 trillion won.

Total national assets based on accrual basis accounting amounted to 1,666.3 trillion won, while liabilities amounted to 1,117.9 trillion won, and net assets were 548.4 trillion won.

### **Changes compared with 2012**

The deficit in the consolidated fiscal account excluding social security funds and the increase in government debt were due to revenue shortages and an increase in government bonds. Bonds were issued to finance the supplementary budget and stabilize foreign exchange markets.

The liability increase in the consolidated financial statement was due to an increase in government bonds and pension liabilities. Pension liabilities increased according to PBO estimates.

Pension liabilities rose by 19.2 trillion won according to the 2012 PBO estimate, which took into account increases in pay, number of recipients, average work years and inflation.

Total liabilities increased by 75.6 trillion won: Government bonds increased by 38.6 trillion won according to accrual basis accounting, and housing and pension funds increased by 17.8 trillion won and 19.2 trillion won, respectively, according to PBO estimates.