Table 2: Summary of the impact of expenditure on budget aggregates

Transaction	Nature	UCB (Deficit)	HCB (Deficit)	NOB (Deficit)	FB (Deficit)	Net debt
Current grant	Non-repayable transfer.	↑	↑	↑	↑	↑
Capital grant	Non-repayable transfer.	↑	↑	↑	↑	↑
Purchase of non-financial assets	Exchange transaction.	↑	↑	–	↑	↑
Prepaid grant	Cash paid in advance and asset created.	↑	↑	–	–	↑
Prepaid purchase of good/service	Cash paid in advance and asset created.	↑	↑	–	–	↑
Public policy commercial loan	There is a loan agreement with an agreed repayment period and interest rate, and a reasonable expectation that the loan will be repaid	–	↑	–	–	–
Public policy concessional loan	There is a loan agreement with an agreed repayment period and interest rate, and a reasonable expectation that the loan will be repaid. The concession comprises a reduced interest rate, a longer repayment period and/or other terms more favourable than those in the commercial market.	–	↑	↑	↑	↑
Equity	The government has ownership interest in a non-GGS entity, where it will earn a minimum return of long-term inflation. There is a reasonable expectation that the investment will be recovered.	–	↑	–	–	↑

↑ Increases the deficit – the arrows must be reversed for a surplus in NOB, FB, UCB or HCB.

– No impact.