



SENATOR THE HON. MATHIAS CORMANN
Minister for Finance and the Public Service
Leader of the Government in the Senate

MEDIA RELEASE

Friday, 24 May 2019

AUSTRALIAN GOVERNMENT GENERAL GOVERNMENT SECTOR
MONTHLY FINANCIAL STATEMENTS
April 2019

KEY POINTS

- The underlying cash balance for the 2018-19 financial year to 30 April 2019 was a deficit of \$4,914 million.
- The fiscal balance for the 2018-19 financial year to 30 April 2019 was a surplus of \$1,816 million.

AGGREGATES	ACTUAL	ACTUAL	Revised Budget	Revised Budget
	2018-2019 April \$m	2018-2019 YTD April \$m	Profile 2018-2019 YTD April \$m	ESTIMATE* 2018-2019 FULL YEAR \$m
Revenue	46,453	400,946	400,658	495,796
Expenses	39,433	396,578	398,388	487,343
Net operating balance	7,020	4,368	2,270	8,452
Net capital investment	630	2,552	3,951	6,490
Fiscal balance	6,390	1,816	-1,682	1,962
Receipts(a)	44,452	390,971	391,334	485,165
less Payments(b)	40,836	389,961	392,218	482,734
less Net Future Fund earnings	457	5,924	5,895	6,592
Underlying cash balance(c)	3,159	-4,914	-6,780	-4,162
Headline cash balance	2,058	-11,370	-12,900	-12,719
Total assets		575,866		581,668
Total liabilities		1,016,572		922,557
Net worth(d)		-440,705		-340,889
Net debt(e)		372,154		373,473

*As published in the 2019-20 Budget.

(a) Cash receipts for operating activities and sales of non-financial assets.

(b) Cash payments for operating activities, purchases of non-financial assets and net acquisition of assets under finance leases.

(c) Excludes net Future Fund earnings. Consistent with Budget documents, the net adjustment for the Future Fund is shown separately.

(d) Net worth is calculated as total assets minus total liabilities.

(e) Net debt equals the sum of interest bearing liabilities (deposits held, government securities, loans and other borrowing), minus the sum of cash and deposits, advances paid, and investments, loans and placements.

Care needs to be taken when comparing monthly or cumulative data across years and to full-year estimates, as revenue and expenses vary from month to month.

Comparators for the April 2019 monthly financial statements are based on the 2018-19 estimates that were revised as part of the 2019-20 Budget (released on 2 April 2019).

FISCAL OUTCOMES

Underlying Cash Balance

The underlying cash balance for the financial year to 30 April 2019 was a deficit of \$4,914 million, which is \$1,866 million lower than the 2018-19 Revised Budget profile deficit of \$6,780 million.

- **Receipts**

Total receipts were \$363 million lower than the 2018-19 Revised Budget profile.

- **Payments**

Total payments were \$2,258 million lower than the 2018-19 Revised Budget profile.

Net Operating Balance

The net operating balance for the year to 30 April 2019 was a surplus of \$4,368 million, which is \$2,099 million higher than the 2018-19 Revised Budget profile surplus of \$2,270 million. The difference results from higher than expected revenue and lower expenses.

Fiscal Balance

The fiscal balance for the year to 30 April 2019 was a surplus of \$1,816 million, which is \$3,498 million better than the 2018-19 Revised Budget profile deficit of \$1,682 million. The difference results from higher than expected revenue, lower expenses and lower net capital investments.

Assets and Liabilities

As at 30 April 2019:

- net worth is negative \$440,705 million;
- net debt is \$372,154 million; and
- net financial liabilities are \$645,733 million.

Senator the Hon. Mathias Cormann
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Australian Government general government sector operating statement

		ACTUAL 2018-2019 April \$m	ACTUAL 2018-2019 YTD April \$m	Revised Budget Profile 2018-2019 YTD April \$m	Revised Budget ESTIMATE* 2018-2019 FULL YEAR \$m
Note					
Revenue					
Taxation revenue	1,2	43,880	372,109	372,072	459,085
Sales of goods and services		1,159	10,719	10,461	13,455
Interest income		441	3,730	3,606	4,837
Dividend income		467	5,902	5,784	7,718
Other		506	8,486	8,735	10,701
Total revenue		46,453	400,946	400,658	495,796
Expenses					
Gross operating expenses					
Wages and salaries(a)		1,698	16,320	16,683	20,693
Superannuation		759	7,658	7,401	9,043
Depreciation and amortisation		635	7,216	7,245	8,742
Supply of goods and services		9,876	93,768	95,338	117,709
Other operating expenses(a)		644	5,737	5,729	6,693
Total gross operating expenses		13,612	130,698	132,394	162,881
Superannuation interest expense		787	7,872	7,872	9,447
Interest expenses		1,523	14,979	14,904	18,375
Current transfers					
Current grants		11,424	123,382	123,806	148,852
Subsidy expenses		905	9,582	9,475	11,367
Personal benefits		10,536	104,946	104,869	125,230
Total current transfers		22,866	237,910	238,151	285,449
Capital transfers					
Mutually agreed write-downs		88	1,003	1,033	1,317
Other capital grants		557	4,117	4,034	9,875
Total capital transfers		645	5,120	5,067	11,192
Total expenses	3	39,433	396,578	398,388	487,343
Net operating balance		7,020	4,368	2,270	8,452
Other economic flows					
- included in operating result					
Net write-downs of assets (including bad and doubtful debts)		-998	-6,313	-5,786	-8,049
Assets recognised for the first time		-1	116	158	189
Actuarial revaluations		152	152	155	30
Net foreign exchange gains		-265	-1,210	-68	-208
Net swap interest received		3	-442	-445	-356
Market valuation of debt		67	-27,057	-22,309	-21,460
Other gains/(losses)		2,201	5,040	1,249	2,584
Total other economic flows		1,159	-29,714	-27,047	-27,269
- included in operating result					
Operating Result(b)		8,180	-25,346	-24,777	-18,816
Non-owner movements in equity					
Revaluation of equity investments		-2	-8	-11	-3,499
Actuarial revaluations		0	0	0	1,441
Other economic revaluations		1,673	2,784	1,649	25
Total other economic flows - included in equity		1,671	2,776	1,638	-2,033
Comprehensive result					
- Total change in net worth					
Net operating balance		7,020	4,368	2,270	8,452
Net acquisition of non-financial assets					
Purchases of non-financial assets		1,203	9,818	10,433	15,306
less Sales of non-financial assets		-2	157	188	194
less Depreciation		635	7,216	7,245	8,742
plus Change in inventories		85	77	915	118
plus Other movements in non-financial assets		-25	29	37	2
Total net acquisition of non-financial assets		630	2,552	3,951	6,490
Fiscal balance (Net lending/borrowing)(c)		6,390	1,816	-1,682	1,962

*As published in the 2019-20 Budget.

(a) Consistent with Australian Bureau of Statistics' (ABS) Government Finance Statistics (GFS) classification, other employee related expenses are reported under other operating expenses. Total employee expenses equal wages and salaries plus other operating expenses.

(b) Operating result under Australian Accounting Standards.

(c) The term fiscal balance is not used by the ABS.

Australian Government general government sector balance sheet

	ACTUAL as at 30 April 2019 \$m	Revised Budget ESTIMATE* as at 30 June 2019 \$m
Assets		
Financial assets		
Cash and deposits	6,543	7,563
Advances paid	66,108	71,008
Investments, loans and placements	177,369	175,216
Other receivables	57,458	55,700
Equity investments		
Investments in other public sector entities	56,287	52,907
Equity accounted investments	3,257	3,405
Investments - shares	60,105	66,000
<i>Total financial assets</i>	<i>427,126</i>	<i>431,799</i>
Non-financial assets		
Land	11,623	11,586
Buildings	26,664	27,072
Plant, equipment and infrastructure	81,816	81,742
Inventories	8,516	8,397
Intangibles	8,145	9,039
Investment properties	173	193
Biological assets	19	20
Heritage and cultural assets	11,606	11,604
Assets held for sale	116	183
Other non-financial assets	62	34
<i>Total non-financial assets</i>	<i>148,741</i>	<i>149,869</i>
Total assets	575,866	581,668
Liabilities		
Interest bearing liabilities		
Deposits held	410	381
Government securities	603,214	608,637
Loans	17,023	16,742
Other borrowing	1,526	1,499
<i>Total interest bearing liabilities</i>	<i>622,173</i>	<i>627,260</i>
Provisions and payables		
Superannuation liability(a)	321,604	223,720
Other employee liabilities	20,505	20,166
Suppliers payables	7,217	6,027
Personal benefits payables	3,404	3,389
Subsidies payables	471	519
Grants payables	2,446	3,539
Other payables	1,989	2,316
Provisions	36,763	35,622
<i>Total provisions and payables</i>	<i>394,399</i>	<i>295,297</i>
Total liabilities	1,016,572	922,557
Net worth(b)	-440,705	-340,889
<i>Net financial worth(c)</i>	<i>-589,446</i>	<i>-490,758</i>
<i>Net financial liabilities(d)</i>	<i>645,733</i>	<i>543,665</i>
<i>Net debt(e)</i>	<i>372,154</i>	<i>373,473</i>

*As published in the 2019-20 Budget.

(a) For budget reporting purposes, a discount rate applied by actuaries in preparing Long Term Cost Reports is used to value the superannuation liability. This reduces the volatility in reported liabilities that would occur from year to year if the long-term government bond rate were used. Consistent with Australian Accounting Standards, the long-term government bond rate as at 30 June, that best matches each individual scheme's liability duration, is used to calculate the superannuation liability for the purpose of actuals reporting.

(b) Net worth equals total assets minus total liabilities.

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

(d) Net financial liabilities equals total liabilities less financial assets other than investments in other public sector entities.

(e) Net debt equals the sum of interest bearing liabilities (deposits held, government securities, loans and other borrowing), minus the sum of cash and deposits, advances paid, and investments, loans and placements.

Australian Government general government sector cash flow statement^(a)

	ACTUAL 2018-2019 April \$m	ACTUAL 2018-2019 YTD April \$m	Revised Budget Profile 2018-2019 YTD April \$m	Revised Budget ESTIMATE* 2018-2019 FULL YEAR \$m
Cash receipts from operating activities				
Taxes received	41,765	361,250	361,506	448,821
Receipts from sales of goods and services	997	10,135	10,144	13,467
Interest receipts	441	3,382	3,424	4,412
Dividends and income tax equivalents	555	6,913	6,677	7,175
Other receipts	696	8,718	8,954	10,643
Total operating receipts	44,455	390,398	390,705	484,518
Cash payments for operating activities				
Payments for employees	-2,385	-23,326	-23,852	-29,603
Payments for goods and services	-9,344	-92,803	-94,083	-116,831
Grants and subsidies paid	-13,161	-138,008	-137,861	-170,609
Interest paid	-3,815	-15,217	-15,318	-18,491
Personal benefit payments	-10,623	-105,639	-105,729	-125,961
Other payments	-326	-5,379	-5,545	-6,358
Total operating payments	-39,653	-380,371	-382,387	-467,853
Net cash flows from operating activities	4,802	10,026	8,317	16,665
Cash flows from investments in non-financial assets				
Sales of non-financial assets	-3	573	629	647
Purchases of non-financial assets	-1,183	-9,587	-9,831	-14,881
Net cash flows from investments in non-financial assets	-1,186	-9,014	-9,202	-14,234
Net cash flows from investments in financial assets for policy purposes	-1,558	-12,381	-12,016	-15,149
Cash flows from investments in financial assets for liquidity purposes				
Increase in investments	-1,536	11,042	10,678	1,979
Net cash flows from investments in financial assets for liquidity purposes	-1,536	11,042	10,678	1,979
Cash flows from financing activities				
Borrowing (net)	266	2,662	6,028	14,401
Other financing (net)	-674	-2,582	-2,819	-2,878
Net cash flows from financing activities	-407	79	3,209	11,523
Net increase/(decrease) in cash held	115	-247	986	783
GFS cash surplus(+)/deficit(-)(b)	3,616	1,012	-885	2,430
<i>less</i> Finance leases and similar arrangements(c)	0	2	0	0
<i>less</i> Net Future Fund earnings	457	5,924	5,895	6,592
Equals underlying cash balance(d)	3,159	-4,914	-6,780	-4,162
<i>plus</i> Net cash flows from investments in financial assets for policy purposes	-1,558	-12,381	-12,016	-15,149
<i>plus</i> Net Future Fund earnings	457	5,924	5,895	6,592
Equals headline cash balance	2,058	-11,370	-12,900	-12,719

*As published in the 2019-20 Budget.

(a) A positive number denotes a cash inflow; a negative number denotes a cash outflow.

(b) GFS cash surplus/deficit equals net cash flows from operating activities and investments in non-financial assets.

(c) The acquisition of assets under finance leases worsens the underlying cash balance. The disposal of assets previously held under finance leases improves the underlying cash balance.

(d) The term underlying cash balance is not used by the Australian Bureau of Statistics.

Note 1: Income Tax

	ACTUAL 2018-2019 April \$m	ACTUAL 2018-2019 YTD April \$m	Revised Budget Profile 2018-2019 YTD April \$m	Revised Budget ESTIMATE* 2018-2019 FULL YEAR \$m
Individuals and other withholding taxes				
Gross income tax withholding	16,478	170,984	171,348	207,600
Gross other individuals	8,017	39,892	38,882	50,200
less Refunds	1,211	26,666	26,646	29,500
Total individuals and other withholding taxation	23,285	184,210	183,584	228,300
Fringe benefits tax	866	3,636	3,607	3,870
Company tax	8,114	74,268	73,949	95,600
Superannuation fund taxes	488	10,163	10,409	11,320
Petroleum resource rent tax	348	1,248	1,234	1,250
Total income taxation revenue	33,101	273,525	272,783	340,340

*As published in the 2019-20 Budget.

Note 2: Indirect Tax

	ACTUAL 2018-2019 April \$m	ACTUAL 2018-2019 YTD April \$m	Revised Budget Profile 2018-2019 YTD April \$m	Revised Budget ESTIMATE* 2018-2019 FULL YEAR \$m
Goods and services tax	6,497	56,836	57,466	68,065
Wine equalisation tax	69	822	830	1,030
Luxury car tax	75	575	550	640
Excise duty	2,222	19,806	19,733	23,370
Customs duty	1,339	13,115	13,258	16,520
Other indirect tax	576	7,431	7,452	9,120
Total indirect taxation revenue	10,779	98,584	99,288	118,745

*As published in the 2019-20 Budget.

Note 3: Total expenses by function

	ACTUAL 2018-2019 April \$m	ACTUAL 2018-2019 YTD April \$m	Revised Budget ESTIMATE* 2018-2019 FULL YEAR \$m
Expenses by function			
General public services	2,024	22,581	26,048
Defence	2,952	26,054	31,014
Public order and safety	337	4,623	5,760
Education	1,698	30,725	34,773
Health	6,896	63,322	80,569
Social security and welfare	14,352	140,168	172,749
Housing and community amenities	457	3,662	5,278
Recreation and culture	342	3,023	3,988
Fuel and energy	738	6,294	7,956
Agriculture, forestry and fishing	262	1,968	3,149
Mining, manufacturing and construction	134	2,176	2,592
Transport and communication	413	4,314	8,105
Other economic affairs	851	7,789	10,281
Other purposes			
Public debt interest	1,397	14,325	17,154
Nominal superannuation interest	787	7,872	9,447
General purpose inter-government transactions	5,671	57,452	69,698
Natural disaster relief	121	232	775
Contingency reserve	0	0	-1,993
Total expenses	39,433	396,578	487,343

*As published in the 2019-20 Budget.

NOTES:

Australian Accounting Standard 1049

The Australian Government monthly financial statements have been prepared on a basis consistent with the Budget as required under section 47 of the *Public Governance, Performance and Accountability Act 2013*. The statements are prepared in accordance with the Australian Accounting Standards Board 1049 – *Whole of Government and General Government Sector Financial Reporting* (AASB 1049), which require treatment based on the Australian Bureau of Statistics' (ABS) Government Finance Statistics (GFS) except where Australian Accounting Standards (AAS) provide a better conceptual treatment for specific items. Departures are limited to complying with either ABS GFS or AAS.

Taxation revenue

While total tax collections are known with certainty at the end of each month, the distribution across the relevant heads of revenue cannot be finalised until all business activity statements are received and processed. The outcomes for some revenue items provided in this statement are therefore estimates, in accordance with the best judgement of the Commissioner of Taxation, and subject to revision. The taxation revenue items not affected are: petroleum resource rent tax, excise duty, customs duty, other taxes and individuals refunds.

Style conventions

Figures in tables and generally in the text have been rounded. Discrepancies in tables between totals and sums of components are due to rounding.

International Monetary Fund Special Data Dissemination Standards

The Government is committed to releasing the monthly financial statements in a timely fashion and will endeavour to do so in accordance with International Monetary Fund (IMF) Special Data Dissemination Standards (SDDS). Under these standards the timeframe for releasing the monthly financial statements is by the end of the following month. Australia applies a special flexibility option which allows it to publish late the last and first month of a financial year.

In accordance with the IMF SDDS, the approximate date of release of the data on debt guaranteed by the Australian Government (central government), is given on the IMF's Data Dissemination Advance Release Calendar <http://dsbb.imf.org>. Monthly and quarterly data on debt guaranteed by the Australian Government (central government) that meet the coverage and timeliness requirements of the SDDS are published on the Australian Office of Financial Management website at <http://aofm.gov.au/cgs-quarterly/>.

Electronic access to monthly financial statements

The Australian Government general government sector monthly financial statements and the historical series are available in electronic format at:

<http://data.gov.au/dataset/australian-government-general-government-sector-monthly-financial-statements-tables-and-data>.