



**SENATOR THE HON MATHIAS CORMANN**  
Minister for Finance

**MEDIA RELEASE**

Friday, 20 November 2015

**AUSTRALIAN GOVERNMENT GENERAL GOVERNMENT SECTOR  
MONTHLY FINANCIAL STATEMENTS  
OCTOBER 2015**

**KEY POINTS**

- The underlying cash balance for the 2015-16 financial year to 31 October 2015 was a deficit of \$25,882 million.
- The fiscal balance for the 2015-16 financial year to 31 October 2015 was a deficit of \$20,068 million.

<b>AGGREGATES</b>	<b>ACTUAL 2015-2016 October \$m</b>	<b>ACTUAL 2015-2016 YTD October \$m</b>	<b>Budget Profile 2015-2016 YTD October \$m</b>	<b>BUDGET ESTIMATE* 2015-2016 Full Year \$m</b>
<b>Revenue</b>	<b>37,295</b>	<b>121,900</b>	<b>123,194</b>	<b>405,350</b>
<b>Expenses</b>	<b>35,810</b>	<b>142,496</b>	<b>144,076</b>	<b>434,469</b>
Net operating balance	1,485	-20,596	-20,882	-29,118
Net capital investment	145	-528	791	3,854
<b>Fiscal balance</b>	<b>1,339</b>	<b>-20,068</b>	<b>-21,673</b>	<b>-32,972</b>
Receipts(a)	33,960	118,923	118,839	397,980
less Payments(b)	38,042	143,430	145,044	429,836
less Net Future Fund earnings	488	1,375	1,299	3,258
<b>Underlying cash balance(c)</b>	<b>-4,569</b>	<b>-25,882</b>	<b>-27,504</b>	<b>-35,115</b>
<b>Headline cash balance</b>	<b>-4,991</b>	<b>-27,889</b>	<b>-29,238</b>	<b>-44,764</b>
<b>Total assets</b>		<b>437,032</b>		<b>454,695</b>
<b>Total liabilities</b>		<b>766,961</b>		<b>716,135</b>
<b>Net worth(d)</b>		<b>-329,929</b>		<b>-261,440</b>
<b>Net debt(e)</b>		<b>267,822</b>		<b>285,802</b>

\*As published in the 2015-16 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 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 revenues and expenses vary from month to month.

## FISCAL OUTCOMES

### Underlying Cash Balance

The underlying cash balance for the year to 31 October 2015 was a deficit of \$25,882 million, compared to the 2015-16 Budget profile deficit of \$27,504 million. The difference of \$1,622 million primarily relates to lower than expected cash payments.

### Fiscal Balance

The fiscal balance for the year to 31 October 2015 was a deficit of \$20,068 million, compared to the Budget profile deficit of \$21,673 million. The difference of \$1,605 million relates to lower than expected expenses and net capital investment, partially offset by lower than expected revenue.

- **Revenues**

Total revenue was \$1,294 million lower than the Budget profile, primarily due to lower than expected taxation revenue, partially offset by higher dividend income.

- **Expenses**

Total expenses were \$1,580 million lower than the Budget profile, primarily due to lower than expected grants, supply of goods and services, and wages and salaries expenses, partially offset by higher than expected superannuation expenses.

### Assets and Liabilities

As at 31 October 2015:

- Net worth is negative \$329,929 million;
- Net debt is \$267,822 million; and
- Net financial liabilities are \$490,255 million.

Senator the Hon Mathias Cormann  
Minister for Finance

20 November 2015

Jane Halton  
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20 November 2015

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# Australian Government general government sector operating statement

		ACTUAL 2015-2016 October \$m	ACTUAL 2015-2016 YTD October \$m	Budget Profile 2015-2016 YTD October \$m	BUDGET ESTIMATE* 2015-2016 Full Year \$m
Note					
<b>Revenue</b>					
	1, 2	35,051	112,557	114,831	380,074
		883	3,393	3,160	9,542
		311	1,175	1,463	4,083
		418	2,745	1,538	3,143
		631	2,031	2,201	8,508
		<b>37,295</b>	<b>121,900</b>	<b>123,194</b>	<b>405,350</b>
<b>Expenses</b>					
Gross operating expenses					
		1,563	6,262	6,618	19,801
		526	2,040	1,573	4,760
		545	2,348	2,373	7,182
		6,726	27,392	27,911	85,046
		521	2,008	1,864	5,510
		<b>9,880</b>	<b>40,050</b>	<b>40,339</b>	<b>122,298</b>
		767	3,078	3,290	9,869
		1,400	5,407	5,544	17,270
Current transfers					
		11,435	40,611	40,911	128,415
		1,011	4,085	4,140	12,654
		10,540	46,160	46,416	133,123
		<b>22,986</b>	<b>90,856</b>	<b>91,466</b>	<b>274,191</b>
Capital transfers					
		139	606	683	2,199
		639	2,499	2,755	8,641
		<b>778</b>	<b>3,105</b>	<b>3,438</b>	<b>10,840</b>
	3	<b>35,810</b>	<b>142,496</b>	<b>144,076</b>	<b>434,469</b>
		<b>1,485</b>	<b>-20,596</b>	<b>-20,882</b>	<b>-29,118</b>
<b>Other economic flows</b>					
- included in operating result(b)					
		-397	-2,012	-3,721	-8,638
		-12	112	111	335
		621	-1,582	46	46
		-29	-410	0	0
		161	-6,383	1,251	3,625
		1,238	3,914	2,576	5,604
		<b>1,582</b>	<b>-6,362</b>	<b>263</b>	<b>972</b>
		<b>3,066</b>	<b>-26,958</b>	<b>-20,619</b>	<b>-28,147</b>
<b>Non-owner movements in equity(b)</b>					
		-3	13	643	-2,221
		0	0	36	105
		-825	-634	-118	135
		<b>-828</b>	<b>-621</b>	<b>562</b>	<b>-1,981</b>
<b>Comprehensive result - Total change in net worth</b>					
		<b>2,239</b>	<b>-27,579</b>	<b>-20,057</b>	<b>-30,128</b>
		<b>1,485</b>	<b>-20,596</b>	<b>-20,882</b>	<b>-29,118</b>
<b>Net acquisition of non-financial assets</b>					
		606	2,000	3,270	11,408
		6	126	178	491
		545	2,348	2,373	7,182
		84	-114	80	352
		6	60	-8	-234
		<b>145</b>	<b>-528</b>	<b>791</b>	<b>3,854</b>
		<b>1,339</b>	<b>-20,068</b>	<b>-21,673</b>	<b>-32,972</b>

\*As published in the 2015-16 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) The presentation of other economic flows has changed to align more closely with Australian Accounting Standard AASB 1049.

(c) Reflects changes in the market valuation of investments and any revaluations at the point of disposal or sale.

(d) Largely reflects other revaluation of assets and liabilities.

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

# Australian Government general government sector balance sheet

	ACTUAL as at 31 October 2015 \$m	BUDGET ESTIMATE* as at 30 June 2016 \$m
<b>Assets</b>		
Financial assets		
Cash and deposits	3,173	3,435
Advances paid	47,963	52,901
Investments, loans and placements	133,001	137,947
Other receivables	49,702	45,980
Equity investments		
Investments in other public sector entities	42,097	45,471
Equity accounted investments	306	326
Investments - shares	42,563	46,537
<i>Total financial assets</i>	<i>318,803</i>	<i>332,597</i>
Non-financial assets		
Land	9,944	9,144
Buildings	25,524	26,927
Plant, equipment and infrastructure	56,091	59,766
Inventories	8,198	8,211
Intangibles	6,577	6,547
Investment property	188	195
Biological assets	40	36
Heritage and cultural assets	11,298	10,852
Assets held for sale	111	72
Other non-financial assets	257	348
<i>Total non-financial assets</i>	<i>118,229</i>	<i>122,098</i>
<b>Total assets</b>	<b>437,032</b>	<b>454,695</b>
<b>Liabilities</b>		
Interest bearing liabilities		
Deposits held	217	211
Government securities	438,154	464,298
Loans	11,945	14,148
Other borrowing	1,642	1,428
<i>Total interest bearing liabilities</i>	<i>451,958</i>	<i>480,084</i>
Provisions and payables		
Superannuation liability(a)	250,749	173,921
Other employee liabilities	17,046	16,105
Suppliers payable	5,285	4,914
Personal benefits provisions and payable	11,982	12,826
Subsidies provisions and payable	4,606	4,854
Grants provisions and payable	10,485	8,472
Other provisions and payables	14,850	14,959
<i>Total provisions and payables</i>	<i>315,003</i>	<i>236,051</i>
<b>Total liabilities</b>	<b>766,961</b>	<b>716,135</b>
<b>Net worth(b)</b>	<b>-329,929</b>	<b>-261,440</b>
<i>Net financial worth(c)</i>	<i>-448,157</i>	<i>-383,538</i>
<i>Net financial liabilities(d)</i>	<i>490,255</i>	<i>429,009</i>
<i>Net debt(e)</i>	<i>267,822</i>	<i>285,802</i>

\*As published in the 2015-16 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 is used to calculate the superannuation liability for the purpose of actuals reporting.

(b) Net worth is calculated as 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 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

	ACTUAL 2015-2016 October \$m	ACTUAL 2015-2016 YTD October \$m	Budget Profile 2015-2016 YTD October \$m	BUDGET ESTIMATE* 2015-2016 Full Year \$m
<b>Cash receipts from operating activities</b>				
Taxes received	31,582	109,323	109,343	370,140
Receipts from sales of goods and services	703	2,994	3,222	9,475
Interest receipts	304	1,019	1,234	3,334
Dividends and income tax equivalents	516	3,007	2,961	4,623
Other receipts	833	2,464	1,527	8,549
<b>Total operating receipts</b>	<b>33,938</b>	<b>118,807</b>	<b>118,287</b>	<b>396,121</b>
<b>Cash payments for operating activities</b>				
Payments for employees	-2,054	-8,976	-9,407	-27,891
Payments for goods and services	-7,252	-28,245	-27,597	-85,076
Grants and subsidies paid	-13,241	-48,232	-49,439	-150,792
Interest paid	-3,367	-5,917	-5,981	-14,953
Personal benefit payments	-11,238	-48,154	-47,799	-134,744
Other payments	-529	-1,822	-1,541	-5,218
<b>Total operating payments</b>	<b>-37,681</b>	<b>-141,347</b>	<b>-141,763</b>	<b>-418,674</b>
<b>Net cash flows from operating activities</b>	<b>-3,743</b>	<b>-22,540</b>	<b>-23,476</b>	<b>-22,553</b>
<b>Cash flows from investments in non-financial assets</b>				
Sales of non-financial assets	22	116	552	1,859
Purchases of non-financial assets	-360	-2,080	-3,280	-11,161
<b>Net cash flows from investments in non-financial assets</b>	<b>-338</b>	<b>-1,964</b>	<b>-2,728</b>	<b>-9,302</b>
<b>Net cash flows from investments in financial assets for policy purposes</b>	<b>-909</b>	<b>-3,382</b>	<b>-3,033</b>	<b>-12,908</b>
<b>Cash flows from investments in financial assets for liquidity purposes</b>				
Increase in investments	7,734	5,219	16,125	-3,129
<b>Net cash flows from investments in financial assets for liquidity purposes</b>	<b>7,734</b>	<b>5,219</b>	<b>16,125</b>	<b>-3,129</b>
<b>Cash flows from financing activities</b>				
Borrowing (net)	-2,296	23,731	13,807	50,790
Other financing (net)	-552	-1,047	-1,053	-2,608
<b>Net cash flows from financing activities</b>	<b>-2,847</b>	<b>22,684</b>	<b>12,754</b>	<b>48,182</b>
<b>Net increase/(decrease) in cash held</b>	<b>-104</b>	<b>17</b>	<b>-358</b>	<b>291</b>
<b>Net cash flows from operating activities and investments in non-financial assets (Surplus(+)/deficit(-))</b>	<b>-4,082</b>	<b>-24,504</b>	<b>-26,204</b>	<b>-31,855</b>
Finance leases and similar arrangements(b)	0	-3	-1	-2
<b>GFS cash surplus(+)/deficit(-)</b>	<b>-4,082</b>	<b>-24,507</b>	<b>-26,205</b>	<b>-31,856</b>
less Net Future Fund earnings	488	1,375	1,299	3,258
<b>Equals underlying cash balance(c)</b>	<b>-4,569</b>	<b>-25,882</b>	<b>-27,504</b>	<b>-35,115</b>
plus Net cash flows from investments in financial assets for policy purposes	-909	-3,382	-3,033	-12,908
plus Net Future Fund earnings	488	1,375	1,299	3,258
<b>Equals headline cash balance</b>	<b>-4,991</b>	<b>-27,889</b>	<b>-29,238</b>	<b>-44,764</b>

\*As published in the 2015-16 Budget.

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

(b) The acquisition of assets under finance leases decreases the underlying cash balance. The disposal of assets previously held under finance leases increases the underlying cash.

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

## Note 1: Income Tax

	ACTUAL 2015-2016 October \$m	ACTUAL 2015-2016 YTD October \$m	Budget Profile 2015-2016 YTD October \$m	BUDGET ESTIMATE* 2015-2016 Full Year \$m
Individuals and other withholding taxes				
Gross income tax withholding	14,325	57,914	58,976	178,460
Gross other individuals	5,018	13,656	14,094	43,800
Less Refunds	3,021	17,352	17,370	28,000
Total individuals and other withholding taxation	16,323	54,217	55,700	194,260
Fringe benefits tax	1,068	2,023	2,150	5,020
Company tax	6,612	19,537	19,376	69,800
Superannuation funds	1,176	2,807	3,706	9,180
Resource rent taxes	301	427	829	1,420
<b>Total income taxation revenue</b>	<b>25,481</b>	<b>79,012</b>	<b>81,761</b>	<b>279,680</b>

\*As published in the 2015-16 Budget.

## Note 2: Indirect Tax

	ACTUAL 2015-2016 October \$m	ACTUAL 2015-2016 YTD October \$m	Budget Profile 2015-2016 YTD October \$m	BUDGET ESTIMATE* 2015-2016 Full Year \$m
Goods and services tax	6,413	20,469	20,376	60,330
Wine equalisation tax	53	247	209	840
Luxury car tax	52	195	159	450
Excise duty	1,845	7,304	8,027	24,920
Customs duty	866	4,107	2,867	9,480
Other indirect tax	340	1,222	1,432	4,374
<b>Total indirect taxation revenue</b>	<b>9,570</b>	<b>33,545</b>	<b>33,070</b>	<b>100,394</b>

\*As published in the 2015-16 Budget.

## Note 3: Total expenses by function

	ACTUAL 2015-2016 October \$m	ACTUAL 2015-2016 YTD October \$m	BUDGET ESTIMATE* 2015-2016 Full Year \$m
<b>Expenses by function</b>			
General public services	1,877	6,768	22,162
Defence	2,201	9,053	26,348
Public order and safety	352	1,613	4,885
Education	4,231	12,106	31,854
Health	5,672	22,738	69,381
Social security and welfare	11,797	52,667	154,000
Housing and community amenities	608	1,535	5,329
Recreation and culture	338	1,113	3,530
Fuel and energy	537	2,176	6,706
Agriculture, Forestry and Fishing	158	596	3,063
Mining, manufacturing and construction	234	975	3,142
Transport and communication(a)	262	934	8,575
Other economic affairs	656	3,048	9,792
Other purposes			
Public debt interest	1,294	4,985	15,561
Nominal superannuation interest	767	3,078	9,869
General purpose inter-government transactions	4,828	19,111	60,038
Natural disaster relief	0	0	33
Contingency reserve	0	0	201
<b>Total expenses</b>	<b>35,810</b>	<b>142,496</b>	<b>434,469</b>

\*As published in the 2015-16 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 (IMF) Special Data Dissemination Standards (SDDS)**

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. 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/quarterly-data-september-2015/>.

### **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>.