



**SENATOR THE HON SIMON BIRMINGHAM**  
**Minister for Finance**  
**Leader of the Government in the Senate**

Friday, 26 February 2021

**MEDIA RELEASE**

**AUSTRALIAN GOVERNMENT GENERAL GOVERNMENT SECTOR**  
**MONTHLY FINANCIAL STATEMENTS**  
**January 2021**

**KEY POINTS**

- The Monthly Financial Statements for January 2021 report the budget position against the expected monthly profile for the 2020-21 financial year through to 31 January 2021, based on the 2020-21 Mid-Year Economic and Fiscal Outlook (MYEFO) estimates published in December 2020.
- The January 2021 year to date results include the impact of the Australian Government's response to COVID-19.
- The underlying cash balance for the 2020-21 financial year to 31 January 2021 was a deficit of \$133.9 billion against the MYEFO profile deficit of \$148.4 billion.
- The fiscal balance for the 2020-21 financial year to 31 January 2021 was a deficit of \$134.2 billion against the MYEFO profile deficit of \$150.8 billion.

<b>AGGREGATES</b>	<b>ACTUAL 2020-2021 January \$b</b>	<b>ACTUAL 2020-2021 YTD January \$b</b>	<b>MYEFO Profile 2020-2021 YTD January \$b</b>	<b>MYEFO ESTIMATE* 2020-2021 FULL YEAR \$b</b>
<b>Revenue</b>	34.1	275.7	269.6	482.1
<b>Expenses</b>	50.0	407.1	416.9	667.3
<b>Net operating balance</b>	-15.9	-131.4	-147.4	-185.2
Net capital investment	0.9	2.8	3.5	8.8
<b>Fiscal balance</b>	-16.8	-134.2	-150.8	-193.9
Receipts(a)	30.2	276.9	271.5	473.1
Payments(b)	48.1	410.8	419.9	670.9
<b>Underlying cash balance</b>	-17.9	-133.9	-148.4	-197.7
<b>Headline cash balance</b>	-19.0	-137.5	-155.3	-214.9
<b>Total assets</b>		695.8		684.2
<b>Total liabilities</b>		1,477.0		1,330.8
<b>Net worth(c)</b>		-781.1		-646.5
<b>Net debt(d)</b>		619.5		691.9

\*As published in the 2020-21 MYEFO.

(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 cash flows from financing activities for leases.

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

(d) Net debt is the sum of interest bearing liabilities less the sum of selected financial assets (cash and deposits, advances paid, and investments, loans and placements).

Monthly results are generally volatile due to timing differences between revenue and receipts, and expenses and payments. Care needs to be taken when comparing monthly or cumulative data across years and to full-year estimates, as revenue and receipts and expenses and payments vary from month to month.

## **FISCAL OUTCOMES**

### **Underlying Cash Balance**

The underlying cash balance for the financial year to 31 January 2021 was a deficit of \$133.9 billion, which is \$14.5 billion lower than the 2020-21 MYEFO profile deficit of \$148.4 billion.

- **Receipts**

Total receipts were \$5.4 billion higher than the 2020-21 MYEFO profile.

- **Payments**

Total payments were \$9.0 billion lower than the 2020-21 MYEFO profile.

### **Net Operating Balance**

The net operating balance for the year to 31 January 2021 was a deficit of \$131.4 billion, which is \$16.0 billion lower than the 2020-21 MYEFO profile deficit of \$147.4 billion. The difference results from higher than expected revenue and lower than expected expenses.

### **Fiscal Balance**

The fiscal balance for the year to 31 January 2021 was a deficit of \$134.2 billion, which is \$16.6 billion lower than the 2020-21 MYEFO profile deficit of \$150.8 billion. The difference results from higher than expected revenue, and lower than expected expenses and net capital investment.

### **Assets and Liabilities**

As at 31 January 2021:

- net worth is negative \$781.1 billion;
- net debt is \$619.5 billion; and
- net financial liabilities are \$1,022.9 billion.

Senator the Hon. Simon Birmingham  
Minister for Finance

Rosemary Huxtable PSM  
Secretary  
Department of Finance

### **Media Contacts**

**Benn Ayre**

**0428 342 325**

## Australian Government general government sector operating statement

		ACTUAL 2020-2021 January \$m	ACTUAL 2020-2021 YTD January \$m	MYEFO Profile 2020-2021 YTD January \$m	MYEFO ESTIMATE* 2020-2021 FULL YEAR \$m
Note					
<b>Revenue</b>					
	1,2	31,435	253,341	247,791	441,842
		1,208	9,190	9,186	15,765
		272	1,947	2,490	4,161
		335	3,829	2,808	8,203
		875	7,403	7,309	12,165
		<b>34,126</b>	<b>275,710</b>	<b>269,584</b>	<b>482,136</b>
<b>Expenses</b>					
Gross operating expenses					
		1,512	12,247	12,453	21,665
		1,013	7,275	7,255	12,427
		951	6,606	7,070	12,087
		8,955	78,518	80,751	151,369
		193	4,502	4,716	8,322
		<b>12,623</b>	<b>109,149</b>	<b>112,246</b>	<b>205,870</b>
		584	4,085	4,085	7,004
		1,609	11,412	11,386	20,596
Current transfers					
		18,821	97,369	97,990	160,505
		4,398	77,506	78,521	88,718
		11,333	102,452	107,258	168,222
		<b>34,552</b>	<b>277,326</b>	<b>283,769</b>	<b>417,446</b>
Capital transfers					
		1	1,832	1,793	2,286
		676	3,303	3,665	14,119
		<b>678</b>	<b>5,135</b>	<b>5,457</b>	<b>16,405</b>
		<b>50,046</b>	<b>407,108</b>	<b>416,944</b>	<b>667,321</b>
	3	<b>-15,920</b>	<b>-131,398</b>	<b>-147,360</b>	<b>-185,185</b>
<b>Other economic flows</b>					
<b>- included in operating result</b>					
		-657	-1,981	-2,090	-4,618
		-70	66	101	173
		0	0	0	111
		-30	252	-1	-278
		154	981	678	608
		7,375	10,279	1,779	4,501
		1,082	8,593	5,939	5,377
		<b>7,855</b>	<b>18,191</b>	<b>6,405</b>	<b>5,873</b>
		<b>-8,065</b>	<b>-113,207</b>	<b>-140,955</b>	<b>-179,311</b>
<b>Non-owner movements in equity</b>					
		3	4	1	-4,201
		0	0	0	54
		-163	-629	-41	-326
		<b>-160</b>	<b>-625</b>	<b>-41</b>	<b>-4,473</b>
<b>Comprehensive result</b>					
		<b>-8,225</b>	<b>-113,832</b>	<b>-140,995</b>	<b>-183,785</b>
		<b>-15,920</b>	<b>-131,398</b>	<b>-147,360</b>	<b>-185,185</b>
<b>Net acquisition of non-financial assets</b>					
		1,167	7,968	9,534	18,813
		38	129	94	274
		951	6,606	7,070	12,087
		704	1,541	1,086	2,310
		0	20	17	-4
		<b>882</b>	<b>2,794</b>	<b>3,473</b>	<b>8,758</b>
		<b>-16,802</b>	<b>-134,192</b>	<b>-150,833</b>	<b>-193,942</b>

\*As published in the 2020-21 MYEFO.

(a) Consistent with the 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) From 2020-21, the value of Debt Not Expected to be Repaid on initial recognition of income contingent concessional loans is reported as *Other Financing costs* rather than as a valuation adjustment. This change is consistent with Australian Accounting Standards and brings the accounting treatment of income contingent concessional loans into line with other concessional loans.

(c) Operating result under Australian Accounting Standards.

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

## Australian Government general government sector balance sheet

	ACTUAL as at 31 January 2021 \$m	MYEFO ESTIMATE* as at 30 June 2021 \$m
<b>Assets</b>		
Financial assets		
Cash and deposits	10,877	6,115
Advances paid	81,862	87,370
Investments, loans and placements	220,533	204,339
Other receivables	68,933	67,649
Equity investments		
Investments in other public sector entities	64,456	63,987
Equity accounted investments	3,467	3,547
Investments - shares	68,406	67,391
<i>Total financial assets</i>	<i>518,534</i>	<i>500,397</i>
Non-financial assets		
Land	11,758	11,743
Buildings	42,286	43,671
Plant, equipment and infrastructure	90,374	93,954
Inventories	11,186	11,814
Intangibles	9,207	10,145
Investment properties	220	218
Biological assets	27	28
Heritage and cultural assets	11,958	11,992
Assets held for sale	239	241
Other non-financial assets	58	34
<i>Total non-financial assets</i>	<i>177,312</i>	<i>183,840</i>
<b>Total assets</b>	<b>695,846</b>	<b>684,236</b>
<b>Liabilities</b>		
Interest bearing liabilities		
Deposits held	465	484
Government securities	896,268	953,548
Loans	16,889	16,775
Lease liabilities	19,114	18,907
<i>Total interest bearing liabilities</i>	<i>932,736</i>	<i>989,714</i>
Provisions and payables		
Superannuation liability(a)	435,286	236,687
Other employee liabilities	32,671	33,099
Suppliers payables	6,637	8,428
Personal benefits payables	3,863	3,105
Subsidies payables	701	1,000
Grants payables	2,603	3,972
Other payables	4,986	2,687
Provisions	57,473	52,061
<i>Total provisions and payables</i>	<i>544,221</i>	<i>341,037</i>
<b>Total liabilities</b>	<b>1,476,958</b>	<b>1,330,751</b>
<b>Net worth(b)</b>	<b>-781,111</b>	<b>-646,515</b>
<i>Net financial worth(c)</i>	<i>-958,424</i>	<i>-830,355</i>
<i>Net financial liabilities(d)</i>	<i>1,022,879</i>	<i>894,342</i>
<i>Net debt(e)</i>	<i>619,465</i>	<i>691,891</i>

\*As published in the 2020-21 MYEFO.

(a) For budget reporting purposes, a discount rate of 5 per cent determined by actuaries in preparing the 2017 Long Term Cost Reports is used to value the superannuation liability. This reflects the average annual rate estimated to apply over the term of the liability and it reduces the volatility in reported liabilities that would occur from year to year if the spot rates on long-term government bonds were used. Consistent with Australian Accounting Standards, the superannuation liability for the 2020-21 Monthly Financial Statements was calculated using the spot rates on long-term government bonds as at 30 June 2020 that best matched each individual scheme's liability duration. These rates were between 1.0 and 1.7 per cent per annum.

(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 is the sum of interest bearing liabilities less the sum of selected financial assets (cash and deposits, advances paid, and investments, loans and placements).

## Australian Government general government sector cash flow statement<sup>(a)</sup>

	ACTUAL 2020-2021 January \$m	ACTUAL 2020-2021 YTD January \$m	MYEFO Profile 2020-2021 YTD January \$m	MYEFO ESTIMATE* 2020-2021 FULL YEAR \$m
<b>Cash receipts from operating activities</b>				
Taxes received	28,038	250,341	245,195	433,500
Receipts from sales of goods and services	1,232	11,339	11,052	16,233
Interest receipts	182	1,732	2,306	3,709
Dividends and income tax equivalents	352	6,456	5,413	7,115
Other receipts	401	6,932	7,421	12,295
<b>Total operating receipts</b>	<b>30,205</b>	<b>276,800</b>	<b>271,387</b>	<b>472,853</b>
<b>Cash payments for operating activities</b>				
Payments for employees(b)	-2,184	-18,522	-18,188	-32,600
Payments for goods and services	-7,700	-79,082	-81,047	-148,265
Grants and subsidies paid	-25,496	-187,534	-189,434	-276,728
Interest paid	-529	-9,243	-9,369	-17,174
Personal benefit payments	-10,550	-103,826	-108,213	-168,985
Other payments(b)	-598	-4,286	-4,109	-7,520
<b>Total operating payments</b>	<b>-47,057</b>	<b>-402,494</b>	<b>-410,361</b>	<b>-651,271</b>
<b>Net cash flows from operating activities</b>	<b>-16,852</b>	<b>-125,694</b>	<b>-138,975</b>	<b>-178,419</b>
<b>Cash flows from investments in non-financial assets</b>				
Sales of non-financial assets	17	107	90	280
Purchases of non-financial assets	-832	-6,851	-8,091	-17,270
<b>Net cash flows from investments in non-financial assets</b>	<b>-815</b>	<b>-6,744</b>	<b>-8,001</b>	<b>-16,989</b>
<b>Net cash flows from investments in financial assets for policy purposes</b>	<b>-1,130</b>	<b>-3,607</b>	<b>-6,949</b>	<b>-17,145</b>
<b>Net cash flows from investments in financial assets for liquidity purposes</b>	<b>24,846</b>	<b>17,334</b>	<b>10,996</b>	<b>38,608</b>
<b>Cash flows from financing activities</b>				
Borrowing (net)	-2,845	122,970	146,498	176,924
Other financing (net)	-233	-2,837	-2,879	-6,317
<b>Net cash flows from financing activities</b>	<b>-3,078</b>	<b>120,134</b>	<b>143,619</b>	<b>170,607</b>
<b>Net increase/(decrease) in cash held</b>	<b>2,971</b>	<b>1,423</b>	<b>690</b>	<b>-3,338</b>
<b>GFS cash surplus(+)/deficit(-)(c)</b>	<b>-17,667</b>	<b>-132,438</b>	<b>-146,976</b>	<b>-195,408</b>
<i>plus</i> Net cash flows from financing activities for leases(d)	-232	-1,480	-1,401	-2,339
<b>Equals underlying cash balance(e)</b>	<b>-17,899</b>	<b>-133,918</b>	<b>-148,377</b>	<b>-197,747</b>
<i>plus</i> Net cash flows from investments in financial assets for policy purposes	-1,130	-3,607	-6,949	-17,145
<b>Equals headline cash balance</b>	<b>-19,029</b>	<b>-137,525</b>	<b>-155,326</b>	<b>-214,892</b>

\*As published in the 2020-21 MYEFO.

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

(b) Consistent with the ABS GFS classification, other employee related payments are classified separately from wages and salaries under other payments.

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

(d) Principal payments on lease liabilities, which are cash flows from financing activities, are deducted in the calculation of the underlying cash balance to maintain consistency of measure following the implementation of AASB 16 Leases.

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

## Note 1: Income Tax

	ACTUAL 2020-2021 January \$m	ACTUAL 2020-2021 YTD January \$m	MYEFO Profile 2020-2021 YTD January \$m	MYEFO ESTIMATE* 2020-2021 FULL YEAR \$m
Individuals and other w ithholding taxes				
Gross income tax w ithholding	14,541	126,623	126,545	212,400
Gross other individuals	1,635	23,493	23,212	46,900
/less Refunds	1,348	28,844	29,156	37,400
Total individuals and other w ithholding taxation	14,828	121,272	120,601	221,900
Fringe benefits tax	763	2,727	2,707	3,880
Company tax	6,663	52,337	50,689	89,100
Superannuation fund taxes	110	7,405	6,451	8,740
Petroleum resource rent tax	59	479	592	770
<b>Total income taxation revenue</b>	<b>22,422</b>	<b>184,221</b>	<b>181,040</b>	<b>324,390</b>

\*As published in the 2020-21 MYEFO.

## Note 2: Indirect Tax

	ACTUAL 2020-2021 January \$m	ACTUAL 2020-2021 YTD January \$m	MYEFO Profile 2020-2021 YTD January \$m	MYEFO ESTIMATE* 2020-2021 FULL YEAR \$m
Goods and services tax	4,929	39,432	37,491	65,750
Wine equalisation tax	86	609	620	1,060
Luxury car tax	88	441	379	610
Excise duty	1,745	13,927	13,663	23,400
Customs duty	1,736	10,332	10,401	19,090
Other indirect tax	430	4,379	4,198	7,542
<b>Total indirect taxation revenue</b>	<b>9,013</b>	<b>69,120</b>	<b>66,751</b>	<b>117,452</b>

\*As published in the 2020-21 MYEFO.

## Note 3: Total expenses by function

	ACTUAL 2020-2021 January \$m	ACTUAL 2020-2021 YTD January \$m	MYEFO ESTIMATE* 2020-2021 FULL YEAR \$m
<b>Expenses by function</b>			
General public services	3,095	18,510	32,618
Defence	2,189	17,674	34,407
Public order and safety	385	3,420	6,253
Education	9,780	30,699	43,318
Health	6,684	54,389	95,119
Social security and w elfare	14,097	137,246	230,519
Housing and community amenities	432	2,642	6,871
Recreation and culture	316	2,214	4,393
Fuel and energy	703	4,888	8,899
Agriculture, forestry and fishing	222	1,619	3,982
Mining, manufacturing and construction	290	1,755	3,609
Transport and communication	677	3,837	13,337
Other economic affairs	4,061	74,305	87,070
Other purposes			
Public debt interest	1,396	9,582	17,051
Nominal superannuation interest	584	4,085	7,004
General purpose inter-government transactions	5,135	40,241	67,199
Natural disaster relief	0	0	266
Contingency reserve	0	0	5,403
<b>Total expenses</b>	<b>50,046</b>	<b>407,108</b>	<b>667,321</b>

\*As published in the 2020-21 MYEFO.

## NOTES:

### **AASB 1049 *Whole of Government and General Government Sector Financial Reporting* (AASB 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 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.

### **AASB 16 *Leases* (AASB 16)**

The new Australian Accounting Standard, AASB 16, applied to all Australian Government entities from 1 July 2019. AASB 16 introduced a single lease accounting framework for lessees and removed the distinction between operating and finance leases. As a result, new assets and liabilities have been recognised on the balance sheet for leases that were previously accounted for as operating expenses. The reduction in operating lease expenses is replaced with the depreciation charge for the right-of-use assets and interest expense on the lease liabilities.

The implementation of AASB 16 has implications for a number of budget aggregates, in particular, net debt and net financial worth due to the recognition of the new lease liabilities. To maintain consistency in the measurement of the underlying cash balance, the principal payments on lease liabilities which are recognised as cash flows from financing activities, have been included in the calculation following the implementation of AASB 16.

For General Government Sector financial reporting, the implementation of AASB 16 has been reflected in the 2019-20 MYEFO estimates and in the Australian Government General Government Sector Monthly Financial Statements from the December 2019 reporting period.

### **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 <https://www.aofm.gov.au/data-hub>.

### **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>.