



Australian Government

Department of Finance

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MEDIA RELEASE

AUSTRALIAN GOVERNMENT GENERAL GOVERNMENT SECTOR MONTHLY FINANCIAL STATEMENTS March 2022

KEY POINTS

- The Monthly Financial Statements for March 2022 report the budget position against the expected monthly profile for the 2021-22 financial year through to 31 March 2022, based on the 2021-22 Mid-Year Economic and Fiscal Outlook (MYEFO) estimates published in December 2021.
- The March 2022 year to date results include the impact of the Australian Government's response to COVID-19.
- The underlying cash balance for the 2021-22 financial year to 31 March 2022 was a deficit of \$44.2 billion against the MYEFO profile deficit of \$73.1 billion.
- The fiscal balance for the 2021-22 financial year to 31 March 2022 was a deficit of \$38.0 billion against the MYEFO profile deficit of \$70.5 billion.

AGGREGATES	ACTUAL	ACTUAL	MYEFO Profile	MYEFO
	2021-2022 March \$b	2021-2022 YTD March \$b	2021-2022 YTD March \$b	ESTIMATE* 2021-2022 FULL YEAR \$b
Receipts(a)	48.6	413.7	392.5	532.1
Payments(b)	50.7	457.9	465.6	631.4
Underlying cash balance	-2.1	-44.2	-73.1	-99.2
Headline cash balance	-2.9	-45.0	-74.4	-106.1
Revenue	49.1	423.1	400.8	542.5
Expenses	50.9	458.7	465.5	633.8
Net operating balance	-1.8	-35.6	-64.7	-91.3
Net capital investment	0.9	2.4	5.8	11.6
Fiscal balance	-2.7	-38.0	-70.5	-102.9
Total assets		751.6		759.5
Total liabilities		1,440.6		1,391.9
Net worth(c)		-689.0		-632.4
Net debt(d)		558.0		673.4

*As published in the 2021-22 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).

The 2021-22 estimates were revised as part of the 2022-23 Budget, released on 29 March 2022, and will be used as the basis for comparison for the April 2022 monthly financial statements.

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 March 2022 was a deficit of \$44.2 billion, which is \$28.8 billion lower than the 2021-22 MYEFO profile deficit of \$73.1 billion.

- **Receipts**

Total receipts were \$21.2 billion higher than the 2021-22 MYEFO profile.

- **Payments**

Total payments were \$7.7 billion lower than the 2021-22 MYEFO profile.

Net Operating Balance

The net operating balance for the financial year to 31 March 2022 was a deficit of \$35.6 billion, which is \$29.1 billion lower than the 2021-22 MYEFO profile deficit of \$64.7 billion. The difference results from higher than expected revenue and lower than expected expenses.

Fiscal Balance

The fiscal balance for the financial year to 31 March 2022 was a deficit of \$38.0 billion, which is \$32.5 billion lower than the 2021-22 MYEFO profile deficit of \$70.5 billion. The difference results from higher than expected revenue and lower than expected expenses and net capital investment.

Assets and Liabilities

As at 31 March 2022:

- net worth is negative \$689.0 billion;
- net debt is \$558.0 billion; and
- net financial liabilities are \$935.1 billion.

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Australian Government general government sector operating statement

		ACTUAL 2021-2022 March \$m	ACTUAL 2021-2022 YTD March \$m	MYEFO Profile 2021-2022 YTD March \$m	MYEFO ESTIMATE* 2021-2022 FULL YEAR \$m
Note					
Revenue					
	1,2	46,122	391,889	372,105	504,041
		718	13,168	13,061	17,424
		364	2,497	2,748	3,619
		624	6,086	4,155	5,178
		1,246	9,462	8,696	12,266
		49,073	423,103	400,765	542,528
Expenses					
Gross operating expenses					
		2,086	16,970	17,162	23,102
		1,015	9,200	9,202	12,091
		911	8,330	8,653	11,651
		14,142	115,856	120,642	175,257
		573	6,016	6,204	8,785
		18,727	156,372	161,863	230,886
		748	6,731	6,731	8,974
		1,647	14,004	14,185	20,070
Current transfers					
		14,512	141,770	140,812	182,118
		1,415	13,450	13,536	18,938
		12,968	119,187	118,650	152,282
		28,894	274,407	272,998	353,338
Capital transfers					
		164	1,864	1,891	2,734
		698	5,350	7,843	17,836
		862	7,214	9,734	20,570
	3	50,879	458,728	465,511	633,838
		-1,806	-35,626	-64,746	-91,310
Net operating balance					
Other economic flows					
- included in operating result					
		3	-5,387	-5,756	-7,828
		-24	95	119	242
		0	0	0	109
		7	41	0	48
		71	-469	-325	-343
		37,012	78,311	22,365	22,484
		480	-1,205	5,892	6,983
		37,549	71,386	22,296	21,695
Operating Result(b)					
		35,743	35,761	-42,450	-69,616
Non-owner movements in equity					
		29	32	-1	-3,174
		0	0	0	-22,072
		82	369	865	720
		110	401	864	-24,526
Comprehensive result					
		35,853	36,162	-41,586	-94,141
		-1,806	-35,626	-64,746	-91,310
Net acquisition of non-financial assets					
		1,008	10,983	14,888	23,518
		46	1,180	782	930
		911	8,330	8,653	11,651
		810	933	355	682
		3	-17	-26	-26
		863	2,389	5,781	11,593
		-2,669	-38,014	-70,526	-102,903

*As published in the 2021-22 MYEFO.

(a) Consistent with the Australian Bureau of Statistics' (ABS) Government Finance Statistics (GFS) classification, other employee related expenses are classified separately from wages and salaries 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 31 March 2022 \$m	MYEFO ESTIMATE* as at 30 June 2022 \$m
Assets		
Financial assets		
Cash and deposits	59,343	57,497
Advances paid	80,469	82,967
Investments, loans and placements	211,574	205,481
Other receivables	73,776	65,103
Equity investments		
Investments in other public sector entities	63,318	61,792
Equity accounted investments	3,771	4,037
Investments - shares	76,594	90,724
<i>Total financial assets</i>	<i>568,845</i>	<i>567,601</i>
Non-financial assets		
Land	12,074	12,188
Buildings	42,911	46,330
Plant, equipment and infrastructure	94,177	98,724
Inventories	11,069	10,891
Intangibles	10,160	11,100
Investment properties	201	213
Biological assets	14	23
Heritage and cultural assets	11,839	11,869
Assets held for sale	276	562
Other non-financial assets	23	14
<i>Total non-financial assets</i>	<i>182,745</i>	<i>191,914</i>
Total assets	751,590	759,515
Liabilities		
Interest bearing liabilities		
Deposits held	621	598
Government securities	862,903	969,411
Loans	27,502	29,501
Lease liabilities	18,378	19,823
<i>Total interest bearing liabilities</i>	<i>909,404</i>	<i>1,019,332</i>
Provisions and payables		
Superannuation liability (a)	413,866	250,958
Other employee liabilities	37,804	38,371
Suppliers payables	7,824	11,131
Personal benefits payables	2,720	2,977
Subsidies payables	809	995
Grants payables	2,862	4,314
Other payables	5,547	2,464
Provisions	59,795	61,349
<i>Total provisions and payables</i>	<i>531,227</i>	<i>372,559</i>
Total liabilities	1,440,631	1,391,891
Net worth(b)	-689,041	-632,376
<i>Net financial worth(c)</i>	<i>-871,786</i>	<i>-824,290</i>
<i>Net financial liabilities(d)</i>	<i>935,105</i>	<i>886,082</i>
<i>Net debt(e)</i>	<i>558,018</i>	<i>673,387</i>

*As published in the 2021-22 MYEFO.

(a) For budget reporting purposes, a discount rate of 5 per cent determined by actuaries in preparing the 2020 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 2021-22 Monthly Financial Statements was calculated using the spot rates on long-term government bonds as at 30 June 2021 that best matched each individual scheme's liability duration. These rates were between 1.6 and 2.3 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^(a)

	ACTUAL 2021-2022 March \$m	ACTUAL 2021-2022 YTD March \$m	MYEFO Profile 2021-2022 YTD March \$m	MYEFO ESTIMATE* 2021-2022 FULL YEAR \$m
Cash receipts from operating activities				
Taxes received	45,269	378,707	360,304	490,487
Receipts from sales of goods and services	1,074	13,499	12,828	17,520
Interest receipts	203	1,921	2,214	2,732
Dividends, distributions and income tax equivalents	584	8,748	6,952	7,980
Other receipts(b)	1,489	10,357	10,083	13,139
Total operating receipts	48,619	413,232	392,381	531,859
Cash payments for operating activities				
Payments for employees(b)(c)	-3,748	-27,543	-27,750	-36,681
Payments for goods and services	-14,321	-116,711	-120,322	-172,036
Grants and subsidies paid	-16,489	-164,516	-166,469	-221,836
Interest paid	-344	-10,220	-10,185	-17,496
Personal benefit payments	-13,643	-119,872	-119,474	-152,756
Other payments(c)	-643	-5,748	-5,676	-8,248
Total operating payments	-49,188	-444,609	-449,876	-609,053
Net cash flows from operating activities	-569	-31,377	-57,496	-77,194
Cash flows from investments in non-financial assets				
Sales of non-financial assets	25	459	121	271
Purchases of non-financial assets	-1,301	-11,379	-13,769	-19,877
Net cash flows from investments in non-financial assets	-1,276	-10,919	-13,648	-19,606
Net cash flows from investments in financial assets for policy purposes	-819	-818	-1,367	-6,888
Net cash flows from investments in financial assets for liquidity purposes	-348	-6,737	-2,642	-2,979
Cash flows from financing activities				
Borrowing (net)	7,576	51,324	71,082	108,996
Other financing (net)	-20	-4,541	-4,457	-7,243
Net cash flows from financing activities	7,556	46,783	66,625	101,753
Net increase/(decrease) in cash held	4,544	-3,069	-8,527	-4,914
GFS cash surplus(+)/deficit(-)(d)	-1,846	-42,296	-71,144	-96,801
<i>plus</i> Net cash flows from financing activities for leases(e)	-214	-1,914	-1,907	-2,447
Equals underlying cash balance(f)	-2,060	-44,211	-73,051	-99,247
<i>plus</i> Net cash flows from investments in financial assets for policy purposes	-819	-818	-1,367	-6,888
Equals headline cash balance	-2,879	-45,029	-74,418	-106,135

*As published in the 2021-22 MYEFO.

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

(b) As a result of a voluntary accounting policy change, the pass-through of defined benefit member superannuation receipts and payments are reported on a gross basis in the cash flow statement. This was previously reported on a net basis.

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

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

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

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

Note 1: Income Tax

	ACTUAL 2021-2022 March \$m	ACTUAL 2021-2022 YTD March \$m	MYEFO Profile 2021-2022 YTD March \$m	MYEFO ESTIMATE* 2021-2022 FULL YEAR \$m
Individuals and other w ithholding taxes				
Gross income tax withholding	22,151	179,232	172,670	229,700
Gross other individuals	6,409	38,468	36,329	53,800
less Refunds	1,493	33,085	33,607	38,700
Total individuals and other w ithholding taxation	27,067	184,615	175,392	244,800
Fringe benefits tax	3	2,336	2,445	3,160
Company tax	10,225	87,051	76,632	102,700
Superannuation fund taxes	894	22,237	21,119	23,230
Petroleum resource rent tax	0	1,253	1,215	1,470
Total income taxation revenue	38,189	297,491	276,803	375,360

*As published in the 2021-22 MYEFO.

Note 2: Indirect Tax

	ACTUAL 2021-2022 March \$m	ACTUAL 2021-2022 YTD March \$m	MYEFO Profile 2021-2022 YTD March \$m	MYEFO ESTIMATE* 2021-2022 FULL YEAR \$m
Goods and services tax	3,784	55,858	57,286	76,410
Wine equalisation tax	63	852	866	1,160
Luxury car tax	70	661	584	770
Excise duty	1,954	18,498	18,511	24,850
Customs duty	1,364	12,604	12,497	17,190
Other indirect tax	697	5,924	5,559	8,301
Total indirect taxation revenue	7,932	94,398	95,303	128,681

*As published in the 2021-22 MYEFO.

Note 3: Total expenses by function

	ACTUAL 2021-2022 March \$m	ACTUAL 2021-2022 YTD March \$m	MYEFO ESTIMATE* 2021-2022 FULL YEAR \$m
Expenses by function			
General public services	2,596	22,077	33,264
Defence	3,582	26,192	35,201
Public order and safety	573	4,890	6,766
Education	2,210	35,586	43,378
Health	10,169	79,878	105,706
Social security and w elfare	17,524	168,703	226,241
Housing and community amenities	506	4,490	8,139
Recreation and culture	382	3,129	4,567
Fuel and energy	731	6,598	9,770
Agriculture, forestry and fishing	169	2,090	4,456
Mining, manufacturing and construction	290	2,529	4,259
Transport and communication	789	4,878	15,312
Other economic affairs	1,331	17,230	23,519
Other purposes			
Public debt interest	1,592	13,575	17,862
Nominal superannuation interest	748	6,731	8,974
General purpose inter-government transactions	6,254	58,622	78,324
Natural disaster relief	1,433	1,530	582
Contingency reserve	0	0	7,518
Total expenses	50,879	458,728	633,838

*As published in the 2021-22 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.

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>.