



SENATOR THE HON KATY GALLAGHER

Minister for Finance
Senator for the Australian Capital Territory

Friday, 28 October 2022

MEDIA RELEASE AUSTRALIAN GOVERNMENT GENERAL GOVERNMENT SECTOR MONTHLY FINANCIAL STATEMENTS July, August and September 2022

KEY POINTS

- The Monthly Financial Statements for July, August and September 2022 report the budget position against the expected monthly profile for the 2022-23 financial year through to 30 September 2022, based on the 2022-23 March Budget estimates.
- The 2022-23 October Budget was released on 25 October 2022. Commencing with the November 2022 monthly financial statements, the budget position will be reported against the expected monthly profile based on the updated estimates outlined in the 2022-23 October Budget.
- The underlying cash balance for the 2022-23 financial year to 30 September 2022 was a deficit of \$15.2 billion.
- The fiscal balance for the 2022-23 financial year to 30 September 2022 was a deficit of \$15.7 billion.

AGGREGATES(a)	ACTUAL 2022-2023 July \$b	ACTUAL 2022-2023 YTD August \$b	ACTUAL 2022-2023 YTD September \$b	MARCH BUDGET ESTIMATE* 2022-2023 FULL YEAR \$b
Receipts(b)	41.2	92.4	136.4	547.6
Payments(c)	55.1	104.1	151.5	625.6
Underlying cash balance	-13.9	-11.7	-15.2	-78.0
Headline cash balance	-15.7	-13.2	-16.6	-90.8
Revenue	45.6	96.7	137.5	560.9
Expenses	55.3	106.0	152.5	628.5
Net operating balance	-9.7	-9.3	-15.0	-67.5
Net capital investment	-0.3	0.0	0.8	11.3
Fiscal balance	-9.3	-9.4	-15.7	-78.8
Total assets	733.6	738.1	740.3	777.2
Total liabilities	1,348.3	1,331.8	1,330.7	1,434.8
Net worth(d)	-614.7	-593.7	-590.4	-657.5
Net debt(e)	557.4	532.1	520.6	714.9

*As published in the 2022-23 March Budget.

(a) Discrepancies in tables between totals and sums of components are due to rounding.

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

(c) Cash payments for operating activities, purchases of non-financial assets and net cash flows from financing activities for leases.

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

(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).

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 30 September 2022 was a deficit of \$15.2 billion.

- **Receipts**
Total receipts were \$136.4 billion.
- **Payments**
Total payments were \$151.5 billion.

Net Operating Balance

The net operating balance for the financial year to 30 September 2022 was a deficit of \$15.0 billion.

Fiscal Balance

The fiscal balance for the financial year to 30 September 2022 was a deficit of \$15.7 billion.

Assets and Liabilities

As at 30 September 2022:

- net worth is negative \$590.4 billion;
- net debt is \$520.6 billion; and
- net financial liabilities are \$822.1 billion.

Senator the Hon Katy Gallagher
Minister for Finance
Senator for the Australian Capital Territory

Jenny Wilkinson PSM
Secretary
Department of Finance

Media Contact

Patrick Cronan 0432 758 224

Australian Government general government sector operating statement

		ACTUAL 2022-2023 July \$m	ACTUAL 2022-2023 YTD August \$m	ACTUAL 2022-2023 YTD September \$m	March Budget Profile 2022-2023 YTD September \$m	MARCH BUDGET ESTIMATE* 2022-2023 FULL YEAR \$m
Note						
Revenue						
	1,2	40,406	88,347	126,116	110,265	520,959
		3,325	4,182	5,099	4,714	18,326
		512	985	1,528	951	3,751
		329	764	1,379	1,270	5,292
		1,043	2,404	3,411	2,885	12,619
		45,615	96,683	137,533	120,085	560,947
Expenses						
Gross operating expenses						
		1,800	3,877	5,847	5,805	23,367
		945	1,895	2,282	1,780	7,064
		1,011	1,944	2,938	2,905	12,462
		12,920	28,788	41,160	42,221	173,327
		743	1,399	2,090	2,223	9,277
		17,419	37,903	54,317	54,934	225,497
		910	1,821	3,066	3,113	12,453
		1,835	3,661	5,452	5,143	21,481
Current transfers						
		18,138	31,604	44,788	46,243	186,084
		1,243	2,420	3,452	3,198	15,892
		14,834	27,060	39,146	37,435	141,860
		34,215	61,084	87,387	86,877	343,836
Capital transfers						
		678	912	994	726	2,915
		225	626	1,312	2,129	22,287
		903	1,538	2,306	2,855	25,202
		55,282	106,006	152,528	152,922	628,469
	3	-9,666	-9,323	-14,995	-32,837	-67,522
Other economic flows						
- included in operating result						
		-711	-1,493	-1,475	-2,952	-7,491
		11	23	75	10	251
		6	12	1	21	83
		-91	-22	182	0	-55
		-379	-387	-610	0	0
		-26,969	-2,337	12,054	-822	-3,364
		4,957	2,352	-2,345	2,296	9,340
		-23,176	-1,851	7,881	-1,447	-1,235
Operating Result(b)						
		-32,842	-11,174	-7,114	-34,284	-68,757
Non-owner movements in equity						
		0	-1	0	0	6,348
		0	0	0	0	-190
		-109	-752	-1,542	86	60
		-109	-753	-1,542	86	6,218
Comprehensive result						
		-32,951	-11,927	-8,656	-34,198	-62,539
Net operating balance						
		-9,666	-9,323	-14,995	-32,837	-67,522
Net acquisition of non-financial assets						
		899	2,122	3,414	4,268	22,842
		49	66	67	11	119
		1,011	1,944	2,938	2,905	12,462
		-174	-66	341	-6	1,064
		2	2	2	9	-6
		-333	49	752	1,355	11,319
		-9,333	-9,371	-15,747	-34,192	-78,841

*As published in the 2022-23 March Budget.

(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 July 2022 \$m	ACTUAL as at 31 August 2022 \$m	ACTUAL as at 30 September 2022 \$m	MARCH BUDGET ESTIMATE* as at 30 June 2023 \$m
Assets				
Financial assets				
Cash and deposits	57,180	65,079	68,833	36,061
Advances paid	75,121	73,622	72,875	86,550
Investments, loans and placements	214,923	215,956	218,480	216,979
Other receivables	77,371	75,609	74,940	69,848
Equity investments				
Investments in other public sector entities	38,346	38,464	38,652	69,644
Equity accounted investments	4,179	4,196	4,818	4,109
Investments - shares	73,528	72,530	68,663	92,275
Total financial assets	540,648	545,455	547,260	575,465
Non-financial assets				
Land	12,704	12,706	12,719	12,680
Buildings	45,393	45,326	45,528	47,855
Plant, equipment and infrastructure	98,940	98,554	98,431	105,313
Inventories	11,577	11,649	11,999	11,877
Intangibles	11,089	11,170	11,174	11,636
Investment properties	248	248	207	216
Biological assets	15	15	15	21
Heritage and cultural assets	12,659	12,646	12,636	11,880
Assets held for sale	307	307	316	279
Other non-financial assets	24	25	24	7
Total non-financial assets	192,957	192,646	193,048	201,765
Total assets	733,605	738,100	740,308	777,230
Liabilities				
Interest bearing liabilities				
Deposits held	357	281	282	598
Government securities	855,698	838,049	831,818	1,004,288
Loans	29,563	29,589	29,900	29,583
Lease liabilities	19,009	18,793	18,824	20,068
Total interest bearing liabilities	904,627	886,712	880,824	1,054,537
Provisions and payables				
Superannuation liability(a)	322,746	323,528	324,033	257,862
Other employee liabilities	35,484	35,578	35,334	39,209
Suppliers payables	8,609	8,282	8,085	12,936
Personal benefits payables	3,868	3,410	2,864	2,968
Subsidies payables	951	994	1,078	991
Grants payables	3,284	3,490	3,375	3,509
Other payables	7,020	8,243	14,481	2,652
Provisions	61,724	61,547	60,649	60,110
Total provisions and payables	443,686	445,073	449,897	380,237
Total liabilities	1,348,313	1,331,785	1,330,721	1,434,773
Net worth(b)	-614,709	-593,685	-590,413	-657,543
<i>Net financial worth(c)</i>	<i>-807,665</i>	<i>-786,331</i>	<i>-783,461</i>	<i>-859,308</i>
<i>Net financial liabilities(d)</i>	<i>846,011</i>	<i>824,794</i>	<i>822,113</i>	<i>928,953</i>
<i>Net debt(e)</i>	<i>557,403</i>	<i>532,055</i>	<i>520,636</i>	<i>714,947</i>

*As published in the 2022-23 March Budget.

(a) For budget reporting purposes, a discount rate of 5.0 per cent determined by actuaries 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 2022-23 Monthly Financial Statements was calculated using the spot rates on long-term government bonds as at 30 June 2022 that best matched each individual scheme's liability duration. These rates were between 3.7 and 3.9 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 2022-2023 July \$m	ACTUAL 2022-2023 YTD August \$m	ACTUAL 2022-2023 YTD September \$m	March Budget Profile 2022-2023 YTD September \$m	MARCH BUDGET ESTIMATE* 2022-2023 FULL YEAR \$m
Cash receipts from operating activities					
Taxes received	35,252	83,893	123,931	107,699	508,400
Receipts from sales of goods and services	3,631	4,550	6,074	4,283	18,346
Interest receipts	517	945	1,427	1,021	2,820
Dividends, distributions and income tax equivalents	411	799	1,464	1,269	5,284
Other receipts	1,276	2,037	3,322	2,992	12,535
Total operating receipts	41,088	92,225	136,218	117,264	547,384
Cash payments for operating activities					
Payments for employees(b)	-3,007	-6,287	-9,880	-9,202	-37,127
Payments for goods and services	-15,460	-31,269	-44,534	-43,207	-172,351
Grants and subsidies paid	-19,896	-34,923	-49,865	-51,705	-226,249
Interest paid	-553	-722	-1,190	-1,060	-17,894
Personal benefit payments	-14,317	-27,147	-39,928	-38,030	-142,214
Other payments(b)	-854	-1,482	-2,005	-2,161	-8,556
Total operating payments	-54,088	-101,828	-147,403	-145,365	-604,392
Net cash flows from operating activities	-13,001	-9,603	-11,185	-28,102	-57,008
Cash flows from investments in non-financial assets					
Sales of non-financial assets	137	147	151	97	248
Purchases of non-financial assets	-853	-1,816	-3,476	-3,778	-18,759
Net cash flows from investments in non-financial assets	-716	-1,669	-3,325	-3,681	-18,511
Net cash flows from investments in financial assets for policy purposes	-1,782	-1,477	-1,439	-1,805	-12,857
Net cash flows from investments in financial assets for liquidity purposes	-2,556	-2,379	-1,981	-1,758	-4,754
Cash flows from financing activities					
Borrowing (net)	-18,683	-13,562	-6,483	15,375	74,288
Other financing (net)	-844	-995	-1,517	-759	-7,302
Net cash flows from financing activities	-19,527	-14,557	-8,000	14,615	66,986
Net increase/(decrease) in cash held	-37,583	-29,684	-25,930	-20,730	-26,145
GFS cash surplus(+)/deficit(-)(c)	-13,717	-11,272	-14,509	-31,783	-75,519
<i>plus</i> Net cash flow s from financing activities for leases(d)	-208	-448	-652	-665	-2,443
Equals underlying cash balance(e)	-13,925	-11,720	-15,161	-32,447	-77,961
<i>plus</i> Net cash flow s from investments in financial assets for policy purposes	-1,782	-1,477	-1,439	-1,805	-12,857
Equals headline cash balance	-15,707	-13,196	-16,601	-34,252	-90,819

*As published in the 2022-23 March Budget.

(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 financing cash payments, are deducted in the calculation of the underlying cash balance to maintain consistency of measure following the implementation of AASB 16.

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

Note 1: Income Tax

	ACTUAL 2022-2023 July \$m	ACTUAL 2022-2023 YTD August \$m	ACTUAL 2022-2023 YTD September \$m	March Budget Profile 2022-2023 YTD September \$m	MARCH BUDGET ESTIMATE* 2022-2023 FULL YEAR \$m
Individuals and other withholding taxes					
Gross income tax withholding	17,371	42,623	64,703	62,006	252,100
Gross other individuals	9,198	11,910	15,024	12,054	59,100
/less Refunds	10,405	18,354	23,109	22,493	41,100
Total individuals and other withholding taxation	16,164	36,180	56,617	51,568	270,100
Fringe benefits tax	665	767	788	953	3,580
Company tax	11,919	22,582	30,969	22,738	92,200
Superannuation fund taxes	1,616	3,115	3,934	4,195	15,690
Petroleum resource rent tax	2	717	639	537	2,440
Total income taxation revenue	30,366	63,361	92,947	79,991	384,010

*As published in the 2022-23 March Budget.

Note 2: Indirect Tax

	ACTUAL 2022-2023 July \$m	ACTUAL 2022-2023 YTD August \$m	ACTUAL 2022-2023 YTD September \$m	March Budget Profile 2022-2023 YTD September \$m	MARCH BUDGET ESTIMATE* 2022-2023 FULL YEAR \$m
Goods and services tax	5,898	16,213	21,134	18,698	82,460
Wine equalisation tax	76	191	280	287	1,190
Luxury car tax	134	225	322	223	880
Excise duty	1,858	3,473	4,834	4,727	25,640
Customs duty	1,498	3,320	4,296	4,165	16,920
Other indirect tax	574	1,564	2,303	2,175	9,859
Total indirect taxation revenue	10,040	24,986	33,169	30,275	136,949

*As published in the 2022-23 March Budget.

Note 3: Total expenses by function

	ACTUAL 2022-2023 July \$m	ACTUAL 2022-2023 YTD August \$m	ACTUAL 2022-2023 YTD September \$m	MARCH BUDGET ESTIMATE* 2022-2023 FULL YEAR \$m
Expenses by function				
General public services	2,513	5,172	6,621	26,518
Defence	2,739	5,792	9,251	38,268
Public order and safety	775	1,382	1,905	7,014
Education	6,219	8,378	10,568	44,788
Health	9,381	18,456	27,009	105,754
Social security and welfare	20,243	40,099	56,984	221,685
Housing and community amenities	220	766	1,145	8,221
Recreation and culture	347	732	1,066	4,493
Fuel and energy	477	957	1,438	9,381
Agriculture, forestry and fishing	236	445	712	4,810
Mining, manufacturing and construction	269	546	898	4,781
Transport and communication	212	465	1,143	18,915
Other economic affairs	1,171	2,474	3,479	13,155
Other purposes				
Public debt interest	1,755	3,518	5,274	19,817
Nominal superannuation interest	910	1,821	3,066	12,453
General purpose inter-government transactions	6,714	13,754	20,632	86,161
Natural disaster relief	1,100	1,249	1,336	763
Contingency reserve	0	0	0	1,491
Total expenses	55,282	106,006	152,528	628,469

*As published in the 2022-23 March Budget.

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>.