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Minister for Finance
Minister for the Public Service
Minister for Women

MEDIA RELEASE

Australian Government General Government Sector Monthly Financial Statements for October 2022

Friday, 25 November 2022

KEY POINTS

- The Monthly Financial Statements for October 2022 report the budget position against the expected monthly profile for the 2022-23 financial year through to 31 October 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 31 October 2022 was a deficit of \$20.7 billion.
- The fiscal balance for the 2022-23 financial year to 31 October 2022 was a deficit of \$13.5 billion.

AGGREGATES(a)	ACTUAL	ACTUAL	MARCH BUDGET	OCTOBER BUDGET
	2022-2023 October \$b	2022-2023 YTD October \$b	ESTIMATE* 2022-2023 FULL YEAR \$b	ESTIMATE^ 2022-2023 FULL YEAR \$b
Receipts(b)	46.8	183.2	547.6	607.2
Payments(c)	52.3	203.9	625.6	644.1
Underlying cash balance	-5.6	-20.7	-78.0	-36.9
Headline cash balance	-5.8	-22.4	-90.8	-49.6
Revenue	54.8	192.3	560.9	625.0
Expenses	52.2	204.7	628.5	650.9
Net operating balance	2.6	-12.4	-67.5	-25.9
Net capital investment	0.3	1.1	11.3	12.8
Fiscal balance	2.3	-13.5	-78.8	-38.7
Total assets		749.0	777.2	766.0
Total liabilities		1,343.3	1,434.8	1,321.6
Net worth(d)		-594.3	-657.5	-555.7
Net debt(e)		533.5	714.9	572.2

*As published in the 2022-23 March Budget.

^As published in the 2022-23 October 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 31 October 2022 was a deficit of \$20.7 billion.

- **Receipts**

Total receipts were \$183.2 billion.

- **Payments**

Total payments were \$203.9 billion.

Net Operating Balance

The net operating balance for the financial year to 31 October 2022 was a deficit of \$12.4 billion.

Fiscal Balance

The fiscal balance for the financial year to 31 October 2022 was a deficit of \$13.5 billion.

Assets and Liabilities

As at 31 October 2022:

- net worth is negative \$594.3 billion;
- net debt is \$533.5 billion; and
- net financial liabilities are \$827.3 billion.

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Australian Government general government sector operating statement

		ACTUAL 2022-2023 October \$m	ACTUAL 2022-2023 YTD October \$m	March Budget Profile 2022-2023 YTD October \$m	MARCH BUDGET ESTIMATE* 2022-2023 FULL YEAR \$m
Revenue					
Taxation revenue	1,2	48,884	175,001	151,711	520,959
Sales of goods and services		3,306	8,404	7,979	18,326
Interest income		606	2,134	1,267	3,751
Dividend and distribution income		234	1,613	1,808	5,292
Other		1,780	5,191	3,833	12,619
Total revenue		54,809	192,342	166,597	560,947
Expenses					
Gross operating expenses					
Wages and salaries(a)		1,931	7,778	7,727	23,367
Superannuation		758	3,040	2,371	7,064
Depreciation and amortisation		934	3,872	3,903	12,462
Supply of goods and services		14,007	55,167	56,520	173,327
Other operating expenses(a)		940	3,030	3,019	9,277
<i>Total gross operating expenses</i>		<i>18,570</i>	<i>72,887</i>	<i>73,539</i>	<i>225,497</i>
Superannuation interest expense		1,022	4,088	4,151	12,453
Interest expenses		1,941	7,393	6,864	21,481
Current transfers					
Current grants		17,022	61,810	63,112	186,084
Subsidy expenses		1,510	4,962	4,617	15,892
Personal benefits		11,183	50,329	49,288	141,860
<i>Total current transfers</i>		<i>29,715</i>	<i>117,102</i>	<i>117,017</i>	<i>343,836</i>
Capital transfers					
Mutually agreed write-downs		173	1,168	958	2,915
Other capital grants		784	2,095	3,886	22,287
<i>Total capital transfers</i>		<i>957</i>	<i>3,263</i>	<i>4,845</i>	<i>25,202</i>
Total expenses	3	52,205	204,733	206,416	628,469
Net operating balance		2,604	-12,391	-39,819	-67,522
Other economic flows					
- included in operating result					
Net write-downs of assets		-1,950	-3,425	-3,347	-7,491
Assets recognised for the first time		10	84	-6	251
Actuarial revaluations		0	1	28	83
Net foreign exchange gains		-15	167	0	-55
Net swap interest received		-453	-1,064	0	0
Market valuation of debt		-9,242	2,812	-1,078	-3,364
Other gains/(losses)		4,156	1,811	3,060	9,340
Total other economic flows		-7,495	386	-1,343	-1,235
- included in operating result					
Operating Result(b)		-4,891	-12,005	-41,162	-68,757
Non-owner movements in equity					
Revaluation of equity investments		0	0	0	6,348
Actuarial revaluations		0	0	0	-190
Other economic revaluations		958	-584	102	60
Total other economic flows - included in equity		958	-584	102	6,218
Comprehensive result					
- Total change in net worth		-3,933	-12,589	-41,060	-62,539
Net operating balance		2,604	-12,391	-39,819	-67,522
Net acquisition of non-financial assets					
Purchases of non-financial assets		1,394	4,807	5,955	22,842
less Sales of non-financial assets		3	70	13	119
less Depreciation		934	3,872	3,903	12,462
plus Change in inventories		-109	233	128	1,064
plus Other movements in non-financial assets		-3	-1	11	-6
Total net acquisition of non-financial assets		345	1,097	2,178	11,319
Fiscal balance (Net lending/borrowing)(c)		2,259	-13,488	-41,997	-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 October 2022 \$m	MARCH BUDGET ESTIMATE* as at 30 June 2023 \$m
Assets		
Financial assets		
Cash and deposits	62,368	36,061
Advances paid	72,969	86,550
Investments, loans and placements	224,833	216,979
Other receivables	82,095	69,848
Equity investments		
Investments in other public sector entities	38,810	69,644
Equity accounted investments	4,857	4,109
Investments - shares	68,875	92,275
<i>Total financial assets</i>	554,808	575,465
Non-financial assets		
Land	12,720	12,680
Buildings	45,494	47,855
Plant, equipment and infrastructure	99,579	105,313
Inventories	11,815	11,877
Intangibles	11,400	11,636
Investment properties	207	216
Biological assets	15	21
Heritage and cultural assets	12,635	11,880
Assets held for sale	307	279
Other non-financial assets	21	7
<i>Total non-financial assets</i>	194,193	201,765
Total assets	749,001	777,230
Liabilities		
Interest bearing liabilities		
Deposits held	385	598
Government securities	843,381	1,004,288
Loans	31,193	29,583
Lease liabilities	18,696	20,068
<i>Total interest bearing liabilities</i>	893,654	1,054,537
Provisions and payables		
Superannuation liability(a)	324,751	257,862
Other employee liabilities	35,445	39,209
Suppliers payables	8,325	12,936
Personal benefits payables	3,436	2,968
Subsidies payables	1,108	991
Grants payables	3,425	3,509
Other payables	11,862	2,652
Provisions	61,341	60,110
<i>Total provisions and payables</i>	449,693	380,237
Total liabilities	1,343,347	1,434,773
Net worth(b)	-594,346	-657,543
<i>Net financial worth(c)</i>	-788,539	-859,308
<i>Net financial liabilities(d)</i>	827,350	928,953
<i>Net debt(e)</i>	533,484	714,947

*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 October \$m	ACTUAL 2022-2023 YTD October \$m	March Budget Profile 2022-2023 YTD October \$m	MARCH BUDGET ESTIMATE* 2022-2023 FULL YEAR \$m
Cash receipts from operating activities				
Taxes received	40,775	164,706	146,179	508,400
Receipts from sales of goods and services	2,722	8,796	7,577	18,346
Interest receipts	615	2,042	1,307	2,820
Dividends, distributions and income tax equivalents	382	1,846	1,805	5,284
Other receipts	2,287	5,609	4,101	12,535
Total operating receipts	46,782	183,000	160,969	547,384
Cash payments for operating activities				
Payments for employees(b)	-2,655	-12,535	-12,191	-37,127
Payments for goods and services	-14,052	-58,586	-57,077	-172,351
Grants and subsidies paid	-19,091	-68,957	-71,534	-226,249
Interest paid	-3,476	-4,666	-4,590	-17,894
Personal benefit payments	-10,760	-50,688	-49,303	-142,214
Other payments(b)	-1,096	-3,101	-2,908	-8,556
Total operating payments	-51,130	-198,533	-197,603	-604,392
Net cash flows from operating activities	-4,349	-15,533	-36,634	-57,008
Cash flows from investments in non-financial assets				
Sales of non-financial assets	3	155	100	248
Purchases of non-financial assets	-1,023	-4,500	-5,323	-18,759
Net cash flows from investments in non-financial assets	-1,020	-4,345	-5,223	-18,511
Net cash flows from investments in financial assets for policy purposes	-244	-1,684	-2,543	-12,857
Net cash flows from investments in financial assets for liquidity purposes	-4,188	-6,170	-4,690	-4,754
Cash flows from financing activities				
Borrowing (net)	5,456	-1,028	28,734	74,288
Other financing (net)	-2,118	-3,635	-2,568	-7,302
Net cash flows from financing activities	3,337	-4,663	26,166	66,986
Net increase/(decrease) in cash held	-6,464	-32,394	-22,925	-26,145
GFS cash surplus(+)/deficit(-)(c)	-5,369	-19,878	-41,857	-75,519
<i>plus</i> Net cash flows from financing activities for leases(d)	-188	-840	-863	-2,443
Equals underlying cash balance(e)	-5,557	-20,718	-42,720	-77,961
<i>plus</i> Net cash flows from investments in financial assets for policy purposes	-244	-1,684	-2,543	-12,857
Equals headline cash balance	-5,801	-22,402	-45,263	-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 October \$m	ACTUAL 2022-2023 YTD October \$m	March Budget Profile 2022-2023 YTD October \$m	MARCH BUDGET ESTIMATE* 2022-2023 FULL YEAR \$m
Individuals and other withholding taxes				
Gross income tax witholding	20,372	85,075	81,444	252,100
Gross other individuals	8,782	23,806	16,801	59,100
Less Refunds	4,241	27,351	26,579	41,100
Total individuals and other withholding taxation	24,912	81,530	71,666	270,100
Fringe benefits tax	792	1,580	1,683	3,580
Company tax	9,285	40,254	29,662	92,200
Superannuation fund taxes	1,305	5,239	5,816	15,690
Petroleum resource rent tax	788	1,428	1,228	2,440
Total income taxation revenue	37,083	130,030	110,056	384,010

*As published in the 2022-23 March Budget.

Note 2: Indirect Tax

	ACTUAL 2022-2023 October \$m	ACTUAL 2022-2023 YTD October \$m	March Budget Profile 2022-2023 YTD October \$m	MARCH BUDGET ESTIMATE* 2022-2023 FULL YEAR \$m
Goods and services tax	6,691	27,825	25,451	82,460
Wine equalisation tax	73	353	367	1,190
Luxury car tax	82	404	292	880
Excise duty	2,400	7,234	7,347	25,640
Customs duty	1,557	5,854	5,420	16,920
Other indirect tax	998	3,301	2,777	9,859
Total indirect taxation revenue	11,801	44,971	41,655	136,949

*As published in the 2022-23 March Budget.

Note 3: Total expenses by function

	ACTUAL 2022-2023 October \$m	ACTUAL 2022-2023 YTD October \$m	MARCH BUDGET ESTIMATE* 2022-2023 FULL YEAR \$m
Expenses by function			
General public services	2,076	8,697	26,518
Defence	3,443	12,694	38,268
Public order and safety	626	2,531	7,014
Education	6,376	16,944	44,788
Health	7,890	34,900	105,754
Social security and welfare	17,907	74,891	221,685
Housing and community amenities	519	1,664	8,221
Recreation and culture	376	1,442	4,493
Fuel and energy	801	2,239	9,381
Agriculture, forestry and fishing	311	1,022	4,810
Mining, manufacturing and construction	336	1,234	4,781
Transport and communication	610	1,753	18,915
Other economic affairs	1,164	4,643	13,155
Other purposes			
Public debt interest	1,856	7,130	19,817
Nominal superannuation interest	1,022	4,088	12,453
General purpose inter-government transactions	6,820	27,452	86,161
Natural disaster relief	73	1,409	763
Contingency reserve	0	0	1,491
Total expenses	52,205	204,733	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>.