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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 January 2023

Friday, 24 February 2023

KEY POINTS

- The Monthly Financial Statements for January 2023 report the budget position against the expected monthly profile for the 2022-23 financial year through to 31 January 2023, based on the 2022-23 October Budget estimates.
- The underlying cash balance for the 2022-23 financial year to 31 January 2023 was a deficit of \$28.4 billion against the 2022-23 October Budget profile deficit of \$42.0 billion.
- The fiscal balance for the 2022-23 financial year to 31 January 2023 was a deficit of \$20.5 billion against the 2022-23 October Budget profile deficit of \$37.2 billion.

AGGREGATES(a)	ACTUAL	ACTUAL	October Budget	OCTOBER BUDGET
	2022-2023 January \$b	2022-2023 YTD January \$b	Profile 2022-2023 YTD January \$b	ESTIMATE* 2022-2023 FULL YEAR \$b
Receipts(b)	37.4	335.6	327.2	607.2
Payments(c)	51.1	364.0	369.1	644.1
Underlying cash balance	-13.7	-28.4	-42.0	-36.9
Headline cash balance	-14.7	-34.5	-49.4	-49.6
Revenue	44.4	350.3	340.5	625.0
Expenses	56.8	367.5	372.9	650.9
Net operating balance	-12.4	-17.2	-32.4	-25.9
Net capital investment	0.7	3.3	4.8	12.8
Fiscal balance	-13.1	-20.5	-37.2	-38.7
Total assets		736.5		766.0
Total liabilities		1,346.9		1,321.6
Net worth(d)		-610.3		-555.7
Net debt(e)		566.5		572.2

*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 principal payments of lease liabilities.

(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 January 2023 was a deficit of \$28.4 billion, which is \$13.6 billion lower than the 2022-23 October Budget profile deficit of \$42.0 billion.

- **Receipts**

Total receipts were \$8.5 billion higher than the 2022-23 October Budget profile.

- **Payments**

Total payments were \$5.1 billion lower than the 2022-23 October Budget profile.

Net Operating Balance

The net operating balance for the financial year to 31 January 2023 was a deficit of \$17.2 billion, which is \$15.2 billion lower than the 2022-23 October Budget profile deficit of \$32.4 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 January 2023 was a deficit of \$20.5 billion, which is \$16.7 billion lower than the 2022-23 October Budget profile deficit of \$37.2 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 2023:

- net worth is negative \$610.3 billion;
- net debt is \$566.5 billion; and
- net financial liabilities are \$847.9 billion.

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Australian Government general government sector operating statement

		ACTUAL 2022-2023 January \$m	ACTUAL 2022-2023 YTD January \$m	October Budget Profile 2022-2023 YTD January \$m	OCTOBER BUDGET ESTIMATE* 2022-2023 FULL YEAR \$m
Revenue					
Taxation revenue	1,2	39,034	320,714	312,105	577,868
Sales of goods and services		3,213	13,037	12,679	18,371
Interest income		779	4,990	4,462	8,192
Dividend and distribution income		184	2,692	3,138	5,695
Other		1,194	8,842	8,104	14,891
Total revenue		44,404	350,275	340,489	625,016
Expenses					
Gross operating expenses					
Wages and salaries(a)		1,682	13,361	13,675	24,201
Superannuation		771	5,344	5,243	8,912
Depreciation and amortisation		931	6,822	6,960	12,111
Supply of goods and services		11,971	96,568	98,732	176,526
Other operating expenses(a)		588	5,175	5,051	9,186
<i>Total gross operating expenses</i>		<i>15,942</i>	<i>127,270</i>	<i>129,662</i>	<i>230,936</i>
Superannuation interest expense		1,022	7,154	7,154	12,264
Interest expenses		2,124	13,912	13,812	26,188
Current transfers					
Current grants		24,372	118,332	118,923	196,498
Subsidy expenses		1,540	9,717	9,333	16,213
Personal benefits		11,063	85,228	86,298	146,940
<i>Total current transfers</i>		<i>36,975</i>	<i>213,277</i>	<i>214,555</i>	<i>359,651</i>
Capital transfers					
Mutually agreed write-downs		119	1,674	1,687	2,676
Other capital grants		640	4,180	5,997	19,207
<i>Total capital transfers</i>		<i>759</i>	<i>5,854</i>	<i>7,684</i>	<i>21,883</i>
Total expenses	3	56,822	367,467	372,866	650,922
Net operating balance		-12,418	-17,191	-32,377	-25,905
Other economic flows					
- included in operating result					
Net write-downs of assets		-528	-4,434	-4,749	-8,004
Assets recognised for the first time		19	122	131	204
Actuarial revaluations		0	1	-50	83
Net foreign exchange gains		-119	-296	-26	-573
Net swap interest received		405	-1,008	-988	0
Market valuation of debt		-22,723	-9,262	2,323	-2,434
Other gains/(losses)		4,292	3,804	2,883	4,761
Total other economic flows		-18,653	-11,073	-476	-5,962
- included in operating result					
Operating result(b)		-31,071	-28,265	-32,853	-31,867
Non-owner movements in equity					
Revaluation of equity investments		0	0	0	-92
Actuarial revaluations		0	0	0	-19,774
Other economic revaluations		-245	-1,278	394	5
Total other economic flows - included in equity		-245	-1,278	394	-19,860
Comprehensive result					
- Total change in net worth		-31,317	-29,542	-32,459	-51,728
Net operating balance		-12,418	-17,191	-32,377	-25,905
Net acquisition of non-financial assets					
Purchases of non-financial assets		1,611	9,162	11,383	23,317
less Sales of non-financial assets		40	150	130	206
less Depreciation		931	6,822	6,960	12,111
plus Change in inventories		20	1,139	527	1,788
plus Other movements in non-financial assets		1	3	-4	-6
Total net acquisition of non-financial assets		661	3,332	4,816	12,781
Fiscal balance (Net lending/borrowing)(c)		-13,079	-20,524	-37,193	-38,686

*As published in the 2022-23 October 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 January 2023 \$m	OCTOBER BUDGET ESTIMATE* as at 30 June 2023 \$m
Assets		
Financial assets		
Cash and deposits	47,025	54,975
Advances paid	74,025	76,622
Investments, loans and placements	214,820	225,772
Other receivables	83,272	74,640
Equity investments		
Investments in other public sector entities	41,435	43,757
Equity accounted investments	4,909	4,175
Investments - shares	74,929	80,564
<i>Total financial assets</i>	540,415	560,506
Non-financial assets		
Land	12,912	12,876
Buildings	46,007	48,082
Plant, equipment and infrastructure	100,122	106,034
Inventories	12,294	12,895
Intangibles	11,682	12,511
Investment properties	208	207
Biological assets	15	16
Heritage and cultural assets	12,615	12,645
Assets held for sale	218	177
Other non-financial assets	26	16
<i>Total non-financial assets</i>	196,099	205,460
Total assets	736,514	765,966
Liabilities		
Interest bearing liabilities		
Deposits held	428	406
Government securities	853,042	877,947
Loans	29,955	32,204
Lease liabilities	18,918	18,997
<i>Total interest bearing liabilities</i>	902,342	929,554
Provisions and payables		
Superannuation liability(a)	326,537	271,366
Other employee liabilities	35,088	35,535
Suppliers payables	8,095	10,908
Personal benefits payables	3,587	3,044
Subsidies payables	1,143	884
Grants payables	2,704	2,997
Other payables	6,193	4,240
Provisions	61,168	63,101
<i>Total provisions and payables</i>	444,515	392,076
Total liabilities	1,346,857	1,321,631
Net worth(b)	-610,343	-555,665
<i>Net financial worth(c)</i>	-806,442	-761,125
<i>Net financial liabilities(d)</i>	847,877	804,882
<i>Net debt(e)</i>	566,473	572,185

*As published in the 2022-23 October 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 January \$m	ACTUAL 2022-2023 YTD January \$m	October Budget Profile 2022-2023 YTD January \$m	OCTOBER BUDGET ESTIMATE* 2022-2023 FULL YEAR \$m
Cash receipts from operating activities				
Taxes received	34,460	307,453	299,594	562,858
Receipts from sales of goods and services	1,530	13,052	12,980	18,550
Interest receipts	505	3,361	3,085	5,275
Dividends, distributions and income tax equivalents	218	2,965	3,223	5,677
Other receipts	640	8,556	8,028	14,533
Total operating receipts	37,353	335,387	326,909	606,893
Cash payments for operating activities				
Payments for employees(b)	-2,816	-22,045	-22,135	-38,601
Payments for goods and services	-9,607	-98,864	-100,147	-174,888
Grants and subsidies paid	-25,751	-132,693	-134,695	-233,753
Interest paid	-100	-9,448	-9,375	-18,910
Personal benefit payments	-10,448	-85,456	-86,274	-147,190
Other payments(b)	-939	-5,115	-4,774	-8,486
Total operating payments	-49,662	-353,621	-357,400	-621,828
Net cash flows from operating activities	-12,309	-18,234	-30,490	-14,934
Cash flows from investments in non-financial assets				
Sales of non-financial assets	96	258	260	336
Purchases of non-financial assets	-1,207	-8,893	-10,226	-19,825
Net cash flows from investments in non-financial assets	-1,111	-8,636	-9,966	-19,490
Net cash flows from investments in financial assets for policy purposes	-993	-6,079	-7,402	-12,720
Net cash flows from investments in financial assets for liquidity purposes	-2,107	-5,785	-10,387	-17,780
Cash flows from financing activities				
Borrowing (net)	231	-4,329	10,362	32,084
Other financing (net)	193	-4,674	-4,812	-6,947
Net cash flows from financing activities	424	-9,003	5,550	25,137
Net increase/(decrease) in cash held	-16,096	-47,738	-52,695	-39,788
GFS cash surplus(+)/deficit(-)(c)	-13,420	-26,870	-40,456	-34,424
<i>plus</i> Principal payments of lease liabilities(d)	-256	-1,512	-1,507	-2,427
Equals underlying cash balance(e)	-13,676	-28,382	-41,963	-36,851
<i>plus</i> Net cash flows from investments in financial assets for policy purposes	-993	-6,079	-7,402	-12,720
Equals headline cash balance	-14,669	-34,461	-49,365	-49,572

*As published in the 2022-23 October 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) 'Net cash flows from financing activities for leases' has been renamed to 'principal payments of lease liabilities'. Principal payments of 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 January \$m	ACTUAL 2022-2023 YTD January \$m	October Budget Profile 2022-2023 YTD January \$m	OCTOBER BUDGET ESTIMATE* 2022-2023 FULL YEAR \$m
Individuals and other w ithholding taxes				
Gross income tax w ithholding	18,540	151,774	147,889	262,800
Gross other individuals	2,693	32,440	32,702	65,600
Less Refunds	1,606	33,741	33,761	41,800
Total individuals and other w ithholding taxation	19,627	150,473	146,830	286,600
Fringe benefits tax	679	2,438	2,389	3,440
Company tax	8,472	77,290	73,711	129,900
Superannuation fund taxes(a)	-849	7,410	8,136	12,670
Petroleum resource rent tax	557	1,992	2,036	2,790
Total income taxation revenue	28,486	239,604	233,103	435,400

*As published in the 2022-23 October Budget.

(a) The negative movement from December to January in superannuation fund taxes relates to large refunds for the 2021-22 income year.

Note 2: Indirect Tax

	ACTUAL 2022-2023 January \$m	ACTUAL 2022-2023 YTD January \$m	October Budget Profile 2022-2023 YTD January \$m	OCTOBER BUDGET ESTIMATE* 2022-2023 FULL YEAR \$m
Goods and services tax	4,907	48,414	47,641	86,820
Wine equalisation tax	100	669	697	1,210
Luxury car tax	77	657	632	1,120
Excise duty	2,420	14,343	14,415	26,070
Customs duty	1,868	10,733	10,074	16,820
Other indirect tax	1,176	6,294	5,543	10,428
Total indirect taxation revenue	10,548	81,110	79,003	142,468

*As published in the 2022-23 October Budget.

Note 3: Total expenses by function

	ACTUAL 2022-2023 January \$m	ACTUAL 2022-2023 YTD January \$m	OCTOBER BUDGET ESTIMATE* 2022-2023 FULL YEAR \$m
Expenses by function			
General public services	2,820	16,053	30,280
Defence	2,958	22,288	38,303
Public order and safety	474	4,318	7,148
Education	10,909	32,908	46,317
Health	9,194	60,679	109,694
Social security and welfare	16,245	129,797	228,791
Housing and community amenities	500	3,088	7,826
Recreation and culture	229	2,412	4,880
Fuel and energy	767	4,589	9,134
Agriculture, forestry and fishing	277	1,795	5,034
Mining, manufacturing and construction	317	2,217	4,945
Transport and communication	944	4,276	15,351
Other economic affairs	1,020	8,057	13,920
Other purposes			
Public debt interest	1,914	12,791	22,421
Nominal superannuation interest	1,022	7,154	12,264
General purpose inter-government transactions	7,200	53,508	90,259
Natural disaster relief	34	1,537	3,554
Contingency reserve	0	0	801
Total expenses	56,822	367,467	650,922

*As published in the 2022-23 October 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:

<https://data.gov.au/data/dataset/australian-government-general-government-sector-monthly-financial-statements-tables-and-data>.