



**Australian Government**  
**Department of Finance**

Friday, 24 June 2016

**AUSTRALIAN GOVERNMENT GENERAL GOVERNMENT SECTOR  
MONTHLY FINANCIAL STATEMENTS  
MAY 2016**

<b>AGGREGATES</b>	<b>ACTUAL 2015-2016 May \$m</b>	<b>ACTUAL 2015-2016 YTD May \$m</b>	<b>Revised Monthly Profile ^ 2015-2016 YTD May \$m</b>	<b>Revised Budget ESTIMATE* 2015-2016 Full Year \$m</b>
<b>Revenue</b>	<b>40,456</b>	<b>360,209</b>	<b>358,892</b>	<b>396,396</b>
<b>Expenses</b>	<b>35,909</b>	<b>388,061</b>	<b>390,375</b>	<b>431,470</b>
Net operating balance	4,547	-27,852	-31,484	-35,074
Net capital investment	1,342	2,759	3,291	4,355
<b>Fiscal balance</b>	<b>3,204</b>	<b>-30,611</b>	<b>-34,775</b>	<b>-39,429</b>
Receipts(a)	38,905	349,860	349,794	388,027
less Payments(b)	34,558	381,905	384,311	424,961
less Net Future Fund earnings	224	2,814	2,710	3,012
<b>Underlying cash balance(c)</b>	<b>4,124</b>	<b>-34,860</b>	<b>-37,227</b>	<b>-39,946</b>
<b>Headline cash balance</b>	<b>3,093</b>	<b>-43,530</b>	<b>-47,321</b>	<b>-51,487</b>
<b>Total assets</b>		<b>488,067</b>		<b>465,421</b>
<b>Total liabilities</b>		<b>831,956</b>		<b>730,448</b>
<b>Net worth(d)</b>		<b>-343,889</b>		<b>-265,027</b>
<b>Net debt(e)</b>		<b>284,657</b>		<b>285,684</b>

\*As published in the 2016-17 Budget.

^Based on the previous profile, adjusted for significant changes in the 2016-17 Budget.

(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 acquisition of assets under finance leases.

(c) Excludes net Future Fund earnings. Consistent with Budget documents, the net adjustment for the Future Fund is shown separately.

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

(e) Net debt equals the sum of deposits held, government securities, loans and other borrowing, minus the sum of cash and deposits, advances paid, and investments, loans and placements.

Care needs to be taken when comparing monthly or cumulative data across years and to full-year estimates, as revenues and expenses vary from month to month.

## Australian Government general government sector operating statement

		ACTUAL 2015-2016 May \$m	ACTUAL 2015-2016 YTD May \$m	Revised Monthly Profile ^ 2015-2016 YTD May \$m	Revised Budget ESTIMATE* 2015-2016 Full Year \$m
Note					
<b>Revenue</b>					
	Taxation revenue	38,615	340,866	339,702	371,923
	Sales of goods and services	688	7,142	6,979	7,697
	Interest income	271	3,120	3,137	3,506
	Dividend income	329	2,638	2,238	5,564
	Other	551	6,443	6,836	7,706
	<b>Total revenue</b>	<b>40,456</b>	<b>360,209</b>	<b>358,892</b>	<b>396,396</b>
<b>Expenses</b>					
	Gross operating expenses				
	Wages and salaries(a)	1,695	17,118	17,480	19,767
	Superannuation	529	5,659	5,575	7,052
	Depreciation and amortisation	499	6,429	6,464	7,165
	Supply of goods and services	7,371	76,085	76,792	81,414
	Other operating expenses(a)	671	5,516	5,045	5,483
	<i>Total gross operating expenses</i>	<i>10,764</i>	<i>110,808</i>	<i>111,357</i>	<i>120,881</i>
	Superannuation interest expense	769	8,463	8,430	9,167
	Interest expenses	1,455	15,282	15,300	16,774
	Current transfers				
	Current grants	10,450	112,197	114,347	128,393
	Subsidy expenses	1,054	11,547	11,471	12,763
	Personal benefits	10,763	120,897	121,348	133,416
	<i>Total current transfers</i>	<i>22,267</i>	<i>244,641</i>	<i>247,166</i>	<i>274,572</i>
	Capital transfers				
	Mutually agreed write-downs	37	1,365	1,497	1,722
	Other capital grants	616	7,501	6,625	8,354
	<i>Total capital transfers</i>	<i>654</i>	<i>8,866</i>	<i>8,122</i>	<i>10,076</i>
	<b>Total expenses</b>	<b>35,909</b>	<b>388,061</b>	<b>390,375</b>	<b>431,470</b>
	<b>Net operating balance</b>	<b>4,547</b>	<b>-27,852</b>	<b>-31,484</b>	<b>-35,074</b>
<b>Other economic flows</b>					
<b>- included in operating result(b)</b>					
	Net write-downs of assets (including bad and doubtful debts)	2,300	-9,568	-5,683	-7,106
	Assets recognised for the first time	-24	289	323	296
	Liabilities recognised for the first time	0	0	0	0
	Actuarial revaluations	0	0	0	0
	Net foreign exchange gains	-1,136	-1,083	-40	-9
	Net swap interest received	57	-200	-257	-437
	Market valuation of debt	-5,291	-10,961	-4,992	-4,673
	Other gains/(losses)	695	5,804	5,601	713
	<b>Total other economic flows</b>	<b>-3,399</b>	<b>-15,719</b>	<b>-5,048</b>	<b>-11,215</b>
	<b>- included in operating result</b>	<b>-3,399</b>	<b>-15,719</b>	<b>-5,048</b>	<b>-11,215</b>
	<b>Operating result</b>	<b>1,147</b>	<b>-43,570</b>	<b>-36,532</b>	<b>-46,289</b>
<b>Non-owner movements in equity(b)</b>					
	Revaluation of equity investments(c)	86	106	-599	-3,026
	Actuarial revaluations	0	0	0	1,032
	Other economic revaluations(d)	2,269	1,924	3,181	371
	<b>Total other economic flows - included in equity</b>	<b>2,354</b>	<b>2,030</b>	<b>2,582</b>	<b>-1,623</b>
	<b>Comprehensive result - Total change in net worth</b>	<b>3,502</b>	<b>-41,540</b>	<b>-34,200</b>	<b>-47,912</b>
	<b>Net operating balance</b>	<b>4,547</b>	<b>-27,852</b>	<b>-31,484</b>	<b>-35,074</b>
<b>Net acquisition of non-financial assets</b>					
	Purchases of non-financial assets	1,733	9,201	9,367	11,559
	less Sales of non-financial assets	23	389	366	404
	less Depreciation	499	6,429	6,164	7,165
	plus Change in inventories	141	226	401	310
	plus Other movements in non-financial assets	-10	149	53	56
	<b>Total net acquisition of non-financial assets</b>	<b>1,342</b>	<b>2,759</b>	<b>3,291</b>	<b>4,355</b>
	<b>Fiscal balance (Net lending/borrowing)(e)</b>	<b>3,204</b>	<b>-30,611</b>	<b>-34,775</b>	<b>-39,429</b>

\*As published in the 2016-17 Budget.

^Based on the previous profile, adjusted for significant changes in the 2016-17 Budget.

(a) Consistent with 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) The presentation of other economic flows has changed to align more closely with Australian Accounting Standard AASB 1049.

(c) Reflects changes in the market valuation of investments and any revaluations at the point of disposal or sale.

(d) Largely reflects other revaluation of assets and liabilities.

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

## Australian Government general government sector balance sheet

	ACTUAL as at 31 May 2016 \$m	Revised Budget ESTIMATE* as at 30 June 2016 \$m
<b>Assets</b>		
Financial assets		
Cash and deposits	3,562	3,512
Advances paid	50,515	52,782
Investments, loans and placements	172,294	153,233
Other receivables	50,087	48,492
Equity investments		
Investments in other public sector entities	48,746	44,798
Equity accounted investments	302	344
Investments - shares	40,231	39,394
<i>Total financial assets</i>	<i>365,738</i>	<i>342,555</i>
Non-financial assets		
Land	10,361	9,729
Buildings	25,357	25,992
Plant, equipment and infrastructure	59,468	59,692
Inventories	8,334	8,195
Intangibles	6,758	6,881
Investment property	205	200
Biological assets	35	44
Heritage and cultural assets	11,366	11,697
Assets held for sale	98	174
Other non-financial assets	347	262
<i>Total non-financial assets</i>	<i>122,329</i>	<i>122,866</i>
<b>Total assets</b>	<b>488,067</b>	<b>465,421</b>
<b>Liabilities</b>		
Interest bearing liabilities		
Deposits held	216	218
Government securities	492,858	476,999
Loans	16,229	16,425
Other borrowing	1,727	1,569
<i>Total interest bearing liabilities</i>	<i>511,029</i>	<i>495,211</i>
Provisions and payables		
Superannuation liability(a)	255,130	169,308
Other employee liabilities	17,475	17,004
Suppliers payable	5,319	5,868
Personal benefits provisions and payable	12,720	14,446
Subsidies provisions and payable	5,188	4,908
Grants provisions and payable	10,231	10,466
Other provisions and payables	14,863	13,237
<i>Total provisions and payables</i>	<i>320,927</i>	<i>235,237</i>
<b>Total liabilities</b>	<b>831,956</b>	<b>730,448</b>
<b>Net worth(b)</b>	<b>-343,889</b>	<b>-265,027</b>
<i>Net financial worth(c)</i>	<i>-466,218</i>	<i>-387,893</i>
<i>Net financial liabilities(d)</i>	<i>514,964</i>	<i>432,691</i>
<i>Net debt(e)</i>	<i>284,657</i>	<i>285,684</i>

\*As published in the 2016-17 Budget.

(a) For budget reporting purposes, a discount rate applied by actuaries in preparing Long Term Cost Reports is used to value the superannuation liability. This reduces the volatility in reported liabilities that would occur from year to year if the long-term government bond rate were used. Consistent with Australian Accounting Standards, the long-term government bond rate as at 30 June is used to calculate the superannuation liability for the purpose of actuals reporting.

(b) Net worth is calculated as 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 equals the sum of deposits held, government securities, loans and other borrowing, minus the sum of cash and deposits, advances paid, and investments, loans and placements.

## Australian Government general government sector cash flow statement

	ACTUAL 2015-2016 May \$m	ACTUAL 2015-2016 YTD May \$m	Revised Monthly Profile^ 2015-2016 YTD May \$m	Revised Budget ESTIMATE* 2015-2016 Full Year \$m
<b>Cash receipts from operating activities</b>				
Taxes received	36,195	329,600	328,614	364,507
Receipts from sales of goods and services	908	6,605	6,624	7,686
Interest receipts	246	2,382	2,488	2,842
Dividends and income tax equivalents	1,157	5,161	5,009	5,332
Other receipts	345	5,780	6,626	7,321
<b>Total operating receipts</b>	<b>38,851</b>	<b>349,528</b>	<b>349,360</b>	<b>387,688</b>
<b>Cash payments for operating activities</b>				
Payments for employees	-2,153	-24,330	-25,168	-27,893
Payments for goods and services	-6,832	-74,911	-76,648	-80,834
Grants and subsidies paid	-12,474	-131,687	-132,902	-149,656
Interest paid	-888	-14,084	-13,958	-14,822
Personal benefit payments	-10,696	-123,117	-122,229	-134,887
Other payments	-433	-5,205	-4,837	-5,308
<b>Total operating payments</b>	<b>-33,476</b>	<b>-373,335</b>	<b>-375,743</b>	<b>-413,400</b>
<b>Net cash flows from operating activities</b>	<b>5,375</b>	<b>-23,807</b>	<b>-26,382</b>	<b>-25,712</b>
<b>Cash flows from investments in non-financial assets</b>				
Sales of non-financial assets	54	332	434	339
Purchases of non-financial assets	-1,018	-8,447	-8,567	-11,559
<b>Net cash flows from investments in non-financial assets</b>	<b>-963</b>	<b>-8,114</b>	<b>-8,133</b>	<b>-11,221</b>
<b>Net cash flows from investments in financial assets for policy purposes</b>	<b>-1,254</b>	<b>-11,485</b>	<b>-10,094</b>	<b>-14,553</b>
<b>Cash flows from investments in financial assets for liquidity purposes</b>				
Increase in investments	-18,621	-27,749	-23,078	-9,396
<b>Net cash flows from investments in financial assets for liquidity purposes</b>	<b>-18,621</b>	<b>-27,749</b>	<b>-23,078</b>	<b>-9,396</b>
<b>Cash flows from financing activities</b>				
Borrowing (net)	15,310	74,146	70,722	63,753
Other financing (net)	-176	-2,584	-2,572	-2,516
<b>Net cash flows from financing activities</b>	<b>15,134</b>	<b>71,562</b>	<b>68,150</b>	<b>61,238</b>
<b>Net increase/(decrease) in cash held</b>	<b>-330</b>	<b>407</b>	<b>463</b>	<b>356</b>
<b>Net cash flows from operating activities and investments in non-financial assets (Surplus(+)/deficit(-))</b>	<b>4,411</b>	<b>-31,922</b>	<b>-34,516</b>	<b>-36,933</b>
Finance leases and similar arrangements(b)	-64	-123	-1	-2
<b>GFS cash surplus(+)/deficit(-)</b>	<b>4,347</b>	<b>-32,045</b>	<b>-34,517</b>	<b>-36,934</b>
less Net Future Fund earnings	224	2,814	2,710	3,012
<b>Equals underlying cash balance(c)</b>	<b>4,124</b>	<b>-34,860</b>	<b>-37,227</b>	<b>-39,946</b>
plus Net cash flows from investments in financial assets for policy purposes	-1,254	-11,485	-12,804	-14,553
plus Net Future Fund earnings	224	2,814	2,710	3,012
<b>Equals headline cash balance</b>	<b>3,093</b>	<b>-43,530</b>	<b>-47,321</b>	<b>-51,487</b>

\*As published in the 2016-17 Budget.

^Based on the previous profile, adjusted for significant changes in the 2016-17 Budget.

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

(b) The acquisition of assets under finance leases decreases the underlying cash balance. The disposal of assets previously held under finance leases increases the underlying cash.

(c) The term underlying cash balance is not used by the Australian Bureau of Statistics.

## Note 1: Income Tax

	ACTUAL 2015-2016 May \$m	ACTUAL 2015-2016 YTD May \$m	Revised Monthly Profile^ 2015-2016 YTD May \$m	Revised Budget ESTIMATE* 2015-2016 Full Year \$m
Individuals and other withholding taxes				
Gross income tax withholding	15,053	160,343	160,362	175,510
Gross other individuals	7,027	41,116	40,695	44,850
Less Refunds	1,637	27,075	26,920	27,800
Total individuals and other withholding taxation	20,442	174,384	174,137	192,560
Fringe benefits tax	279	4,440	4,589	4,590
Company tax	7,802	59,185	58,797	65,000
Superannuation funds	556	6,613	6,483	6,710
Resource rent taxes	0	711	702	840
<b>Total income taxation revenue</b>	<b>29,080</b>	<b>245,333</b>	<b>244,708</b>	<b>269,700</b>

\*As published in the 2016-17 Budget.

^Based on the previous profile, adjusted for significant changes in the 2016-17 Budget.

## Note 2: Indirect Tax

	ACTUAL 2015-2016 May \$m	ACTUAL 2015-2016 YTD May \$m	Revised Monthly Profile^ 2015-2016 YTD May \$m	Revised Budget ESTIMATE* 2015-2016 Full Year \$m
Goods and services tax	5,533	56,722	56,879	60,040
Wine equalisation tax	76	804	803	880
Luxury car tax	60	560	542	590
Excise duty	2,006	19,870	19,700	21,423
Customs duty	1,393	12,467	12,046	13,430
Other indirect tax	468	5,110	5,025	5,860
<b>Total indirect taxation revenue</b>	<b>9,536</b>	<b>95,533</b>	<b>94,995</b>	<b>102,223</b>

\*As published in the 2016-17 Budget.

^Based on the previous profile, adjusted for significant changes in the 2016-17 Budget.

### Note 3: Total expenses by function

	ACTUAL 2015-2016 May \$m	ACTUAL 2015-2016 YTD May \$m	Revised Budget ESTIMATE* 2015-2016 Full Year \$m
<b>Expenses by function</b>			
General public services	1,913	18,965	23,967
Defence	2,386	24,756	25,986
Public order and safety	412	4,331	4,958
Education	1,864	29,801	32,515
Health	6,701	62,944	69,172
Social security and welfare	12,259	139,377	152,838
Housing and community amenities	498	4,001	4,865
Recreation and culture	274	2,992	3,512
Fuel and energy	552	6,037	6,528
Agriculture, Forestry and Fishing	174	1,771	2,768
Mining, manufacturing and construction	315	3,112	3,650
Transport and communication(a)	804	5,056	8,647
Other economic affairs	505	8,076	9,626
Other purposes			
Public debt interest	1,282	14,101	15,376
Nominal superannuation interest	769	8,463	9,167
General purpose inter-government transactions	5,199	54,277	59,380
Natural disaster relief	0	0	49
Contingency reserve	0	0	-1,536
<b>Total expenses</b>	<b>35,909</b>	<b>388,061</b>	<b>431,470</b>

\*As published in the 2016-17 Budget.

## NOTES:

### **Australian Accounting Standard 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 the Australian Accounting Standards Board 1049 – *Whole of Government and General Government Sector Financial Reporting* (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 <http://aofm.gov.au/cgs-quarterly/quarterley-data-march-2016/>.

### **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>.