



**SENATOR THE HON MATHIAS CORMANN**  
**Minister for Finance**  
**Leader of the Government in the Senate**

Friday, 29 May 2020

**MEDIA RELEASE**

**AUSTRALIAN GOVERNMENT GENERAL GOVERNMENT SECTOR**  
**MONTHLY FINANCIAL STATEMENTS**  
**April 2020**

**KEY POINTS**

- The Monthly Financial Statements for April 2020 report the budget position against the expected monthly profile for the 2019-20 financial year through to 30 April 2020, based on the 2019-20 Mid-Year Economic and Fiscal Outlook (MYEFO) estimates published in December 2019.
- The April 2020 year-to-date results includes the impact of the Australian Government's response to COVID-19.
- The underlying cash balance for the 2019-20 financial year to 30 April 2020 was a deficit of \$39,995 million against the 2019-20 MYEFO profile deficit of \$7,602 million.
- The fiscal balance for the 2019-20 financial year to 30 April 2020 was a deficit of \$31,138 million against the 2019-20 MYEFO profile deficit of \$4,590 million.

<b>AGGREGATES<sup>(a)</sup></b>				
	<b>ACTUAL</b> 2019-2020 April \$m	<b>ACTUAL</b> 2019-2020 YTD April \$m	<b>MYEFO Profile</b> 2019-2020 YTD April \$m	<b>MYEFO</b> <b>ESTIMATE*</b> 2019-2020 <b>FULL YEAR</b> \$m
<b>Revenue</b>	44,231	403,728	414,787	511,148
<b>Expenses</b>	52,651	432,583	416,943	503,180
<b>Net operating balance</b>	-8,420	-28,855	-2,156	7,968
Net capital investment	746	2,283	2,434	4,161
<b>Fiscal balance</b>	-9,166	-31,138	-4,590	3,807
Receipts(b)	39,968	388,578	409,069	502,472
/ess Payments(c)	57,313	424,085	412,070	491,976
/ess Net Future Fund earnings	291	4,488	4,602	5,468
<b>Underlying cash balance(d)</b>	-17,635	-39,995	-7,602	5,028
<b>Headline cash balance</b>	-18,715	-45,483	-13,599	-2,841
<b>Total assets</b>		656,399		655,554
<b>Total liabilities</b>		1,247,677		1,001,597
<b>Net worth(e)</b>		-591,277		-346,042
<b>Net debt(f)</b>		441,251		392,305

\*As published in the 2019-20 MYEFO.

(a) Includes impacts resulting from the implementation of AASB 16 Leases .

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

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

(f) Net debt equals the sum of interest bearing liabilities (deposits held, government securities, loans and other borrowing), minus the sum of 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 April 2020 was a deficit of \$39,995 million, which is \$32,392 million higher than the 2019-20 MYEFO profile deficit of \$7,602 million.

- **Receipts**

Total receipts were \$20,491 million lower than the 2019-20 MYEFO profile, relating to lower taxation receipts (\$19,801 million), driven by below profile collections across both income and indirect taxes.

- **Payments**

Total payments were \$12,015 million higher than the 2019-20 MYEFO profile, primarily reflecting the Australian Government's response to COVID-19 including the following key decisions:

- Boosting cash flow for employers
- Economic stimulus payments – a one-off \$750 stimulus payment to pensioners, social security, veteran and other income support recipients and eligible concession card holders
- National Medical Stockpile – Purchase of Masks, Other Personal Protective Equipment and Pharmaceuticals
- National partnership agreement on a joint COVID-19 public health response
- Partnership with private health sector to ensure viability and capacity during the COVID-19 response.

### **Net Operating Balance**

The net operating balance for the year to 30 April 2020 was a deficit of \$28,855 million, which is \$26,699 million higher than the 2019-20 MYEFO profile deficit of \$2,156 million. The difference results from lower than expected revenue and higher expenses.

### **Fiscal Balance**

The fiscal balance for the year to 30 April 2020 was a deficit of \$31,138 million, which is \$26,548 million higher than the 2019-20 MYEFO profile deficit of \$4,590 million. The difference results from lower than expected revenue, higher expenses and lower net capital investment.

### **Assets and Liabilities**

As at 30 April 2020:

- net worth is negative \$591,277 million;
- net debt is \$441,251 million; and
- net financial liabilities are \$821,334 million.

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## Australian Government general government sector operating statement

		ACTUAL 2019-2020 April \$m	ACTUAL 2019-2020 YTD April \$m	MYEFO Profile 2019-2020 YTD April \$m	MYEFO ESTIMATE* 2019-2020 FULL YEAR \$m
<b>Revenue</b>					
Taxation revenue	1,2	41,665	373,275	384,974	472,815
Sales of goods and services		1,323	12,717	12,458	14,980
Interest income		260	3,188	3,934	5,247
Dividend income		277	4,533	4,470	6,383
Other		706	10,016	8,951	11,723
<b>Total revenue</b>		<b>44,231</b>	<b>403,728</b>	<b>414,787</b>	<b>511,148</b>
<b>Expenses</b>					
Gross operating expenses					
Wages and salaries(a)		1,869	17,096	17,470	21,366
Superannuation		1,024	10,284	10,173	12,357
Depreciation and amortisation(b)		1,265	9,959	9,963	11,446
Supply of goods and services(b)		10,406	101,992	101,043	124,029
Other operating expenses(a)		717	6,313	5,914	7,236
<b>Total gross operating expenses</b>		<b>15,280</b>	<b>145,644</b>	<b>144,563</b>	<b>176,434</b>
Superannuation interest expense		640	6,396	6,419	7,715
Interest expenses(b)		1,517	14,613	14,621	18,215
Current transfers					
Current grants		12,233	127,319	127,179	149,813
Subsidy expenses		8,208	17,225	9,972	12,136
Personal benefits		13,082	114,939	107,420	128,282
<b>Total current transfers</b>		<b>33,523</b>	<b>259,483</b>	<b>244,572</b>	<b>290,232</b>
Capital transfers					
Mutually agreed write-downs		1,453	3,139	1,226	1,416
Other capital grants		240	3,307	5,541	9,168
<b>Total capital transfers</b>		<b>1,692</b>	<b>6,446</b>	<b>6,768</b>	<b>10,584</b>
<b>Total expenses</b>	3	<b>52,651</b>	<b>432,583</b>	<b>416,943</b>	<b>503,180</b>
<b>Net operating balance</b>		<b>-8,420</b>	<b>-28,855</b>	<b>-2,156</b>	<b>7,968</b>
<b>Other economic flows</b>					
<b>- included in operating result</b>					
Net write-downs of assets		-5,700	-11,981	-6,451	-6,933
Assets recognised for the first time		12	113	307	201
Actuarial revaluations		0	0	68	81
Net foreign exchange gains		2,195	-5,887	-2	-92
Net swap interest received		-223	-864	-268	-210
Market valuation of debt		3,507	-9,248	-2,506	-1,129
Other gains/(losses)		3,156	7,703	4,620	5,131
<b>Total other economic flows</b>		<b>2,947</b>	<b>-20,165</b>	<b>-4,231</b>	<b>-2,950</b>
<b>- included in operating result</b>					
<b>Operating Result(c)</b>		<b>-5,473</b>	<b>-49,020</b>	<b>-6,386</b>	<b>5,018</b>
<b>Non-owner movements in equity</b>					
Revaluation of equity investments		-32	-10	-7	-3,928
Actuarial revaluations		0	0	0	1,879
Other economic revaluations		-876	917	1,835	195
<b>Total other economic flows - included in equity</b>		<b>-908</b>	<b>906</b>	<b>1,828</b>	<b>-1,853</b>
<b>Comprehensive result</b>					
<b>- Total change in net worth</b>		<b>-6,380</b>	<b>-48,113</b>	<b>-4,558</b>	<b>3,164</b>
<b>Net operating balance</b>		<b>-8,420</b>	<b>-28,855</b>	<b>-2,156</b>	<b>7,968</b>
<b>Net acquisition of non-financial assets (b)</b>					
Purchases of non-financial assets		1,279	12,028	13,365	16,868
less Sales of non-financial assets		7	1,184	1,059	1,219
less Depreciation		1,265	9,959	9,963	11,446
plus Change in inventories		741	1,365	73	-40
plus Other movements in non-financial assets		-1	34	18	-3
<b>Total net acquisition of non-financial assets</b>		<b>746</b>	<b>2,283</b>	<b>2,434</b>	<b>4,161</b>
<b>Fiscal balance (Net lending/borrowing)(d)</b>		<b>-9,166</b>	<b>-31,138</b>	<b>-4,590</b>	<b>3,807</b>

\*As published in the 2019-20 MYEFO.

(a) Consistent with the 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) Includes impacts resulting from the implementation of AASB 16 Leases.

(c) Operating result under Australian Accounting Standards.

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

## Australian Government general government sector balance sheet

	ACTUAL as at 30 April 2020 \$m	MYEFO ESTIMATE* as at 30 June 2020 \$m
<b>Assets</b>		
Financial assets		
Cash and deposits	10,213	7,204
Advances paid	83,324	85,155
Investments, loans and placements	203,416	198,528
Other receivables	68,654	58,577
Equity investments		
Investments in other public sector entities	58,128	55,640
Equity accounted investments	3,519	3,677
Investments - shares	57,217	73,969
<i>Total financial assets</i>	<b>484,471</b>	<b>482,751</b>
Non-financial assets		
Land	11,823	11,824
Buildings	43,030	43,415
Plant, equipment and infrastructure	85,735	87,832
Inventories	10,136	8,488
Intangibles	8,849	9,105
Investment properties	200	160
Biological assets	20	21
Heritage and cultural assets	11,809	11,695
Assets held for sale	256	231
Other non-financial assets	69	32
<i>Total non-financial assets(a)</i>	<b>171,928</b>	<b>172,803</b>
<b>Total assets</b>	<b>656,399</b>	<b>655,554</b>
<b>Liabilities</b>		
Interest bearing liabilities		
Deposits held	370	388
Government securities	697,963	645,907
Loans	20,448	17,759
Lease liabilities(a)	19,422	19,139
<i>Total interest bearing liabilities</i>	<b>738,203</b>	<b>683,193</b>
Provisions and payables		
Superannuation liability(b)	423,850	230,774
Other employee liabilities	26,557	26,663
Suppliers payables	6,090	7,579
Personal benefits payables	3,419	3,753
Subsidies payables	1,248	645
Grants payables	2,166	4,051
Other payables	3,294	2,186
Provisions	42,849	42,752
<i>Total provisions and payables</i>	<b>509,473</b>	<b>318,404</b>
<b>Total liabilities</b>	<b>1,247,677</b>	<b>1,001,597</b>
<b>Net worth(c)</b>	<b>-591,277</b>	<b>-346,042</b>
<i>Net financial worth(d)</i>	<b>-763,206</b>	<b>-518,845</b>
<i>Net financial liabilities(e)</i>	<b>821,334</b>	<b>574,486</b>
<i>Net debt(f)</i>	<b>441,251</b>	<b>392,305</b>

\*As published in the 2019-20 MYEFO.

(a) Includes impacts from implementation of AASB 16 *Leases*.

(b) For budget reporting purposes, a discount rate of 5 per cent determined by actuaries in preparing the 2017 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 AAS, the superannuation liability for the 2019-20 Monthly Financial Statements was calculated using the spot rates on long-term government bonds as at 30 June 2019 that best matched each individual scheme's liability duration. These rates were between 1.4 and 1.9 per cent per annum.

(c) Net worth equals total assets minus total liabilities.

(d) Net financial worth equals total financial assets minus total liabilities.

(e) Net financial liabilities equals total liabilities less financial assets other than investments in other public sector entities.

(f) Net debt equals the sum of interest bearing liabilities (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<sup>(a)</sup>

	ACTUAL 2019-2020 April \$m	ACTUAL 2019-2020 YTD April \$m	MYEFO Profile 2019-2020 YTD April \$m	MYEFO ESTIMATE* 2019-2020 FULL YEAR \$m
<b>Cash receipts from operating activities</b>				
Taxes received	37,285	354,240	374,042	463,791
Receipts from sales of goods and services	1,505	12,702	13,228	15,142
Interest receipts	233	3,005	3,874	5,134
Dividends and income tax equivalents	388	6,351	6,148	6,792
Other receipts	555	10,671	10,299	9,949
<b>Total operating receipts</b>	<b>39,967</b>	<b>386,968</b>	<b>407,590</b>	<b>500,809</b>
<b>Cash payments for operating activities</b>				
Payments for employees(b)	-3,191	-25,544	-25,232	-31,152
Payments for goods and services(c)	-10,933	-105,497	-103,074	-122,024
Grants and subsidies paid	-20,442	-147,683	-142,794	-170,400
Interest paid(c)	-3,800	-13,017	-13,327	-16,564
Personal benefit payments	-16,859	-114,322	-108,974	-128,416
Other payments(b)	-711	-5,820	-6,200	-6,768
<b>Total operating payments</b>	<b>-55,936</b>	<b>-411,883</b>	<b>-399,601</b>	<b>-475,325</b>
<b>Net cash flows from operating activities</b>	<b>-15,969</b>	<b>-24,914</b>	<b>7,989</b>	<b>25,483</b>
<b>Cash flows from investments in non-financial assets</b>				
Sales of non-financial assets	1	1,610	1,479	1,663
Purchases of non-financial assets	-1,216	-10,378	-10,546	-14,304
<b>Net cash flows from investments in non-financial assets</b>	<b>-1,214</b>	<b>-8,769</b>	<b>-9,067</b>	<b>-12,641</b>
<b>Net cash flows from investments in financial assets for policy purposes</b>	<b>-1,371</b>	<b>-9,977</b>	<b>-10,598</b>	<b>-13,336</b>
<b>Net cash flows from investments in financial assets for liquidity purposes</b>	<b>-1,039</b>	<b>-13,002</b>	<b>-3,683</b>	<b>-15,923</b>
<b>Cash flows from financing activities</b>				
Borrowing (net)	21,424	63,180	13,527	20,271
Other financing (net)(c)	-834	-4,909	-4,415	-5,257
<b>Net cash flows from financing activities</b>	<b>20,590</b>	<b>58,270</b>	<b>9,112</b>	<b>15,014</b>
<b>Net increase/(decrease) in cash held</b>	<b>997</b>	<b>1,609</b>	<b>-6,247</b>	<b>-1,403</b>
<b>GFS cash surplus (+)/deficit(-)(d)</b>	<b>-17,184</b>	<b>-33,683</b>	<b>-1,077</b>	<b>12,842</b>
<i>plus</i> Net cash flows from financing activities for leases(e)	-161	-1,824	-1,924	-2,347
<i>less</i> Net Future Fund earnings	291	4,488	4,602	5,468
<b>Equals underlying cash balance(f)</b>	<b>-17,635</b>	<b>-39,995</b>	<b>-7,602</b>	<b>5,028</b>
<i>plus</i> Net cash flows from investments in financial assets for policy purposes	-1,371	-9,977	-10,598	-13,336
<i>plus</i> Net Future Fund earnings	291	4,488	4,602	5,468
<b>Equals headline cash balance</b>	<b>-18,715</b>	<b>-45,483</b>	<b>-13,599</b>	<b>-2,841</b>

\*As published in the 2019-20 MYEFO.

(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 reported under other payments.

(c) Include impacts from implementation of AASB 16 Leases .

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

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

## Note 1: Income Tax

	ACTUAL 2019-2020 April \$m	ACTUAL 2019-2020 YTD April \$m	MYEFO Profile 2019-2020 YTD April \$m	MYEFO ESTIMATE* 2019-2020 FULL YEAR \$m
Individuals and other w ithholding taxes				
Gross income tax w ithholding	18,660	181,854	183,047	220,300
Gross other individuals	5,500	38,817	41,766	52,900
less Refunds	1,340	33,362	33,606	36,800
Total individuals and other w ithholding taxation	22,819	187,309	191,206	236,400
Fringe benefits tax	756	3,640	3,763	4,040
Company tax	6,777	71,719	77,982	99,800
Superannuation fund taxes	430	6,077	7,252	8,460
Petroleum resource rent tax	244	1,094	1,143	1,130
<b>Total income taxation revenue</b>	<b>31,027</b>	<b>269,839</b>	<b>281,347</b>	<b>349,830</b>

\*As published in the 2019-20 MYEFO.

## Note 2: Indirect Tax

	ACTUAL 2019-2020 April \$m	ACTUAL 2019-2020 YTD April \$m	MYEFO Profile 2019-2020 YTD April \$m	MYEFO ESTIMATE* 2019-2020 FULL YEAR \$m
Goods and services tax	6,774	58,238	57,233	67,230
Wine equalisation tax	77	884	902	1,110
Luxury car tax	56	548	560	670
Excise duty	1,697	19,756	20,138	23,900
Customs duty	1,694	16,503	17,370	20,800
Other indirect tax	339	7,507	7,424	9,275
<b>Total indirect taxation revenue</b>	<b>10,638</b>	<b>103,436</b>	<b>103,628</b>	<b>122,985</b>

\*As published in the 2019-20 MYEFO.

## Note 3: Total expenses by function

	ACTUAL 2019-2020 April \$m	ACTUAL 2019-2020 YTD April \$m	MYEFO ESTIMATE* 2019-2020 FULL YEAR \$m
<b>Expenses by function</b>			
General public services	2,767	24,711	30,157
Defence	3,341	26,332	32,783
Public order and safety	531	5,168	5,966
Education	3,118	33,424	35,846
Health	7,797	69,576	83,425
Social security and w elfare	17,184	157,970	180,782
Housing and community amenities	457	4,155	5,715
Recreation and culture	331	3,129	3,989
Fuel and energy	663	6,640	8,161
Agriculture, forestry and fishing	210	1,964	3,025
Mining, manufacturing and construction	325	2,396	3,073
Transport and communication	645	4,076	8,671
Other economic affairs	7,876	15,044	10,250
Other purposes			
Public debt interest	1,400	14,115	16,746
Nominal superannuation interest	640	6,396	7,715
General purpose inter-government transactions	5,364	57,411	68,547
Natural disaster relief	2	76	38
Contingency reserve	0	0	-1,707
<b>Total expenses</b>	<b>52,651</b>	<b>432,583</b>	<b>503,180</b>

\*As published in the 2019-20 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.

### **AASB 16 *Leases* (AASB 16)**

The new Australian Accounting Standard, AASB 16, applied to all Australian Government entities from 1 July 2019. AASB 16 introduced a single lease accounting framework for lessees and removed the distinction between operating and finance leases. As a result, new assets and liabilities have been recognised on the balance sheet for leases that were previously accounted for as operating expenses. The reduction in operating lease expenses is replaced with the depreciation charge for the right-of-use assets and interest expense on the lease liabilities.

The implementation of AASB 16 has implications for a number of budget aggregates, in particular, net debt and net financial worth due to the recognition of the new lease liabilities. To maintain consistency in the measurement of the underlying cash balance, the principal payments on lease liabilities which are recognised as cash flows from financing activities, have been included in the calculation following the implementation of AASB 16.

For General Government Sector financial reporting, the implementation of AASB 16 has been reflected in the 2019-20 MYEFO estimates and in the Australian Government General Government Sector Monthly Financial Statements from the December 2019 reporting period.

### **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>.