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Minister for Finance
Minister for the Public Service
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MEDIA RELEASE

Australian Government General Government Sector Monthly Financial Statements for March 2023

Friday, 28 April 2023

KEY POINTS

- The Monthly Financial Statements for March 2023 report the budget position against the expected monthly profile for the 2022-23 financial year through to 31 March 2023, based on the 2022-23 October Budget estimates.
- The underlying cash balance for the 2022-23 financial year to 31 March 2023 was a deficit of \$11.2 billion against the 2022-23 October Budget profile deficit of \$34.5 billion.
- The fiscal balance for the 2022-23 financial year to 31 March 2023 was a deficit of \$3.8 billion against the 2022-23 October Budget profile deficit of \$34.0 billion.

AGGREGATES(a)	ACTUAL	ACTUAL	October Budget	OCTOBER BUDGET
	2022-2023 March \$b	2022-2023 YTD March \$b	Profile 2022-2023 YTD March \$b	ESTIMATE* 2022-2023 FULL YEAR \$b
Receipts(b)	52.6	448.1	433.2	607.2
Payments(c)	50.9	459.3	467.7	644.1
Underlying cash balance	1.6	-11.2	-34.5	-36.9
Headline cash balance	-1.4	-20.8	-43.9	-49.6
Revenue	55.0	466.5	448.7	625.0
Expenses	51.3	466.1	474.9	650.9
Net operating balance	3.7	0.4	-26.2	-25.9
Net capital investment	-0.2	4.2	7.8	12.8
Fiscal balance	3.9	-3.8	-34.0	-38.7
Total assets		767.3		766.0
Total liabilities		1,375.0		1,321.6
Net worth(d)		-607.7		-555.7
Net debt(e)		565.6		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 March 2023 was a deficit of \$11.2 billion, which is \$23.3 billion lower than the 2022-23 October Budget profile deficit of \$34.5 billion.

- **Receipts**

Total receipts were \$14.9 billion higher than the 2022-23 October Budget profile.

- **Payments**

Total payments were \$8.4 billion lower than the 2022-23 October Budget profile.

Net Operating Balance

The net operating balance for the financial year to 31 March 2023 was a surplus of \$0.4 billion, which is \$26.6 billion better than the 2022-23 October Budget profile deficit of \$26.2 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 March 2023 was a deficit of \$3.8 billion, which is \$30.2 billion lower than the 2022-23 October Budget profile deficit of \$34.0 billion. The difference results from higher than expected revenue, and lower than expected expenses and net capital investment.

Assets and Liabilities

As at 31 March 2023:

- net worth is negative \$607.7 billion;
- net debt is \$565.6 billion; and
- net financial liabilities are \$845.3 billion.

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Australian Government general government sector operating statement

		ACTUAL 2022-2023 March \$m	ACTUAL 2022-2023 YTD March \$m	October Budget Profile 2022-2023 YTD March \$m	OCTOBER BUDGET ESTIMATE* 2022-2023 FULL YEAR \$m
	Note				
Revenue					
Taxation revenue	1,2	51,490	430,120	414,955	577,868
Sales of goods and services		930	14,654	13,771	18,371
Interest income		877	6,599	5,833	8,192
Dividend and distribution income		620	3,647	4,131	5,695
Other		1,094	11,515	10,030	14,891
Total revenue		55,011	466,534	448,720	625,016
Expenses					
Gross operating expenses					
Wages and salaries(a)		2,202	17,533	17,776	24,201
Superannuation		758	6,834	6,730	8,912
Depreciation and amortisation		1,094	8,963	9,030	12,111
Supply of goods and services		15,184	124,830	128,254	176,526
Other operating expenses(a)		844	6,775	6,423	9,186
<i>Total gross operating expenses</i>		<i>20,082</i>	<i>164,935</i>	<i>168,213</i>	<i>230,936</i>
Superannuation interest expense		1,022	9,198	9,198	12,264
Interest expenses		2,204	18,057	17,946	26,188
Current transfers					
Current grants		13,403	145,501	147,165	196,498
Subsidy expenses		1,535	12,877	12,054	16,213
Personal benefits		11,864	107,643	109,670	146,940
<i>Total current transfers</i>		<i>26,802</i>	<i>266,021</i>	<i>268,889</i>	<i>359,651</i>
Capital transfers					
Mutually agreed write-downs		227	2,153	2,029	2,676
Other capital grants		935	5,725	8,619	19,207
<i>Total capital transfers</i>		<i>1,161</i>	<i>7,878</i>	<i>10,648</i>	<i>21,883</i>
Total expenses	3	51,270	466,090	474,893	650,922
Net operating balance		3,741	444	-26,173	-25,905
Other economic flows					
- included in operating result					
Net write-downs of assets		-582	-7,139	-5,948	-8,004
Assets recognised for the first time		27	181	160	204
Actuarial revaluations		0	2	-30	83
Net foreign exchange gains		4	-133	-25	-573
Net swap interest received		-267	-1,125	-988	0
Market valuation of debt		-27,408	-21,578	411	-2,434
Other gains/(losses)		3,345	4,608	4,192	4,761
Total other economic flows		-24,881	-25,184	-2,227	-5,962
- included in operating result					
Operating result(b)		-21,140	-24,741	-28,401	-31,867
Non-owner movements in equity					
Revaluation of equity investments		-3	-3	0	-92
Actuarial revaluations		0	0	0	-19,774
Other economic revaluations		-41	-2,109	397	5
Total other economic flows - included in equity		-43	-2,112	397	-19,860
Comprehensive result					
- Total change in net worth		-21,183	-26,853	-28,004	-51,728
Net operating balance		3,741	444	-26,173	-25,905
Net acquisition of non-financial assets					
Purchases of non-financial assets		1,468	11,975	16,006	23,317
less Sales of non-financial assets		8	204	131	206
less Depreciation		1,094	8,963	9,030	12,111
plus Change in inventories		-552	1,430	967	1,788
plus Other movements in non-financial assets		2	7	-5	-6
Total net acquisition of non-financial assets		-184	4,244	7,806	12,781
Fiscal balance (Net lending/borrowing)(c)		3,925	-3,801	-33,980	-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 March 2023 \$m	OCTOBER BUDGET ESTIMATE* as at 30 June 2023 \$m
Assets		
Financial assets		
Cash and deposits	78,872	54,975
Advances paid	74,513	76,622
Investments, loans and placements	212,108	225,772
Other receivables	82,027	74,640
Equity investments		
Investments in other public sector entities	42,028	43,757
Equity accounted investments	4,908	4,175
Investments - shares	77,182	80,564
<i>Total financial assets</i>	<i>571,637</i>	<i>560,506</i>
Non-financial assets		
Land	12,987	12,876
Buildings	46,163	48,082
Plant, equipment and infrastructure	99,320	106,034
Inventories	12,337	12,895
Intangibles	11,794	12,511
Investment properties	212	207
Biological assets	14	16
Heritage and cultural assets	12,639	12,645
Assets held for sale	165	177
Other non-financial assets	29	16
<i>Total non-financial assets</i>	<i>195,660</i>	<i>205,460</i>
Total assets	767,297	765,966
Liabilities		
Interest bearing liabilities		
Deposits held	281	406
Government securities	881,961	877,947
Loans	29,889	32,204
Lease liabilities	18,984	18,997
<i>Total interest bearing liabilities</i>	<i>931,116</i>	<i>929,554</i>
Provisions and payables		
Superannuation liability(a)	327,769	271,366
Other employee liabilities	34,935	35,535
Suppliers payables	7,383	10,908
Personal benefits payables	2,844	3,044
Subsidies payables	1,302	884
Grants payables	2,863	2,997
Other payables	5,779	4,240
Provisions	60,959	63,101
<i>Total provisions and payables</i>	<i>443,835</i>	<i>392,076</i>
Total liabilities	1,374,951	1,321,631
Net worth(b)	-607,654	-555,665
<i>Net financial worth(c)</i>	<i>-803,314</i>	<i>-761,125</i>
<i>Net financial liabilities(d)</i>	<i>845,342</i>	<i>804,882</i>
<i>Net debt(e)</i>	<i>565,623</i>	<i>572,185</i>

*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 March \$m	ACTUAL 2022-2023 YTD March \$m	October Budget Profile 2022-2023 YTD March \$m	OCTOBER BUDGET ESTIMATE* 2022-2023 FULL YEAR \$m
Cash receipts from operating activities				
Taxes received	49,029	413,606	400,638	562,858
Receipts from sales of goods and services	955	14,658	13,955	18,550
Interest receipts	458	4,371	3,897	5,275
Dividends, distributions and income tax equivalents	577	3,760	4,176	5,677
Other receipts	1,570	11,441	10,300	14,533
Total operating receipts	52,588	447,835	432,966	606,893
Cash payments for operating activities				
Payments for employees ^(b)	-4,146	-29,269	-28,599	-38,601
Payments for goods and services	-15,272	-127,014	-128,615	-174,888
Grants and subsidies paid	-15,815	-164,403	-168,368	-233,753
Interest paid	-582	-10,391	-10,196	-18,910
Personal benefit payments	-12,645	-108,589	-110,381	-147,190
Other payments ^(b)	-609	-6,286	-5,985	-8,486
Total operating payments	-49,069	-445,953	-452,145	-621,828
Net cash flows from operating activities	3,519	1,883	-19,179	-14,934
Cash flows from investments in non-financial assets				
Sales of non-financial assets	4	266	261	336
Purchases of non-financial assets	-1,655	-11,458	-13,619	-19,825
Net cash flows from investments in non-financial assets	-1,652	-11,193	-13,358	-19,490
Net cash flows from investments in financial assets for policy purposes	-3,043	-9,632	-9,422	-12,720
Net cash flows from investments in financial assets for liquidity purposes	2,010	-3,380	-5,395	-17,780
Cash flows from financing activities				
Borrowing (net)	11,572	11,712	31,759	32,084
Other financing (net)	-475	-5,282	-5,183	-6,947
Net cash flows from financing activities	11,097	6,430	26,576	25,137
Net increase/(decrease) in cash held	11,931	-15,891	-20,778	-39,788
GFS cash surplus(+)/deficit(-)^(c)	1,867	-9,310	-32,536	-34,424
<i>plus</i> Principal payments of lease liabilities ^(d)	-224	-1,905	-1,952	-2,427
Equals underlying cash balance^(e)	1,644	-11,215	-34,488	-36,851
<i>plus</i> Net cash flows from investments in financial assets for policy purposes	-3,043	-9,632	-9,422	-12,720
Equals headline cash balance	-1,400	-20,846	-43,910	-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 March \$m	ACTUAL 2022-2023 YTD March \$m	October Budget Profile 2022-2023 YTD March \$m	OCTOBER BUDGET ESTIMATE* 2022-2023 FULL YEAR \$m
Individuals and other w ithholding taxes				
Gross income tax w ithholding	25,434	201,843	196,167	262,800
Gross other individuals	8,704	47,196	43,866	65,600
Less Refunds	1,686	36,805	36,712	41,800
Total individuals and other w ithholding taxation	32,451	212,233	203,321	286,600
Fringe benefits tax	75	2,670	2,646	3,440
Company tax	10,649	99,597	92,316	129,900
Superannuation fund taxes	107	7,575	9,693	12,670
Petroleum resource rent tax	-43	1,923	2,036	2,790
Total income taxation revenue	43,239	323,998	310,012	435,400

*As published in the 2022-23 October Budget.

Note 2: Indirect Tax

	ACTUAL 2022-2023 March \$m	ACTUAL 2022-2023 YTD March \$m	October Budget Profile 2022-2023 YTD March \$m	OCTOBER BUDGET ESTIMATE* 2022-2023 FULL YEAR \$m
Goods and services tax	3,984	64,003	63,770	86,820
Wine equalisation tax	60	858	904	1,210
Luxury car tax	87	820	796	1,120
Excise duty	2,272	18,825	18,846	26,070
Customs duty	974	13,189	12,884	16,820
Other indirect tax	874	8,426	7,744	10,428
Total indirect taxation revenue	8,251	106,121	104,943	142,468

*As published in the 2022-23 October Budget.

Note 3: Total expenses by function

	ACTUAL 2022-2023 March \$m	ACTUAL 2022-2023 YTD March \$m	OCTOBER BUDGET ESTIMATE* 2022-2023 FULL YEAR \$m
Expenses by function			
General public services	2,464	20,935	30,280
Defence	3,551	29,312	38,303
Public order and safety	613	5,504	7,148
Education	2,394	37,594	46,317
Health	8,781	77,021	109,694
Social security and w elfare	18,821	165,409	228,791
Housing and community amenities	511	4,053	7,826
Recreation and culture	374	3,156	4,880
Fuel and energy	903	6,271	9,134
Agriculture, forestry and fishing	223	2,210	5,034
Mining, manufacturing and construction	335	2,920	4,945
Transport and communication	1,034	5,913	15,351
Other economic affairs	1,086	10,404	13,920
Other purposes			
Public debt interest	1,970	16,505	22,421
Nominal superannuation interest	1,022	9,198	12,264
General purpose inter-government transactions	7,179	68,102	90,259
Natural disaster relief	10	1,582	3,554
Contingency reserve	0	0	801
Total expenses	51,270	466,090	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:

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