



SENATOR THE HON KATY GALLAGHER

Minister for Finance
Minister for the Public Service
Minister for Women

MEDIA RELEASE

Australian Government General Government Sector Monthly Financial Statements for May 2023

Friday, 30 June 2023

KEY POINTS

- The Monthly Financial Statements for May 2023 report the budget position against the expected monthly profile for the 2022-23 financial year through to 31 May 2023, based on the 2022-23 Revised Budget estimate published in the 2023-24 Budget in May 2023.
- The underlying cash balance for the 2022-23 financial year to 31 May 2023 was a surplus of \$19.0 billion.
- The fiscal balance for the 2022-23 financial year to 31 May 2023 was a surplus of \$29.6 billion.

AGGREGATES(a)	ACTUAL	ACTUAL	Revised Budget	REVISED BUDGET
	2022-2023 May \$b	2022-2023 YTD May \$b	Profile 2022-2023 YTD May \$b	ESTIMATE* 2022-2023 FULL YEAR \$b
Receipts(b)	76.8	579.6	571.1	635.6
Payments(c)	52.8	560.6	563.6	631.4
Underlying cash balance	24.0	19.0	7.5	4.2
Headline cash balance	26.8	11.6	-2.0	-7.5
Revenue	77.4	604.5	596.1	653.8
Expenses	53.4	568.6	571.4	644.8
Net operating balance	24.0	35.8	24.7	9.0
Net capital investment	1.8	6.3	6.7	10.4
Fiscal balance	22.2	29.6	18.0	-1.5
Total assets		788.4		763.8
Total liabilities		1,349.2		1,310.6
Net worth(d)		-560.8		-546.9
Net debt(e)		516.7		548.6

*As published in the 2023-24 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 May 2023 was a surplus of \$19.0 billion.

- **Receipts**

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

- **Payments**

Total payments were \$3.0 billion lower than the 2022-23 Revised Budget profile.

Net Operating Balance

The net operating balance for the financial year to 31 May 2023 was a surplus of \$35.8 billion.

Fiscal Balance

The fiscal balance for the financial year to 31 May 2023 was a surplus of \$29.6 billion.

Assets and Liabilities

As at 31 May 2023:

- net worth is negative \$560.8 billion;
- net debt is \$516.7 billion; and
- net financial liabilities are \$801.2 billion.

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Australian Government general government sector operating statement

		ACTUAL 2022-2023 May \$m	ACTUAL 2022-2023 YTD May \$m	Revised Budget Profile 2022-2023 YTD May \$m	REVISED BUDGET ESTIMATE* 2022-2023 FULL YEAR \$m
Note					
Revenue					
	1,2	73,896	558,428	550,666	604,169
		728	18,721	18,682	19,078
		979	8,467	7,904	9,053
		447	4,385	4,643	5,361
		1,365	14,459	14,205	16,105
		77,415	604,460	596,100	653,767
Expenses					
Gross operating expenses					
		2,201	21,652	21,757	24,254
		796	8,388	8,175	8,754
		1,061	11,119	11,066	12,063
		14,586	152,541	154,458	175,719
		718	8,271	7,991	8,433
		19,362	201,971	203,447	229,223
		1,022	11,242	11,277	12,334
		3,829	23,999	23,466	26,789
Current transfers					
		13,812	172,794	173,546	192,661
		1,651	15,942	15,764	17,373
		11,942	131,651	132,345	145,485
		27,405	320,387	321,655	355,520
Capital transfers					
		184	2,513	2,466	2,870
		1,614	8,537	9,073	18,052
		1,798	11,049	11,539	20,922
	3	53,416	568,647	571,384	644,788
		23,999	35,812	24,716	8,979
Other economic flows					
- included in operating result					
		-1,524	-10,244	-8,645	-8,365
		30	239	190	225
		0	2	11	27
		91	6	-63	-514
		-684	-1,742	-881	-787
		13,138	-7,147	-21,248	-21,938
		-1,041	4,290	4,229	2,930
		10,009	-14,598	-26,407	-28,423
		34,009	21,214	-1,692	-19,444
Non-owner movements in equity					
		0	-3	-3	-165
		0	0	0	-3,975
		1,011	-1,195	1,389	951
		1,011	-1,198	1,386	-3,190
Comprehensive result					
		35,019	20,016	-306	-22,633
		23,999	35,812	24,716	8,979
Net acquisition of non-financial assets					
		2,156	15,618	15,790	21,897
		2	254	244	238
		1,061	11,119	11,066	12,063
		722	2,009	2,253	851
		-3	5	0	-6
		1,813	6,258	6,733	10,441
		22,187	29,554	17,982	-1,462

*As published in the 2023-24 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 May 2023 \$m	REVISED BUDGET ESTIMATE* as at 30 June 2023 \$m
Assets		
Financial assets		
Cash and deposits	91,198	64,365
Advances paid	73,347	76,862
Investments, loans and placements	215,362	219,031
Other receivables	87,234	73,895
Equity investments		
Investments in other public sector entities	42,735	43,552
Equity accounted investments	4,917	4,250
Investments - shares	75,962	77,925
<i>Total financial assets</i>	590,755	559,881
Non-financial assets		
Land	13,020	13,077
Buildings	46,668	48,616
Plant, equipment and infrastructure	100,366	105,567
Inventories	12,659	11,612
Intangibles	11,941	11,926
Investment properties	215	205
Biological assets	9	16
Heritage and cultural assets	12,652	12,664
Assets held for sale	130	179
Other non-financial assets	27	16
<i>Total non-financial assets</i>	197,686	203,878
Total assets	788,440	763,759
Liabilities		
Interest bearing liabilities		
Deposits held	292	406
Government securities	847,162	858,661
Loans	29,867	30,161
Lease liabilities	19,250	19,610
<i>Total interest bearing liabilities</i>	896,571	908,839
Provisions and payables		
Superannuation liability(a)	329,125	275,796
Other employee liabilities	35,418	35,475
Suppliers payables	10,015	12,142
Personal benefits payables	3,593	3,083
Subsidies payables	1,452	909
Grants payables	3,189	2,992
Other payables	8,320	4,108
Provisions	61,543	67,270
<i>Total provisions and payables</i>	452,655	401,774
Total liabilities	1,349,225	1,310,613
Net worth(b)	-560,785	-546,854
<i>Net financial worth(c)</i>	-758,470	-750,732
<i>Net financial liabilities(d)</i>	801,205	794,285
<i>Net debt(e)</i>	516,664	548,581

*As published in the 2023-24 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 May \$m	ACTUAL 2022-2023 YTD May \$m	Revised Budget Profile 2022-2023 YTD May \$m	REVISED BUDGET ESTIMATE* 2022-2023 FULL YEAR \$m
Cash receipts from operating activities				
Taxes received	73,335	535,914	527,943	588,050
Receipts from sales of goods and services	800	18,686	18,709	19,200
Interest receipts	1,272	6,243	5,499	6,115
Dividends, distributions and income tax equivalents	343	4,494	4,722	5,407
Other receipts	1,028	13,982	13,977	16,457
Total operating receipts	76,778	579,319	570,849	635,230
Cash payments for operating activities				
Payments for employees(b)	-3,176	-35,576	-35,116	-38,758
Payments for goods and services	-15,131	-154,549	-157,086	-173,325
Grants and subsidies paid	-17,000	-197,583	-198,454	-226,775
Interest paid	-3,428	-17,589	-17,627	-18,792
Personal benefit payments	-12,166	-131,675	-132,600	-145,664
Other payments(b)	-401	-7,488	-7,424	-7,797
Total operating payments	-51,301	-544,460	-548,308	-611,110
Net cash flows from operating activities	25,477	34,859	22,542	24,119
Cash flows from investments in non-financial assets				
Sales of non-financial assets	11	305	293	363
Purchases of non-financial assets	-1,322	-13,899	-12,990	-17,766
Net cash flows from investments in non-financial assets	-1,311	-13,594	-12,697	-17,402
Net cash flows from investments in financial assets for policy purposes	2,768	-7,430	-9,471	-11,689
Net cash flows from investments in financial assets for liquidity purposes	-1,696	-3,165	-8,050	-11,027
Cash flows from financing activities				
Borrowing (net)	-3,455	-5,866	-15,224	-6,544
Other financing (net)	-1,800	-8,370	-7,431	-7,854
Net cash flows from financing activities	-5,256	-14,235	-22,655	-14,399
Net increase/(decrease) in cash held	19,982	-3,565	-30,331	-30,398
GFS cash surplus(+)/deficit(-)(c)	24,165	21,265	9,845	6,717
<i>plus</i> Principal payments of lease liabilities(d)	-166	-2,281	-2,333	-2,516
Equals underlying cash balance(e)	23,999	18,984	7,512	4,202
<i>plus</i> Net cash flows from investments in financial assets for policy purposes	2,768	-7,430	-9,471	-11,689
Equals headline cash balance	26,767	11,554	-1,959	-7,487

*As published in the 2023-24 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 May \$m	ACTUAL 2022-2023 YTD May \$m	Revised Budget Profile 2022-2023 YTD May \$m	REVISED BUDGET ESTIMATE* 2022-2023 FULL YEAR \$m
Individuals and other w ithholding taxes				
Gross income tax w ithholding	27,247	249,150	248,750	272,300
Gross other individuals	10,795	68,737	68,781	73,000
Less Refunds	2,321	40,475	40,430	42,100
Total individuals and other w ithholding taxation	35,721	277,412	277,102	303,200
Fringe benefits tax	285	3,679	3,602	3,510
Company tax	20,797	132,547	125,335	140,800
Superannuation fund taxes	734	9,536	9,273	9,670
Petroleum resource rent tax	1	2,184	2,199	2,230
Total income taxation revenue	57,539	425,358	417,511	459,410

*As published in the 2023-24 Budget.

Note 2: Indirect Tax

	ACTUAL 2022-2023 May \$m	ACTUAL 2022-2023 YTD May \$m	Revised Budget Profile 2022-2023 YTD May \$m	REVISED BUDGET ESTIMATE* 2022-2023 FULL YEAR \$m
Goods and services tax	10,946	81,413	81,343	88,040
Wine equalisation tax	121	1,054	1,045	1,170
Luxury car tax	93	1,018	1,031	1,150
Excise duty	2,750	23,803	23,838	26,150
Customs duty	1,206	15,415	15,620	17,180
Other indirect tax	1,241	10,366	10,277	11,069
Total indirect taxation revenue	16,357	133,070	133,155	144,759

*As published in the 2023-24 Budget.

Note 3: Total expenses by function

	ACTUAL 2022-2023 May \$m	ACTUAL 2022-2023 YTD May \$m	REVISED BUDGET ESTIMATE* 2022-2023 FULL YEAR \$m
Expenses by function			
General public services	3,161	26,523	30,106
Defence	4,115	36,734	40,059
Public order and safety	635	6,766	7,384
Education	2,341	42,422	45,876
Health	8,602	93,289	107,710
Social security and w elfare	19,159	202,740	226,378
Housing and community amenities	456	4,974	7,135
Recreation and culture	434	3,851	4,840
Fuel and energy	622	7,558	8,953
Agriculture, forestry and fishing	288	2,798	4,737
Mining, manufacturing and construction	620	3,859	4,905
Transport and communication	1,623	8,718	13,461
Other economic affairs	1,372	12,888	14,935
Other purposes			
Public debt interest	1,958	20,391	22,152
Nominal superannuation interest	1,022	11,242	12,334
General purpose inter-government transactions	6,974	82,257	89,841
Natural disaster relief	35	1,636	3,533
Contingency reserve	0	0	449
Total expenses	53,416	568,647	644,788

*As published in the 2023-24 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>.