



SENATOR THE HON KATY GALLAGHER
 Minister for Finance
 Minister for Women
 Minister for the Public Service

MEDIA RELEASE

**Australian Government General Government Sector
 Monthly Financial Statements for July and August 2023**

06 October 2023

KEY POINTS:

- The Monthly Financial Statements for July and August 2023 report the budget position against the expected monthly profile for the 2023-24 financial year through to 31 August 2023, based on the 2023-24 Budget estimate published in the 2023-24 Budget in May 2023.
- The underlying cash balance for the 2023-24 financial year to 31 August 2023 was a deficit of \$7.1 billion.
- The fiscal balance for the 2023-24 financial year to 31 August 2023 was a deficit of \$2.8 billion.

	AGGREGATES(a)		ACTUAL 2023-2024 YTD August \$b	Budget Profile 2023-2024 YTD August \$b	BUDGET ESTIMATE* 2023-2024 FULL YEAR \$b
	ACTUAL 2023-2024 July \$b	ACTUAL 2023-2024 August \$b			
Receipts(b)	48.3	56.3	104.6	101.1	668.1
Payments(c)	59.0	52.7	111.7	112.6	682.1
Underlying cash balance	-10.7	3.6	-7.1	-11.5	-13.9
Headline cash balance	-11.0	0.7	-10.3	-11.6	-19.7
Revenue	51.6	57.0	108.6	104.0	680.4
Expenses	58.8	51.8	110.6	114.4	684.1
Net operating balance	-7.2	5.2	-2.0	-10.4	-3.7
Net capital investment	0.8	0.1	0.9	1.0	10.4
Fiscal balance	-8.0	5.1	-2.8	-11.4	-14.1
Total assets	787.5		797.1		804.2
Total liabilities	1,336.5		1,344.8		1,363.3
Net worth(d)	-549.1		-547.7		-559.1
Net debt(e)	512.5		512.8		574.9

*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 August 2023 was a deficit of \$7.1 billion.

- **Receipts**
Total receipts were \$3.5 billion higher than the 2023-24 Budget profile.
- **Payments**
Total payments were \$0.9 billion lower than the 2023-24 Budget profile.

Net Operating Balance

The net operating balance for the financial year to 31 August 2023 was a deficit of \$2.0 billion.

Fiscal Balance

The fiscal balance for the financial year to 31 August 2023 was a deficit of \$2.8 billion.

Assets and Liabilities

As at 31 August 2023:

- net worth is negative \$547.7 billion;
- net debt is \$512.8 billion; and
- net financial liabilities are \$794.0 billion.

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Minister for Finance
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Australian Government general government sector operating statement

		ACTUAL 2023-2024	ACTUAL 2023-2024	ACTUAL 2023-2024	Budget Profile 2023-2024	BUDGET ESTIMATE*
	Note	July \$m	August \$m	YTD August \$m	YTD August \$m	2023-2024 FULL YEAR \$m
Revenue						
Taxation revenue	1,2	45,667	53,389	99,055	95,244	629,729
Sales of goods and services		3,564	810	4,375	4,366	20,811
Interest income		715	737	1,452	1,086	9,426
Dividend and distribution income		366	431	797	1,088	6,913
Other		1,272	1,675	2,947	2,169	13,494
Total revenue		51,584	57,042	108,626	103,952	680,372
Expenses						
Gross operating expenses						
Wages and salaries(a)		1,945	2,276	4,221	4,441	26,260
Superannuation		801	778	1,578	1,279	7,608
Depreciation and amortisation		1,047	1,070	2,118	2,054	12,570
Supply of goods and services		14,779	15,175	29,955	30,450	188,790
Other operating expenses(a)		563	795	1,358	1,338	9,346
Total gross operating expenses		19,136	20,094	39,230	39,563	244,575
Superannuation interest expense		1,073	1,073	2,146	2,272	13,631
Interest expenses		2,300	2,151	4,451	4,490	27,762
Current transfers						
Current grants		20,401	13,702	34,103	35,611	203,464
Subsidy expenses		1,476	1,502	2,977	2,857	16,964
Personal benefits		14,112	12,822	26,934	27,544	154,254
Total current transfers		35,989	28,026	64,015	66,012	374,682
Capital transfers						
Mutually agreed write-downs		206	204	411	474	3,012
Other capital grants		83	277	360	1,580	20,423
Total capital transfers		289	482	771	2,054	23,435
Total expenses	3	58,787	51,826	110,613	114,391	684,085
Net operating balance		-7,203	5,216	-1,988	-10,439	-3,713
Other economic flows						
- included in operating result						
Net write-downs of assets		-665	-1,047	-1,712	-935	-6,871
Assets recognised for the first time		22	6	29	33	232
Actuarial revaluations		1	1	2	3	19
Net foreign exchange gains		-62	157	94	0	-62
Net swap interest received		26	-1	24	-3	-16
Market valuation of debt		-2,439	-3,039	-5,479	-1,497	-8,847
Other gains/(losses)		1,443	215	1,659	1,520	7,485
Total other economic flows		-1,673	-3,708	-5,381	-878	-8,060
- included in operating result		-8,876	1,507	-7,369	-11,317	-11,773
Operating result(b)		-8,876	1,507	-7,369	-11,317	-11,773
Non-owner movements in equity						
Revaluation of equity investments		0	0	0	0	-307
Actuarial revaluations		0	0	0	0	-227
Other economic revaluations		-1,806	-143	-1,949	-311	75
Total other economic flows - included in equity		-1,806	-143	-1,949	-311	-458
Comprehensive result						
- Total change in net worth		-10,682	1,364	-9,318	-11,629	-12,231
Net operating balance		-7,203	5,216	-1,988	-10,439	-3,713
Net acquisition of non-financial assets						
Purchases of non-financial assets		1,427	1,388	2,815	3,374	22,251
less Sales of non-financial assets		33	4	37	30	53
less Depreciation		1,047	1,070	2,118	2,054	12,570
plus Change in inventories		425	-230	195	-291	803
plus Other movements in non-financial assets		1	2	2	0	0
Total net acquisition of non-financial assets		772	85	857	998	10,431
Fiscal balance (Net lending/borrowing)(c)		-7,975	5,130	-2,845	-11,437	-14,144

*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 July 2023 \$m	ACTUAL as at 31 August 2023 \$m	BUDGET ESTIMATE* as at 30 June 2024 \$m
Assets			
Financial assets			
Cash and deposits	80,253	86,394	60,841
Advances paid	73,616	75,518	76,032
Investments, loans and placements	217,069	219,866	241,748
Other receivables	81,708	80,616	79,944
Equity investments			
Investments in other public sector entities	41,447	41,348	47,347
Equity accounted investments	6,551	7,444	4,575
Investments - shares	81,775	80,967	80,167
Total financial assets	582,419	592,153	590,654
Non-financial assets			
Land	13,661	13,447	13,168
Buildings	48,846	48,998	50,944
Plant, equipment and infrastructure	104,617	104,665	111,491
Inventories	13,121	13,048	12,010
Intangibles	11,947	11,985	12,791
Investment properties	108	113	205
Biological assets	5	5	16
Heritage and cultural assets	12,608	12,607	12,712
Assets held for sale	105	104	177
Other non-financial assets	23	24	16
Total non-financial assets	205,042	204,996	213,530
Total assets	787,460	797,149	804,184
Liabilities			
Interest bearing liabilities			
Deposits held	364	273	406
Government securities	832,513	840,275	902,988
Loans	30,804	34,290	31,007
Lease liabilities	19,789	19,758	19,073
Total interest bearing liabilities	883,470	894,596	953,474
Provisions and payables			
Superannuation liability(a)	313,734	314,283	282,487
Other employee liabilities	46,036	45,341	36,326
Suppliers payables	8,325	8,706	12,487
Personal benefits payables	3,861	3,130	4,008
Subsidies payables	797	676	901
Grants payables	2,868	2,493	2,658
Other payables	11,021	9,722	5,777
Provisions	66,401	65,893	65,151
Total provisions and payables	453,044	450,243	409,795
Total liabilities	1,336,514	1,344,839	1,363,269
Net worth(b)	-549,054	-547,690	-559,085
<i>Net financial worth(c)</i>	<i>-754,096</i>	<i>-752,686</i>	<i>-772,615</i>
<i>Net financial liabilities(d)</i>	<i>795,543</i>	<i>794,034</i>	<i>819,962</i>
<i>Net debt(e)</i>	<i>512,532</i>	<i>512,818</i>	<i>574,852</i>

*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 2023-24 Monthly Financial Statements was calculated using the spot rates on long-term government bonds as at 30 June 2023 that best matched each individual scheme's liability duration. These rates were between 4.0 and 4.4 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 2023-2024 July \$m	ACTUAL 2023-2024 August \$m	ACTUAL 2023-2024 YTD August \$m	Budget Profile 2023-2024 YTD August \$m	BUDGET ESTIMATE* 2023-2024 FULL YEAR \$m
Cash receipts from operating activities					
Taxes received	41,983	53,376	95,359	91,622	616,275
Receipts from sales of goods and services	3,484	641	4,125	4,473	20,792
Interest receipts	987	981	1,968	1,552	7,654
Dividends, distributions and income tax equivalents	532	317	849	1,086	6,889
Other receipts	1,176	978	2,153	2,248	14,255
Total operating receipts	48,161	56,293	104,455	100,980	665,865
Cash payments for operating activities					
Payments for employees(b)	-3,210	-4,162	-7,372	-7,248	-41,669
Payments for goods and services	-17,256	-15,685	-32,941	-31,939	-188,258
Grants and subsidies paid	-22,571	-16,290	-38,862	-40,386	-246,189
Interest paid	-175	-446	-621	-432	-21,052
Personal benefit payments	-13,706	-13,792	-27,498	-28,206	-153,940
Other payments(b)	-752	-922	-1,674	-1,406	-8,541
Total operating payments	-57,671	-51,297	-108,968	-109,616	-659,649
Net cash flows from operating activities	-9,510	4,996	-4,514	-8,636	6,216
Cash flows from investments in non-financial assets					
Sales of non-financial assets	151	2	153	161	2,277
Purchases of non-financial assets	-1,103	-1,166	-2,269	-2,553	-19,861
Net cash flows from investments in non-financial assets	-953	-1,164	-2,116	-2,392	-17,584
Net cash flows from investments in financial assets for policy purposes	-370	-2,875	-3,245	-131	-5,795
Net cash flows from investments in financial assets for liquidity purposes	-1,065	-407	-1,471	-1,574	-17,073
Cash flows from financing activities					
Borrowing (net)	2,745	5,846	8,591	11,780	35,363
Other financing (net)	-307	-257	-564	-368	-4,651
Net cash flows from financing activities	2,438	5,589	8,028	11,411	30,712
Net increase/(decrease) in cash held	-9,459	6,140	-3,319	-1,321	-3,523
GFS cash surplus(+)/deficit(-)(c)	-10,463	3,833	-6,630	-11,028	-11,368
<i>plus</i> Principal payments of lease liabilities(d)	-204	-237	-441	-430	-2,550
Equals underlying cash balance(e)	-10,666	3,596	-7,071	-11,459	-13,918
<i>plus</i> Net cash flows from investments in financial assets for policy purposes	-370	-2,875	-3,245	-131	-5,795
Equals headline cash balance	-11,036	720	-10,316	-11,589	-19,713

*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 2023-2024 July \$m	ACTUAL 2023-2024 August \$m	ACTUAL 2023-2024 YTD August \$m	Budget Profile 2023-2024 YTD August \$m	BUDGET ESTIMATE* 2023-2024 FULL YEAR \$m
Individuals and other withholding taxes					
Gross income tax withholding	19,683	28,522	48,205	46,569	289,300
Gross other individuals	9,382	3,882	13,264	12,146	73,600
/less Refunds	8,201	6,539	14,740	15,277	37,000
Total individuals and other withholding taxation	20,864	25,865	46,729	43,438	325,900
Fringe benefits tax	774	208	982	777	3,500
Company tax	11,116	10,193	21,309	21,721	131,100
Superannuation fund taxes	1,492	1,071	2,564	2,896	16,620
Petroleum resource rent tax	2	340	342	618	2,770
Total income taxation revenue	34,249	37,677	71,925	69,449	479,890

*As published in the 2023-24 Budget.

Note 2: Indirect Tax

	ACTUAL 2023-2024 July \$m	ACTUAL 2023-2024 August \$m	ACTUAL 2023-2024 YTD August \$m	Budget Profile 2023-2024 YTD August \$m	BUDGET ESTIMATE* 2023-2024 FULL YEAR \$m
Goods and services tax	5,712	10,228	15,940	15,496	89,080
Wine equalisation tax	76	109	185	192	1,160
Luxury car tax	142	94	236	157	860
Excise duty	2,697	2,313	5,010	5,031	30,090
Customs duty	2,090	1,722	3,812	3,130	17,270
Other indirect tax	701	1,245	1,946	1,789	11,379
Total indirect taxation revenue	11,418	15,712	27,130	25,794	149,839

*As published in the 2023-24 Budget.

Note 3: Total expenses by function

	ACTUAL 2023-2024 July \$m	ACTUAL 2023-2024 August \$m	ACTUAL 2023-2024 YTD August \$m	BUDGET ESTIMATE* 2023-2024 FULL YEAR \$m
Expenses by function				
General public services	2,024	2,304	4,329	29,126
Defence	3,112	3,588	6,700	42,850
Public order and safety	827	625	1,453	7,434
Education	6,572	2,394	8,966	48,258
Health	9,273	8,450	17,723	106,538
Social security and welfare	23,285	20,481	43,766	250,280
Housing and community amenities	137	594	731	7,940
Recreation and culture	550	309	859	4,776
Fuel and energy	925	794	1,719	13,006
Agriculture, forestry and fishing	268	157	425	5,156
Mining, manufacturing and construction	305	327	632	5,022
Transport and communication	231	278	508	17,508
Other economic affairs	1,049	1,107	2,156	12,447
Other purposes				
Public debt interest	1,916	1,921	3,837	22,611
Nominal superannuation interest	1,073	1,073	2,146	13,631
General purpose inter-government transactions	7,228	7,391	14,619	95,947
Natural disaster relief	12	33	45	1,610
Contingency reserve	0	0	0	-56
Total expenses	58,787	51,826	110,613	684,085

*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>.