

Monthly Statement

2010-11



February 2011

This monthly statement is released in compliance with section 8 of the *Public Finance and Audit Act 1983*. That section requires budget time projections and year-to-date balances for the major general government sector aggregates disclosed in the Budget to be published for each month.

Budget Paper No. 2 *Budget Statement* contains the full details of the 2010-11 Budget, as well as budget scope and other explanatory information. The financial statements presented are prepared in accordance with Australian Accounting Standard AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

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Special Note:

Year-to-date Budget results are volatile and reflect a normal seasonal pattern which often sees large surpluses reported in the first months of the calendar year.

The seasonal pattern reflects a wide range of factors including:

- the recognition of a large proportion of land tax in January and February in line with the issue of tax assessments
- the ramping up of program expenditures approved in the previous budget, wage increases payable from 1 January and the seasonal pattern in health spending.

In 2010-11 the normal seasonal pattern will be influenced by a number of year-specific factors:

- large upfront payments from the Commonwealth under the Economic Stimulus Plan including Building the Education Revolution and Nation Building program.
- expected lower underlying GST and taxation revenues in the remainder of the financial year consistent with recent economic indicators.

Compared with 2009-10, the seasonal pattern in year-to-date Budget results is expected to be magnified due to underlying revenue trends.

The year-to-date Budget result is consistent with full year estimates released publicly.

GENERAL GOVERNMENT MONTHLY STATEMENT FOR THE EIGHT MONTHS ENDED 28 FEBRUARY 2011

FINANCIAL STATEMENTS

Table 1.1: General Government Sector Operating Statement

	<i>12 Months to 30/06/2011 Budget \$m</i>	<i>8 Months to 28/02/2011 Actual \$m</i>
Revenue from Transactions		
Taxation	20,194	13,964
Grants and Subsidies		
- Commonwealth general purpose	14,827	9,601
- Commonwealth national agreements	6,817	4,561
- Commonwealth national partnerships	4,456	2,940
- Other grants and subsidies	641	464
Sale of goods and services	4,584	3,023
Interest	325	250
Dividend and income tax equivalents		
income from other sectors	1,705	1,120
Other dividends and distributions	347	222
Fines, regulatory fees and other	3,774	2,074
Total Revenue	57,669	38,220
Expenses from Transactions		
Employee	24,693	15,861
Superannuation		
- Superannuation interest cost	867	584
- Other superannuation	2,206	1,484
Depreciation and amortisation	3,045	1,894
Interest	1,953	1,117
Other property	1	1
Other operating	12,481	7,460
Grants and transfers		
- Current grants and transfers	8,605	5,377
- Capital grants and transfers	3,045	1,424
Total Expenses	56,896	35,203
BUDGET RESULT - SURPLUS/(DEFICIT)		
[Net Operating Result]	773	3,018

Table 1.1: General Government Sector Operating Statement (cont)

	<i>12 Months to 30/06/2011 Budget \$m</i>	<i>8 Months to 28/02/2011 Actual \$m</i>
Other economic flows included in the operating result		
Gain/(Loss) from superannuation
Gain/(Loss) from other liabilities	69	...
Other net gains/(losses)	493	768
Share of earnings from Associates (excluding dividends)	47	1
Dividends from asset sale proceeds	188	...
Deferred income from other sectors	169	(4)
Other
Other economic flows included in the operating result	966	766
Operating result (accounting basis)	1,739	3,784
Other economic flows - other movements in equity		
Superannuation actuarial gains/(loss)	1,401	2,145
Revaluations	2,170	116
Net gain/(loss) on equity investments in other sectors	1,045	387
Net gain/(loss) on financial instruments at fair value
Other	...	(131)
Other economic flows - other movements in equity	4,615	2,518
Comprehensive result - total change in net worth	6,354	6,301
Key Fiscal Aggregates		
Comprehensive result - total change in net worth	6,354	6,301
less: Net other economic flows	5,581	3,284
equals: Budget Result - net operating balance	773	3,018
less: Net acquisition of non-financial assets		
Purchase of non-financial assets	7,138	4,086
Sales of non-financial assets	(560)	(198)
less Depreciation	(3,045)	(1,894)
plus Change in inventories	1	(4)
plus Other movements in non-financial assets		
- Assets acquired under finance leases	539	188
- Other	(33)	70
equals Total Net acquisition of non-financial assets	4,040	2,247
equals Net Lending/(borrowing) [Fiscal Balance]	(3,267)	771
OTHER AGGREGATES		
Capital Expenditure	7,677	4,274

Table 1.2: General Government Sector Balance Sheet

	<i>As at</i> 30/06/2011 <i>Budget</i> \$m	<i>As at</i> 28/02/2011 <i>Actual</i> \$m
ASSETS		
Financial Assets		
Cash and cash equivalent assets	2,901	6,590
Receivables	5,385	6,738
Tax equivalent receivables	220	96
Financial assets at fair value	7,587	7,294
Advances paid	1,122	917
Deferred tax equivalents	5,655	5,735
Equity		
Investments in other public sector entities	77,421	78,892
Investment in associates	1,133	1,156
Other
Total Financial Assets	101,425	107,418
Non-Financial Assets		
Inventories	229	278
Forestry stock and other biological assets	7	7
Assets classified as held for sale	68	145
Investment properties	274	254
Property plant and equipment		
Land and buildings	55,390	57,698
Plant and equipment	7,973	8,095
Infrastructure systems	58,028	59,190
Intangibles	1,126	1,282
Other	1,003	1,287
Total Non-financial Assets	124,098	128,235
Total Assets	225,523	235,653
LIABILITIES		
Deposits held	57	105
Payables	3,207	3,495
Tax equivalent payables	35	...
Borrowings and derivatives at fair value	20	21
Borrowings at amortised cost	22,901	22,346
Advances received	861	844
Employee provisions	10,839	10,952
Superannuation provisions	26,157	30,532
Deferred tax equivalent provision	748	817
Other provisions	5,712	5,737
Other	2,688	2,766
Total Liabilities	73,224	77,615
NET WORTH	152,299	158,038
OTHER KEY AGGREGATES		
Net Debt	12,228	8,515
Net Financial Liabilities	49,219	49,089

Table 1.3: General Government Sector Cash Flow Statement

	<i>12 Months to 30/06/2011 Budget \$m</i>	<i>8 Months to 28/02/2011 Actual \$m</i>
Cash Receipts from Operating Activities		
Taxes received	20,078	12,730
Receipts from sales of goods and services	5,054	3,500
Grants and subsidies received	26,769	17,391
Interest receipts	355	216
Dividends and income tax equivalents	1,873	1,935
Other Receipts	5,760	2,963
Total Cash Receipts from Operating Activities	59,889	38,734
Cash Payments from Operating Activities		
Payments for employees	(24,150)	(15,704)
Payments for superannuation	(3,007)	(2,135)
Payments for goods and services	(13,684)	(8,558)
Grants and subsidies paid	(10,096)	(5,861)
Interest paid	(1,385)	(758)
Other payments	(2,804)	(1,230)
Total Cash Payments from Operating Activities	(55,125)	(34,246)
Net Cash Flows from Operating Activities	4,764	4,488
Cash Flows from Investments in Non-Financial Assets		
Sales of non-financial assets	567	178
Purchases of non-financial assets	(7,116)	(4,142)
Net Cash Flows from Investments in Non-Financial Assets	(6,549)	(3,964)
Cash Flows from Investments from Financial Assets for Policy Purposes		
Receipts	346	232
Payments	(227)	(25)
Total Cash Flows from Investments in Financial Assets for Policy Purposes	119	207
Net Flows from Investments from Financial Assets for Liquidity Purposes		
Receipts from sale/maturity of investments	24	74
Payments for purchases of investments	(347)	(268)
Net Cash Flows from Investments in Financial Assets for Liquidity Purposes	(323)	(194)
Cash Flows from Financing Activities		
Advances received	80	...
Advances repaid	(52)	(6)
Proceeds from borrowings	3,697	3,237
Repayments of borrowings	(1,685)	(266)
Deposits received (net)	(9)	25
Other financing (net)	...	(90)
Net Cash Flows from Financing Activities	2,031	2,900
Net Increase/(Decrease) in Cash Held	42	3,438
Net cash flows from operating activities	4,764	4,488
Net cash flows from investments in non-financial assets	(6,549)	(3,964)
Cash Surplus/(Deficit)	(1,785)	524