

**STATEMENT 11: GOVERNMENT FINANCE STATISTICS  
STATEMENTS**

Contents

Government finance statistics statements .....11-5



## **STATEMENT 11: GOVERNMENT FINANCE STATISTICS STATEMENTS**

The financial tables presented in this Statement are prepared in accordance with the Australian Bureau of Statistics (ABS) accrual Government Finance Statistics (GFS) framework.

The statistical tables that are presented below include an operating statement, balance sheet and cash flow statement for the Commonwealth general government, public non-financial corporations (PNFC) and total non-financial public sectors. The 2002-03 Budget also includes a statement of other economic flows for the Commonwealth general government sector. This primarily outlines how 'other economic flows' (that is, those flows not accounted for in the GFS operating statement) impact on the net worth of the Commonwealth general government sector.

The Commonwealth, States and Territories have an agreed framework — the *Accrual Uniform Presentation Framework* (UPF) — for the presentation of government financial information on a basis consistent with the ABS Government Finance Statistics (GFS) publication. This Statement presents Commonwealth data on an ABS GFS basis, as required by the UPF. An exception to this is the treatment of provisions for bad and doubtful debts. The draft ABS GFS publication (*Australian System of Government Finance Statistics: Concepts, Sources and Methods* Cat. No. 5514.0) requires that provisions for bad and doubtful debts be excluded from the balance sheet. This treatment has not been adopted because excluding such provisions would overstate the value of Commonwealth assets and net worth in the balance sheet (and would therefore be inconsistent with the market valuation principle).

The clear policy intent of the *Intergovernmental Agreement on Commonwealth-State Financial Arrangements* is that GST is collected by the Commonwealth, as an agent for the States and Territories, and appropriated to the States. As such, it is not shown as Commonwealth revenue in other statements in this document. However, the tables in this Statement are presented on an accrual UPF reporting basis, and show GST as taxation revenue in and payments to the States as grant expenses out.

As a result of the two different treatments of GST related transactions, the fiscal balance, net operating balance and net worth estimates in this Statement are higher than those reported elsewhere in this document. This represents GST revenue accrued but not yet received, and therefore not yet paid or payable to the States (as GST obligations to the States are on a cash basis). However, under the State tax treatment applied elsewhere in this document, GST revenue accrued is offset by an equivalent amount payable to the States (increasing expenses and liabilities relative to the

estimates in this Statement).<sup>1</sup> This accounting difference is an accrual issue only: the underlying cash balance is not affected and provides identical results under both treatments of GST revenue.

Consistent with ABS practice, transactions between the Commonwealth general government and PNFC sectors are included in the tables produced for these sectors, but are removed from the total non-financial sector tables as they are transactions internal to that sector.

Budget Statement 10 provides an explanation of the key GFS aggregates and reconciles them with their Australian Accounting Standard No. 31 (AAS31) counterparts.

---

1 Table 2 in Budget Statement 10 assists in showing the difference in the net operating and fiscal balances resulting from the two treatments as it can be seen that the change in expenses when moving between the two GFS presentations of the estimates is greater than the change in revenue.

## GOVERNMENT FINANCE STATISTICS STATEMENTS

**Table 1: Commonwealth general government sector operating statement**

	2001-02	2002-03	2003-04	2004-05	2005-06
	\$m	\$m	\$m	\$m	\$m
<b>GFS revenue</b>					
Taxation revenue	178,386	188,163	199,906	211,128	222,592
Current grants and subsidies	0	0	0	0	0
Sales of goods and services(a)	3,908	4,018	4,125	4,232	4,312
Interest income	1,223	1,190	1,386	2,012	2,778
Dividend income	4,760	3,595	3,006	2,624	2,113
Other(a)	2,515	2,371	2,442	2,483	2,516
<b>Total GFS revenue</b>	<b>190,791</b>	<b>199,336</b>	<b>210,865</b>	<b>222,480</b>	<b>234,311</b>
<b>GFS expenses</b>					
Gross operating expenses					
Depreciation	1,759	1,788	1,859	1,871	1,997
Superannuation	1,789	1,799	1,856	1,910	1,912
Salaries and wages	10,262	10,908	11,222	11,642	11,892
Payment for supply of goods and services	34,986	37,046	39,207	40,914	42,573
Other operating expenses	1,498	1,426	1,357	1,348	1,339
Total gross operating expenses	50,294	52,967	55,500	57,684	59,714
Nominal superannuation interest expense	5,239	4,945	5,104	5,054	5,299
Other interest expenses	5,266	4,940	4,371	3,951	3,408
Other property expenses	0	0	0	0	0
Current transfers					
Grant expenses	61,884	63,209	65,810	68,345	71,844
Subsidy expenses	4,524	4,706	4,819	4,964	4,713
Personal benefit payments in cash	63,359	65,842	70,321	74,714	78,963
Other current transfers	0	0	0	0	0
Total current transfers	129,767	133,757	140,950	148,023	155,520
Capital transfers	3,640	3,003	2,803	3,107	2,905
<b>Total GFS expenses</b>	<b>194,206</b>	<b>199,612</b>	<b>208,728</b>	<b>217,819</b>	<b>226,845</b>
<b>Net operating balance(b)</b>	<b>-3,415</b>	<b>-275</b>	<b>2,137</b>	<b>4,660</b>	<b>7,466</b>
<b>Net acquisition of non-financial assets</b>					
Gross fixed capital formation	1,532	1,234	1,540	1,499	1,708
less Depreciation	1,759	1,788	1,859	1,871	1,997
plus Change in inventories	-140	-54	-93	-99	-86
plus Other movements in non-financial assets	-182	-118	-221	-66	5
<b>Total net acquisition of non-financial assets</b>	<b>-550</b>	<b>-725</b>	<b>-634</b>	<b>-537</b>	<b>-370</b>
<b>Net lending/fiscal balance(b)(c)</b>	<b>-2,865</b>	<b>450</b>	<b>2,771</b>	<b>5,197</b>	<b>7,836</b>

(a) Since MYEFO, GST administration costs paid by the States and small agency revenue from the sale of goods and services has been reclassified from 'Other' to 'Sales of goods and services'.

(b) The fiscal balance and net operating balance estimates in this table are higher than those presented elsewhere in the Budget, as explained on page 11-3.

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

**Table 2: Commonwealth general government sector balance sheet**

	2001-02	2002-03	2003-04	2004-05	2005-06
	\$m	\$m	\$m	\$m	\$m
<b>GFS assets</b>					
Financial assets					
Cash and deposits	1,780	1,135	563	494	266
Advances paid	19,945	19,781	20,172	21,385	21,748
Investments, loans and placements	17,075	10,241	10,449	10,550	10,644
Other non-equity assets	15,741	12,946	13,552	14,210	14,814
Equity	51,427	51,569	39,193	26,816	14,440
Total financial assets	105,967	95,673	83,928	73,455	61,913
Non-financial assets					
Land	3,568	3,357	3,213	3,085	3,092
Buildings	12,852	12,557	12,670	12,571	12,549
Plant, equipment and infrastructure	10,955	11,029	10,903	10,814	10,601
Inventories	3,350	3,297	3,204	3,104	3,018
Other non-financial assets	2,868	2,804	2,768	2,795	2,832
Total non-financial assets	33,593	33,044	32,758	32,369	32,092
<b>Total GFS assets</b>	<b>139,561</b>	<b>128,717</b>	<b>116,686</b>	<b>105,824</b>	<b>94,005</b>
<b>GFS liabilities</b>					
Deposits held	293	293	293	293	293
Advances received	0	0	0	0	0
Government securities	64,045	52,658	38,106	22,339	2,766
Loans	13,037	12,503	11,614	11,453	10,666
Other borrowing	268	177	136	102	77
Superannuation liability	81,967	84,087	85,923	87,538	89,275
Other employee entitlements and provisions	6,542	6,710	6,866	6,965	7,095
Other non-equity liabilities	15,695	15,516	15,675	15,486	15,922
<b>Total GFS liabilities</b>	<b>181,848</b>	<b>171,944</b>	<b>158,613</b>	<b>144,177</b>	<b>126,094</b>
<b>Net worth(a)(b)</b>	<b>-42,288</b>	<b>-43,228</b>	<b>-41,927</b>	<b>-38,353</b>	<b>-32,089</b>
Net financial worth(c)	-75,881	-76,272	-74,685	-70,723	-64,181
Net debt(d)	38,845	34,474	18,964	1,759	-18,857

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

(b) The net worth estimates in this table are higher than those presented elsewhere in the Budget, as explained on page 11-3.

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

(d) Net debt equals the sum of deposits held, advances received, government securities, loans and other borrowings, minus the sum of cash and deposits, advances paid, and investments, loans and placements.

**Table 3: Commonwealth general government sector cash flow statement<sup>(a)</sup>**

	2001-02	2002-03	2003-04	2004-05	2005-06
	\$m	\$m	\$m	\$m	\$m
<b>Cash receipts from operating activities</b>					
Taxes received	176,269	187,109	198,403	209,610	221,163
Receipts from sales of goods and services(b)(c)	3,785	4,004	4,111	4,206	4,290
Grants/subsidies received	0	0	0	0	0
Interest receipts	992	1,045	1,187	1,838	2,597
Dividends	4,760	3,595	3,006	2,624	2,113
GST input credit receipts(b)	0	0	0	0	0
Other receipts(c)	2,335	2,106	2,170	2,202	2,235
<b>Total receipts</b>	<b>188,141</b>	<b>197,860</b>	<b>208,876</b>	<b>220,480</b>	<b>232,397</b>
<b>Cash payments for operating activities</b>					
Payments for goods and services(b)	-35,260	-37,023	-39,146	-40,801	-42,358
Grants and subsidies paid	-68,579	-70,271	-72,490	-75,910	-78,527
Interest paid	-5,204	-4,794	-4,446	-4,117	-5,185
Personal benefit payments	-63,086	-65,779	-70,246	-75,339	-78,921
Salaries, wages and other entitlements	-14,670	-15,432	-16,254	-16,956	-17,311
GST payments to taxation authority(b)	0	0	0	0	0
Other payments for operating activities	-1,187	-1,367	-1,310	-1,283	-1,249
<b>Total payments</b>	<b>-187,985</b>	<b>-194,665</b>	<b>-203,893</b>	<b>-214,406</b>	<b>-223,552</b>
<b>Net cash flows from operating activities</b>	<b>156</b>	<b>3,195</b>	<b>4,984</b>	<b>6,074</b>	<b>8,846</b>
<b>Cash flows from investments in non-financial assets</b>					
Sales of non-financial assets	853	1,353	864	642	278
Purchases of new and secondhand non-financial assets	-2,284	-2,504	-2,185	-2,076	-1,991
<b>Net cash flows from investments in non-financial assets</b>	<b>-1,431</b>	<b>-1,151</b>	<b>-1,322</b>	<b>-1,434</b>	<b>-1,713</b>
<b>Net cash flows from investments in financial assets for policy purposes</b>	<b>-626</b>	<b>2,520</b>	<b>10,829</b>	<b>10,733</b>	<b>10,956</b>
<b>Cash flows from investments in financial assets for liquidity purposes</b>					
Increase in investments	6,311	6,556	-386	-279	-274
<b>Net cash flows from investments in financial assets for liquidity purposes</b>	<b>6,311</b>	<b>6,556</b>	<b>-386</b>	<b>-279</b>	<b>-274</b>
<b>Cash flows from financing activities</b>					
Advances received (net)	0	0	0	0	0
Borrowing (net)	-3,440	-11,407	-14,600	-15,769	-19,573
Deposits received (net)	0	0	0	0	0
Other financing (net)	-303	-359	-77	607	1,531
<b>Net cash flows from financing activities</b>	<b>-3,743</b>	<b>-11,766</b>	<b>-14,678</b>	<b>-15,162</b>	<b>-18,042</b>
<b>Net increase/decrease in cash held</b>	<b>666</b>	<b>-645</b>	<b>-572</b>	<b>-69</b>	<b>-228</b>
<b>Net cash from operating activities and investments in non-financial assets</b>	<b>-1,276</b>	<b>2,044</b>	<b>3,662</b>	<b>4,640</b>	<b>7,133</b>
Finance leases & similar arrangements(d)	83	50	3	0	-1
<b>Equals surplus(+)/deficit(-)</b>	<b>-1,193</b>	<b>2,094</b>	<b>3,665</b>	<b>4,641</b>	<b>7,132</b>

(a) A positive number denotes a cash inflow; a negative sign denotes a cash outflow.

(b) GST flows are excluded from these categories they are intra-sector transactions.

(c) Since MYEFO, GST administration costs paid by the States and small agency receipts from the sale of goods and services has been reclassified from 'Other receipts' to 'Receipts from the sale of goods and services'.

(d) The acquisition of assets under finance leases reduces the surplus/deficit. The disposal of assets previously held under finance leases improves the surplus/deficit.

**Table 4: Commonwealth general government sector statement of other economic flows (reconciliation of net worth)**

	2001-02	2002-03	2003-04	2004-05	2005-06
	\$m	\$m	\$m	\$m	\$m
<b>Opening net worth</b>	<b>-41,147</b>	<b>-42,288</b>	<b>-43,228</b>	<b>-41,927</b>	<b>-38,353</b>
<b>Change in net worth from operating transactions</b>	-3,415	-275	2,137	4,660	7,466
<b>Change in net worth from other economic flows</b>					
Net profit on sale of assets	2,416	9	10,092	9,943	9,873
Cost of asset sales included in net profit on sale of assets(a)	29	15	218	218	218
Revaluations of investments in commercial entities	2,584	106	-10,704	-10,704	-10,704
<i>Total revaluation and profit on asset sales(b)</i>	<i>5,029</i>	<i>129</i>	<i>-394</i>	<i>-543</i>	<i>-613</i>
Net foreign exchange gains	646	-98	0	0	0
Net writedowns of assets (including bad and doubtful debts)	-4,115	-1,171	-1,076	-1,099	-1,092
Revaluation of superannuation liability	-652	0	0	0	0
Net swap interest received	673	502	409	361	291
Reversal of previous year's grant recognition(c)	334	0	0	0	0
Revaluation of defence weapon platforms including writedowns	425	111	134	166	186
Other economic revaluations(d)	-65	-138	90	28	26
<b>Total other economic flows</b>	<b>2,275</b>	<b>-665</b>	<b>-836</b>	<b>-1,086</b>	<b>-1,202</b>
<b>Closing net worth</b>	<b>-42,288</b>	<b>-43,228</b>	<b>-41,927</b>	<b>-38,353</b>	<b>-32,089</b>

(a) This component of profit on the sale of assets impacts on net worth as an operating transaction (rather than an other economic flow) and is therefore added back to the net profit on sales of assets.

(b) Revaluations and profit on sale of assets are derived from Australian Accounting Standards (AAS) data. The downward revaluation of investments in commercial entities in 2003-04, 2004-05 and 2005-06 reflects the difference between the GFS valuation of commercial entities at market value and the AAS valuation at historic cost. The net profit on sale of assets primarily represents the amount by which the projected sales proceeds exceed the AAS valuation. Thus, the sum of revaluations and cost of asset sales better reflects the impact of these transactions as other economic flows under the GFS accounting framework than each of the individual components.

(c) Total grants to be paid over a multi-year health programme were previously recognised as an expense and liability in the year that the programme began. This treatment has been reversed and the grants will now be recognised as expenses in the year they are paid, leading to the removal of the previous liability, consistent with external reporting standards.

(d) Includes assets recognised for the first time, net repurchase premia and other revaluations not recorded elsewhere.

**Table 5: Commonwealth public non-financial corporations operating statement**

	2001-02 \$m	2002-03 \$m
<b>GFS revenue</b>		
Current grants and subsidies	201	201
Sales of goods and services	26,601	26,609
Interest income	184	152
Other	6	2
<b>Total GFS revenue</b>	<b>26,991</b>	<b>26,964</b>
<b>GFS expenses</b>		
Gross operating expenses		
Depreciation	3,626	3,736
Other operating expenses	14,220	14,019
Total gross operating expenses	17,847	17,755
Interest expenses	1,194	964
Other property expenses	1,889	1,586
Current transfers		
Tax expenses	1,964	2,063
Other current transfers	0	0
Total current transfers	1,964	2,063
Capital transfers	0	0
<b>Total GFS expenses</b>	<b>22,893</b>	<b>22,367</b>
<b>Net operating balance</b>	<b>4,098</b>	<b>4,596</b>
<b>Net acquisition of non-financial assets</b>		
Gross fixed capital formation	4,048	4,512
<i>less</i> Depreciation	3,626	3,736
<i>plus</i> Change in inventories	-6	8
<i>equals</i> Total net capital formation	416	784
<i>plus</i> Other movements in non-financial assets	61	212
<b>Total net acquisition of non-financial assets</b>	<b>477</b>	<b>996</b>
<b>Net lending/fiscal balance(a)</b>	<b>3,621</b>	<b>3,601</b>

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

**Table 6: Commonwealth public non-financial corporations balance sheet**

	2001-02	2002-03
	\$m	\$m
<b>GFS assets</b>		
Financial assets		
Cash and deposits	2,076	1,897
Advances paid	0	0
Investments, loans and placements	3,187	3,454
Other non-equity assets	3,594	3,546
Equity	0	0
Total financial assets	8,858	8,897
Non-financial assets		
Land and fixed assets	30,652	31,776
Other non-financial assets	2,761	2,942
Total non-financial assets	33,412	34,719
<b>Total GFS assets</b>	<b>42,270</b>	<b>43,616</b>
<b>GFS liabilities</b>		
Deposits held	0	0
Advances received	55	70
Borrowing	13,587	12,838
Provisions (other than depreciation and bad and doubtful debts)	6,555	6,893
Other non-equity liabilities	5,308	5,297
<b>Total GFS liabilities</b>	<b>25,505</b>	<b>25,098</b>
<b>Shares and other contributed capital</b>	<b>75,774</b>	<b>75,774</b>
<b>Net worth(a)</b>	<b>-59,009</b>	<b>-57,256</b>
Net financial worth(b)	-92,421	-91,974
Net debt(c)	8,378	7,557

- (a) Net worth is calculated as total assets minus total liabilities minus shares and other contributed capital. The negative net worth recorded for this sector reflects a higher valuation of listed Commonwealth corporations by the sharemarket than the value of net assets recorded by these corporations.
- (b) Net financial worth equals total financial assets minus total liabilities minus shares and other contributed capital.
- (c) Net debt equals the sum of deposits held, advances received and borrowing, minus the sum of cash and deposits, advances paid, and investments, loans and placements.

**Table 7: Commonwealth public non-financial corporations cash flow statement<sup>(a)</sup>**

	2001-02 \$m	2002-03 \$m
<b>Cash receipts from operating activities</b>		
Receipts from sales of goods and services	28,495	29,073
Grants and subsidies received	201	201
GST input credit receipts	0	0
Other receipts	192	166
<b>Total receipts</b>	<b>28,888</b>	<b>29,440</b>
<b>Cash payments for operating activities</b>		
Payment for goods and services	-16,723	-16,224
Interest paid	-1,194	-964
GST payments to taxation authority	-1,154	-1,165
Other payments for operating activities(b)	-3,209	-3,195
<b>Total payments</b>	<b>-22,279</b>	<b>-21,548</b>
<b>Net cash flows from operating activities</b>	<b>6,609</b>	<b>7,893</b>
<b>Cash flows from investments in non-financial assets</b>		
Sales of non-financial assets	226	135
Purchases of new and secondhand non-financial assets	-4,274	-4,647
<b>Net cash flows from investments in non-financial assets</b>	<b>-4,047</b>	<b>-4,512</b>
<b>Cash flows from investments in financial assets for policy purposes</b>		
Net advances paid	0	0
Net equity acquisitions, disposals and privatisations	0	0
<b>Net cash flows from investments in financial assets for policy purposes</b>	<b>0</b>	<b>0</b>
<b>Cash flows from investments in financial assets for liquidity purposes</b>		
Increase in investments	-18	-97
<b>Net cash flows from investments in financial assets for liquidity purposes</b>	<b>-18</b>	<b>-97</b>
<b>Cash flows from financing activities</b>		
Advances received (net)	-70	-55
Borrowing (net)	-487	-1,143
Deposits received (net)	0	0
Distributions paid (net)(c)	-1,413	-1,413
Other financing (net)	-441	-147
<b>Net cash flows from financing activities</b>	<b>-2,411</b>	<b>-2,758</b>
<b>Net increase/decrease in cash held</b>	<b>133</b>	<b>527</b>
<b>Net cash from operations and investments in non-financial assets</b>	<b>2,562</b>	<b>3,381</b>
<i>plus</i> Finance leases and similar arrangements(d)	0	0
<i>plus</i> Distributions paid	-1,413	-1,413
<b>Equals surplus(+)/deficit(-)</b>	<b>1,148</b>	<b>1,968</b>

(a) A positive number denotes a cash inflow; a negative sign denotes a cash outflow.

(b) 'Other payments for operating activities' includes the cash flow to the general government sector from PNFC distributions paid.

(c) 'Distributions paid' comprise PNFC dividends to external shareholders.

(d) The acquisition of assets under finance leases reduces the surplus/deficit. The disposal of assets previously held under finance leases improves the surplus/deficit.

**Table 8: Commonwealth total non-financial public sector operating statement**

	2001-02 \$m	2002-03 \$m
<b>GFS revenue</b>		
Taxation revenue	176,422	186,100
Current grants and subsidies	0	0
Sales of goods and services	30,509	30,626
Interest income	1,357	1,292
Dividend income	2,917	2,015
Other	2,521	2,373
<b>Total GFS revenue</b>	<b>213,726</b>	<b>222,407</b>
<b>GFS expenses</b>		
Gross operating expenses		
Depreciation	5,386	5,523
Superannuation	1,791	1,801
Salaries and wages	10,262	10,908
Payment for supply of goods and services	34,986	37,046
Other operating expenses	14,298	14,024
Total gross operating expenses	66,723	69,303
Nominal superannuation interest expense	5,239	4,945
Other interest expenses	6,410	5,854
Other property expenses	1,464	1,424
Current transfers		
Grant expenses	61,884	63,209
Subsidy expenses	4,323	4,505
Personal benefit payments in cash	63,359	65,842
Other current transfers	0	0
Total current transfers	129,567	133,556
Capital transfers	3,640	3,003
<b>Total GFS expenses</b>	<b>213,043</b>	<b>218,085</b>
<b>Net operating balance(a)</b>	<b>683</b>	<b>4,321</b>
<b>Net acquisition of non-financial assets</b>		
Gross fixed capital formation	5,579	5,746
<i>less</i> Depreciation	5,386	5,523
<i>plus</i> Change in inventories	-146	-46
<i>plus</i> Other movements in non-financial assets	-120	94
<b>Total increase in net non-financial assets</b>	<b>-73</b>	<b>271</b>
<b>Net lending/fiscal balance(a)(b)</b>	<b>756</b>	<b>4,051</b>

(a) The fiscal balance and net operating balance estimates in this table are higher than those presented elsewhere in the Budget, as explained on page 11-3.

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

**Table 9: Commonwealth total non-financial public sector balance sheet**

	2001-02 \$m	2002-03 \$m
<b>GFS assets</b>		
Financial assets		
Cash and deposits	3,856	3,032
Advances paid	20,015	19,836
Investments, loans and placements	20,262	13,695
Other non-equity assets	19,335	16,493
Equity	12,571	12,607
Total financial assets	76,039	65,663
Non-financial assets		
Land and fixed assets	61,377	62,015
Other non-financial assets	5,629	5,747
Total non-financial assets	67,006	67,762
<b>Total GFS assets</b>	<b>143,044</b>	<b>133,426</b>
<b>GFS liabilities</b>		
Deposits held	293	293
Advances received	125	125
Government securities	64,045	52,658
Loans	13,037	12,503
Other borrowing	13,855	13,015
Superannuation liability	81,967	84,087
Other employee entitlements and provisions	13,097	13,603
Other non-equity liabilities	21,003	20,813
<b>Total GFS liabilities</b>	<b>207,423</b>	<b>197,097</b>
<b>Shares and other contributed capital</b>	<b>36,918</b>	<b>36,812</b>
<b>Net worth(a)(b)</b>	<b>-101,297</b>	<b>-100,483</b>
Net financial worth(c)	-168,302	-168,246
Net debt(d)	47,223	42,031

- (a) Net worth is calculated as total assets minus total liabilities minus shares and other contributed capital.
- (b) The net worth estimates in this table are higher than those presented elsewhere in the Budget, as explained on page 11-3.
- (c) Net financial worth equals total financial assets minus total liabilities minus shares and other contributed capital.
- (d) Net debt equals the sum of deposits held, advances received, government securities, loans and other borrowings, minus the sum of cash and deposits, advances paid, and investments, loans and placements.

**Table 10: Commonwealth total non-financial public sector cash flow statement<sup>(a)</sup>**

	2001-02 \$m	2002-03 \$m
<b>Cash receipts from operating activities</b>		
Taxes received	174,306	185,047
Receipts from sales of goods and services(b)	30,082	30,868
Grants and subsidies received	0	0
Interest receipts	992	1,045
Dividends	2,917	2,015
GST input credit receipts(b)	0	0
Other receipts	2,477	2,223
<b>Total receipts</b>	<b>210,774</b>	<b>221,198</b>
<b>Cash payments for operating activities</b>		
Payments for goods and services(b)	-50,938	-52,202
Grants and subsidies paid	-68,378	-70,070
Interest paid	-6,348	-5,707
Personal benefit payments	-63,086	-65,779
Salaries, wages and other entitlements	-14,670	-15,432
GST payments to taxation authority(b)	0	0
Other payments for operating activities	-590	-919
<b>Total payments</b>	<b>-204,009</b>	<b>-210,109</b>
<b>Net cash flows from operating activities</b>	<b>6,764</b>	<b>11,088</b>
<b>Cash flows from investments in non-financial assets</b>		
Sales of non-financial assets	1,079	1,488
Purchases of new and secondhand non-financial assets	-6,558	-7,150
<b>Net cash flows from investments in non-financial assets</b>	<b>-5,479</b>	<b>-5,663</b>
<b>Net cash flows from investments in financial assets for policy purposes</b>	<b>-696</b>	<b>2,465</b>
<b>Cash flows from investments in financial assets for liquidity purposes</b>		
Increase in investments	6,293	6,460
<b>Net cash flows from investments in financial assets for liquidity purposes</b>	<b>6,293</b>	<b>6,460</b>
<b>Cash flows from financing activities</b>		
Advances received (net)	0	0
Borrowing (net)	-3,928	-12,550
Deposits received (net)	0	0
Distributions paid (net)(c)	-1,413	-1,413
Other financing (net)	-743	-506
<b>Net cash flows from financing activities</b>	<b>-6,084</b>	<b>-14,469</b>
<b>Net increase/decrease in cash held</b>	<b>799</b>	<b>-118</b>
<b>Net cash from operating activities and investments in non-financial assets</b>	<b>1,286</b>	<b>5,426</b>
plus Finance leases and similar arrangements(d)	83	50
plus Distributions paid	-1,413	-1,413
<b>Equals surplus(+)/deficit(-)</b>	<b>-45</b>	<b>4,063</b>

(a) A positive number denotes a cash inflow; a negative sign denotes a cash outflow.

(b) GST flows are excluded from these categories they are intra-sector transactions.

(c) 'Distributions paid' comprise PNFC dividends to external shareholders.

(d) The acquisition of assets under finance leases reduces the surplus/deficit. The disposal of assets previously held under finance leases improves the surplus/deficit.

**Table 11: Commonwealth general government sector taxation revenue by source**

	2001-02 \$m	2002-03 \$m
Taxes on income, profits and capital gains		
Income and capital gains levied on individuals	87,315	93,031
Income and capital gains levied on enterprises	33,120	34,580
Income taxes levied on non-residents	0	0
<b>Total</b>	<b>120,435</b>	<b>127,611</b>
Taxes on employers' payroll and labour force	3,760	3,770
Taxes on property	12	13
Taxes on the provision of goods and services		
Sales/goods and services tax	28,390	30,560
Excises and levies	20,117	20,376
Taxes on international trade	5,004	5,094
Other	0	0
<b>Total</b>	<b>53,511</b>	<b>56,029</b>
Taxes on use of goods and performance of activities	667	739
<b>Total GFS taxation revenue</b>	<b>178,386</b>	<b>188,163</b>

The UPF also requires the publication of data on general government sector expenses by function. The data are not shown in this Statement, as they have been published in Budget Statement 6. However, the data in Statement 6 treat the GST as a State tax, and hence exclude GST payments to the States.