

**CONSOLIDATED FINANCIAL STATEMENTS,
INCLUDING THE AUSTRALIAN
GOVERNMENT AND GENERAL
GOVERNMENT SECTOR FINANCIAL
REPORTS**



Auditor-General for Australia



INDEPENDENT AUDITOR'S REPORT

To the Minister for Finance Opinion

In my opinion, the Consolidated Financial Statements which include the Australian Government and the General Government Sector (GGS) Financial Statements for the year ended 30 June 2023:

- (a) comply with Australian Accounting Standards; and
- (b) present fairly the Australian Government and General Government Sectors' financial position as at 30 June 2023 and their financial performance and cash flows for the year then ended.

The Consolidated Financial Statements, which I have audited, comprise the following as at 30 June 2023 and for the year then ended:

- Statement of Compliance;
- Australian Government operating statement and Australian Government operating statement by sector – including General Government Sector Financial Report;
- Australian Government balance sheet and Australian Government balance sheet by sector – including General Government Sector Financial Report;
- Australian Government cash flow statement and Australian Government cash flow statement by sector – including General Government Sector Financial Report;
- Australian Government statement of changes in equity (net worth) and Australian Government statement of changes in equity (net worth) by sector; and
- Notes to the financial statements, comprising a summary of significant accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Australian Government and General Government Sector in accordance with the relevant ethical requirements for financial statement audits conducted by me. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of my audit of the Consolidated Financial Statements as a whole and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key audit matter**Accuracy of taxation revenue**

Refer to Note 2A: 'Taxation revenue'

Taxation revenue is significant to the Australian Government operating statement. The Australian Government recorded taxation revenue of \$617.4 billion for the year ended 30 June 2023 (GGS: \$618.3 billion). The most significant components of taxation revenue relate to income taxation from individuals, companies and superannuation funds collected by the Australian Taxation Office.

I focused on the accuracy of taxation revenue, given the value of the transactions and the complexity and judgement involved in the estimation processes and calculations.

The reliable estimation of taxation revenue is complex due to uncertain timing of tax return assessments, payments and forecasting of likely taxation revenue outcomes. The Australian Government applies significant judgement when selecting the appropriate base for revenue recognition.

In respect of the completeness, relevance and accuracy of data used in developing taxation revenue estimates, I identified internal control weaknesses relating to controls over change management for key information technology systems. These internal control weaknesses increased the risk that the data analysed as part of the estimation process was not complete, relevant and accurate.

How the audit addressed the matter

To audit the accuracy of taxation revenue, I assessed the:

- appropriateness of the base for revenue recognition with reference to the accuracy of prior year results and historical trends;
- design, implementation and operating effectiveness of the taxation estimation process controls and the associated validation procedures together with the completeness, relevance and accuracy of data used in developing taxation revenue estimates;
- evaluated the impact of the identified internal control weaknesses relating to controls over change management by independently assessing the completeness, relevance and accuracy of data. This included reconciling report data to known sources, identifying reliable system logs and testing a sample of system logs to determine whether only valid changes were made;
- reasonableness of the interpretation and analysis of data used for material estimates and recalculated these estimates as at 30 June 2023; and
- adequacy of documentation to support the judgements made in relation to key estimates and allocations of revenue at year-end. This included an assessment of the quality assurance process over manual adjustments processed as at 30 June 2023.

Key audit matter**Accuracy and occurrence of personal benefits**

Personal benefits recorded by the Australian Government was \$142.8 billion (GGS: \$142.8 billion) for the year ended 30 June 2023.

I focused on the accuracy and occurrence of personal benefits which are dependent on the correct self-disclosure of personal circumstances by a large number of diverse recipients.

The accuracy of personal benefits is also reliant on a complex information technology system for the processing of a high volume of payments across numerous personal benefit types with varying conditions for determining payment amount.

How the audit addressed the matter

To audit the accuracy and occurrence of personal benefits, I:

- assessed the design, implementation and operating effectiveness of internal controls in place over the personal benefits payments, focusing on processes for monitoring compliance with requirements to disclose accurate personal information;
- assessed the information technology general controls, specifically access controls, to personal circumstances data and controls designed to prevent and detect unauthorised changes to the information technology environment; and
- recalculated a sample of personal benefits payments made to recipients, based on relevant legislation and personal circumstances data held by the Australian Government.

Key audit matter

Valuation of superannuation liability

Refer to Note 6F: 'Employee benefits' and Note 9C: 'Defined benefit superannuation plans'

The Australian Government recorded a \$313.1 billion superannuation liability at 30 June 2023 (GGS: \$313.1 billion). The balance of the superannuation liability has a significant impact on the Australian Government's net worth.

The Australian Government's superannuation liability represents retirement and death benefits for Commonwealth and Defence Force employees, based on past service.

I focused on the valuation of the Australian Government's superannuation due to the complexity of the process to measure the value of the liability. The measurement of the liability requires significant judgement and estimation in the selection of long-term assumptions, which include:

- salary growth rates and pension indexation rates;
- discount rates and other economic factors; and
- actuarial factors, including rates of mortality, redundancy, resignation, disability and retirement.

The valuation of the Australian Government's superannuation liability is highly sensitive to changes in these assumptions.

In addition, disclosures that support the users' understanding of the valuation of the superannuation liability are complex.

How the audit addressed the matter

To audit the valuation of the superannuation liability, I:

- assessed the design, implementation and operating effectiveness of internal controls over the management of defined benefit schemes including management of members' data applied in the valuation model;
- tested the accuracy and completeness of the data used to calculate superannuation liability, including assessing the quality assurance and reconciliation processes used by the Australian Government to provide data to its actuary;
- evaluated the appropriateness of the methodology and reasonableness of the key assumptions applied in estimating the superannuation provision by:
 - comparing economic assumptions to realistic long-term expectations over the term of the schemes' liabilities, based on the Government's economic forecasts;
 - assessing the detailed analysis undertaken by the Australian Government's actuary for consistency with historical data on the membership experience with regards to:
 - rates of mortality, redundancy, resignation, disability and retirement;
 - the proportion of members who will select each form of payment option available under the plan terms; and
 - promotional salary increases;
- assessed the reasonableness of the results of the valuation including the explanations for the changes in the valuation; and
- evaluated the appropriateness of the disclosures of key assumptions applied and of the uncertainties that impact the key assumptions, including the sensitivity analysis in Note 9C to the Consolidated Financial Statements.

Key audit matter

Valuation of collective investment vehicles held at fair value through profit or loss

Refer to Note 5B: 'Investments, loans and placements' and Note 9B: 'Financial instruments'

The Australian Government reported \$114.8 billion of collective investment vehicles at 30 June 2023 (GGS: \$114.8 billion). The balance of collective

How the audit addressed the matter

To audit the valuation of all collective investment vehicles, I:

- inspected the custodian's independent auditor's assurance report in respect of the design, implementation and operating effectiveness of relevant controls over the valuation of investments by the custodian;

investment vehicles mainly includes investments

- assessed the qualifications, competence and

made on behalf of the Australian Government by the Future Fund, the DisabilityCare Australia Fund and the Medical Research Future Fund.

Collective investment vehicles comprise holdings of a diverse range of asset categories including private equity funds, hedge funds, debt funds, infrastructure funds, property funds and timberland assets. Valuation techniques vary depending on the particular asset category and holding. All investments are held in custody by the Australian Government's appointed custodians.

I focused on the valuation of collective investment vehicles due to the size of the investments and the inherent subjectivity, significant judgements and estimates required where market data is not available to determine the fair value of these investments.

In addition, disclosures that support the users' understanding of the valuation of collective investment vehicles are complex.

objectivity of the custodian's independent auditor; and

- tested the design, implementation and operating effectiveness of a selection of the controls established by the Australian Government to assess the valuation of collective investment vehicles whether they be performed by the custodian, the collective investment vehicle manager, a valuation expert or the Australian Government.

I assessed, on a sample basis, the valuation of indirectly held single infrastructure and timberland investments as at 30 June 2023. To do so I:

- evaluated the qualifications, competence and objectivity of the valuation expert used by the Australian Government; and
- tested the valuation models used including the reasonableness of key assumptions regarding growth rates, discount rates and multiples applied to earnings within the models by performing a cross-check between the Australian Government's valuation and the valuation applied by comparable companies, including considering the underlying assumptions.

To assess the valuation of all other collective investment vehicles as at 30 June 2023, on a sample basis, I:

- agreed the fair value to capital account statements received from the underlying investment manager;
- obtained audited financial statements of each underlying collective investment vehicle as at 30 June 2023, where available, and agreed the audited net asset value to the capital account statement;
- performed an assessment of the audited financial statements of the collective investment vehicles which included;
 - considering the regulatory framework under which the financial statements were prepared and the accounting policies adopted; and
 - evaluating the qualifications, competence and objectivity of the audit firm performing the audit and the opinion provided;
- where 30 June 2023 audited financial statements were unavailable, investigated significant movements from the date of the most recent audited financial statements, obtained

any additional information to support these

	movements; and
	<ul style="list-style-type: none"> assessed the accuracy and completeness of the related disclosures in Note 5B and Note 9B to the Consolidated Financial Statements to support the user's understanding of collective investment vehicles.

Key audit matter

Valuation of specialist military equipment and other plant, equipment and infrastructure assets

Refer to Note 5D 'Land and buildings, plant, equipment and infrastructure, heritage and cultural assets and intangibles'

The Australian Government reported a balance of non-financial assets of \$282.6 billion as at 30 June 2023 (GGs: \$210.9 billion). The balance includes:

- specialist military equipment \$84.6 billion (GGs: \$84.6 billion); and
- other plant, equipment and infrastructure assets of \$78.8 billion (GGs: \$20.0 billion). Other plant, equipment and infrastructure assets mainly comprises communications (postal and national broadband network), transport and electricity infrastructure.

I focused on the valuation of specialist military equipment and other plant, equipment and infrastructure assets due to the high degree of judgement applied by the Australian Government to measure these assets at fair value, including:

- the subjectivity in the valuation assessment due to the difficulty in obtaining the replacement costs of assets with a similar capability in the absence of an active market;
- the selection and application of appropriate indices applied in the valuation;
- the determination and assessment of appropriate useful lives;
- the identification of indicators of impairment; and
- in respect of specialist military equipment the complexity and high degree of judgement in the cost attribution model that allocates accumulated capitalised costs on large scale acquisition projects between individual platform assets, associated spares and inventory; in respect of the cost attribution model applied in the valuation of specialist military equipment, prior year weaknesses identified in the internal controls for the Asset Valuation Model that

How the audit addressed the matter

To address the key audit matter, I:

- assessed whether the selection of the method for determining fair value was appropriate for each asset class and whether the key assumptions used in the valuation methodology were reasonable;
- assessed the competence, capability and objectivity of the valuation subject matter experts where the Australian Government sought advice in determining the appropriate fair value of assets at 30 June 2023;
- tested the completeness and accuracy of data applied in the assessment of fair value of specialist military equipment and other plant, equipment and infrastructure assets at 30 June 2023;
- assessed whether the useful lives applied (for the calculation of depreciation) were consistent with other available information including expected withdrawal dates for specialist military equipment and operational information and industry benchmarking for other plant, equipment and infrastructure assets; and
- performed the following procedures particularly in respect of specialist military equipment:
 - assessed whether the assumptions and judgements used to determine the impairment of specialist military equipment were consistent with other available information including changes to planned capability and unscheduled repairs and maintenance;
 - evaluated the sufficiency and appropriateness of the disclosure of the valuation process and balances reported in the financial statements;
 - assessed the Australian Government's assurance process for impairment and inspected a sample of assets to test for indicators of impairment;
 - tested a sample of costs allocated to specialist military equipment assets under construction in the cost attribution model

allocate costs to assets under construction. The control weaknesses increase the risk that assets rolled out from assets under construction may be recorded at the incorrect value.

to assess the appropriateness of capitalisation in accordance with Australian Accounting Standards;

- for significant projects, reviewed the quality assurance processes performed by management on the cost attribution model and the approval of cost allocations related to specialist military equipment under construction;
- assessed the Australian Government's calculation of employee costs not capitalised for specialist military equipment assets under construction to determine whether that impact could result in a material misstatement; and
- in response to prior year control weaknesses, for a sample of projects, tested the quality assurance and compliance processes undertaken by management around the Asset Valuation Model that allocate costs to assets under construction.

Key audit matter

Valuation of Government Securities

Refer to Note 6B: 'Government securities' and Note 9B: 'Financial instruments'

Government Securities primarily comprise treasury bonds, treasury indexed bonds and treasury notes issued by the Australian Office of Financial Management to meet the Australian Government's financing needs.

The Australian Government recorded a liability of \$574.0 billion for Government Securities as at 30 June 2023 (GGS: \$825.5 billion).

I focused on the valuation of Government Securities due to:

- the significance of the value of Government Securities to the Australian Government's net worth; and
- the variety of methodologies used to determine the fair value of Government Securities. These include the use of assumptions relating to forward yield curves, the consumer price index and discount rates.

In addition, disclosures that support the users' understanding of the valuation of Government Securities are complex.

How the audit addressed the matter

To audit the valuation of Government Securities, I:

- tested the design, implementation and operating effectiveness of relevant controls related to the issuance of Government Securities;
- tested the design, implementation and operating effectiveness of relevant controls in relation to the ongoing assessment and recalculation of market valuations of securities; and
- assessed the valuation of Government Securities at 30 June 2023, using the following procedures:
 - agreed the face values and coupon rates of treasury bonds, treasury indexed bonds and treasury notes to independent third party reports;
 - assessed the reasonableness of the yield to maturity assumption on securities, relative to market interest rates and performed a recalculation of the fair value of Government Securities for issued treasury bonds, treasury indexed bonds and treasury notes; and
 - evaluated the appropriateness of the disclosures of sensitivities and risks related to Government Securities as disclosed in Note 6B and 9B to the Consolidated Financial Statements.

Other information

The Minister for Finance (the Minister) is responsible for the other information. The other information comprises the information included in the Preface and Commentary on the Consolidated Financial Statements for the year ended 30 June 2023 but does not include the Consolidated Financial Statements and my auditor's report thereon.

My opinion on the Consolidated Financial Statements does not cover the other information, and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the Consolidated Financial Statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Minister for Finance's responsibility for the Consolidated Financial Statements

The Minister is responsible under section 48 of the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of Consolidated Financial Statements that comply with Australian Accounting Standards and the rules made under the Act. The Minister is also responsible for such internal control as the Minister determines is necessary to enable the preparation of the Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, the Minister is responsible for assessing the ability of the Australian Government and the General Government Sector to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the Consolidated Financial Statements

My objective is to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Consolidated Financial Statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Australian Government's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Minister;
- conclude on the appropriateness of the Minister's use of the going concern basis of accounting applied in preparing the Consolidated Financial Statements, up to the date of my auditor's report, based on the audit evidence I have obtained;
- evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Australian Government to express an opinion on the Consolidated Financial Statements.

I am responsible for the direction, supervision and performance of the Australian Government and General Government sector audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Australian National Audit Office

A handwritten signature in black ink, appearing to read 'Grant Hehir'.

Grant Hehir Auditor-General

Canberra

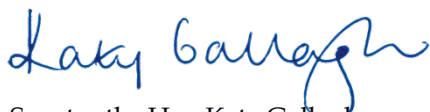
17 November 2023

STATEMENT OF COMPLIANCE

The annual Consolidated Financial Statements of the Australian Government are required by section 48 of the *Public Governance, Performance and Accountability Act 2013*.

In my opinion, the attached annual Consolidated Financial Statements of the Australian Government, which includes the whole of government and general government sector financial statements:

- (a) comply with Australian Accounting Standards and any other requirements prescribed by the rules; and
- (b) present fairly the Australian Government's consolidated financial position as at 30 June 2023 and its financial performance and cash flows for the year then ended.



Senator the Hon Katy Gallagher
Minister for Finance

15 November 2023

Australian Government operating statement
for the year ended 30 June 2023

	Note	2023 \$m	2022 \$m
Revenue from transactions			
Taxation revenue	2A	617,367	549,394
Sales of goods and services	2B	39,499	37,244
Interest income	2C	11,926	6,439
Dividend and distribution income	2C	5,230	8,846
Other	2D	15,899	14,755
Total revenue		689,921	616,678
Expenses from transactions			
<i>Gross operating expenses</i>			
Wages and salaries	3A	28,785	27,627
Superannuation	3A	9,808	12,872
Depreciation and amortisation	3B	17,250	16,360
Supply of goods and services	3C	180,809	173,096
Other operating expenses	3A	10,767	8,494
<i>Total gross operating expenses</i>		<i>247,419</i>	<i>238,449</i>
Superannuation interest expense	3A	12,336	8,974
Interest expense	3D	33,586	15,029
<i>Current transfers</i>			
Current grants	3E	190,846	184,534
Subsidy expenses		17,606	16,852
Personal benefits		142,770	154,452
<i>Total current transfers</i>		<i>351,222</i>	<i>355,838</i>
<i>Capital transfers</i>			
Mutually agreed write-downs	3E	2,714	2,884
Other capital grants	3E	17,695	16,056
<i>Total capital transfers</i>		<i>20,409</i>	<i>18,940</i>
Total expenses	3F	664,972	637,230
Net operating balance		24,949	(20,552)
Other economic flows - included in operating result			
Net write-down of assets (including bad and doubtful debts)	4A	(18,049)	(12,270)
Net gains/(losses) from the sale of assets	4B	(2,146)	(1,985)
Net foreign exchange gains/(losses)	4C	2,611	2,010
Net interest on derivatives gains/(losses)	4C	(1,676)	(409)
Net fair value gains/(losses)	4C	20,294	54,441
Net other gains/(losses)	4C	(12,236)	7,082
Operating result(a)		13,747	28,317

Other economic flows - other non-owner movements in equity			
<i>Items that will not be reclassified to operating result</i>			
Revaluation of non-financial assets	7	7,047	10,176
Actuarial revaluations of superannuation		16,429	95,210
Other economic revaluations		2	1,751
<i>Items that may be reclassified subsequently to operating result</i>			
Revaluation of equity investments	7	1,180	373
Comprehensive result - total change in net worth		38,405	135,827
Net operating balance		24,949	(20,552)
<i>less Net acquisition of non-financial assets</i>			
Purchases of non-financial assets		29,314	26,351
<i>less</i> Sales of non-financial assets		285	1,388
<i>less</i> Depreciation and amortisation		17,250	16,360
<i>plus</i> Change in inventories		2,951	2,392
<i>plus</i> Other movements in non-financial assets		(8)	(18)
Total net acquisition of non-financial assets		14,722	10,977
Fiscal balance (Net lending/(borrowing))		10,227	(31,529)

(a) Includes \$56 million attributable to minority interests (2022: \$101 million).
Certain comparatives have been restated. Refer to Note 1.6 for further details.

Australian Government balance sheet
as at 30 June 2023

	Note	2023 \$m	2022 \$m
Assets			
<i>Financial assets</i>			
Cash and deposits		7,464	8,698
Advances paid	5A	73,135	70,598
Other receivables and accrued revenue	5A	73,814	74,405
Investments, loans and placements	5B	569,265	558,191
Equity investments	5C	84,051	75,891
<i>Total financial assets</i>		<i>807,729</i>	<i>787,783</i>
<i>Non-financial assets(a)</i>			
Land	5D	16,818	15,113
Buildings	5D	53,831	50,742
Specialist military equipment	5D	84,627	81,255
Other plant, equipment and infrastructure	5D	78,806	70,918
Intangibles	5D	15,810	15,008
Investment property	5D	343	365
Inventories	5E	12,976	11,979
Heritage and cultural assets	5D	12,618	12,632
Other non-financial assets	5F	6,790	6,036
<i>Total non-financial assets</i>		<i>282,619</i>	<i>264,048</i>
Total assets	5G	1,090,348	1,051,831
Liabilities			
<i>Interest bearing liabilities</i>			
Deposits held	6A	412,584	426,128
Government securities	6B	573,980	575,625
Loans	6C	42,897	39,017
Leases	6D	32,913	31,783
Other interest bearing liabilities	6E	26,818	26,188
<i>Total interest bearing liabilities</i>		<i>1,089,192</i>	<i>1,098,741</i>
<i>Provisions and payables</i>			
Superannuation liability	6F	313,080	321,998
Other employee liabilities	6F	46,563	36,910
Supplier payables	6G	20,854	14,011
Personal benefits payable	6G	3,142	2,999
Subsidies payable	6G	561	908
Grants payable	6G	3,570	3,926

Australian currency on issue	6H	101,285	102,345
Other payables	6G	13,922	16,444
Other provisions	6H	68,403	62,263
<i>Total provisions and payables</i>		<i>571,380</i>	<i>561,804</i>
Total liabilities		1,660,572	1,660,545
Net worth			
Accumulated results		(668,095)	(698,304)
Reserves		97,099	88,960
Minority interests		772	630
Net worth		(570,224)	(608,714)

(a) Right-of-use assets are included in the following line items: Land, Buildings and Other plant, equipment and infrastructure.

Certain comparatives have been restated. Refer to Note 1.6 for further details.

Australian Government cash flow statement
for the year ended 30 June 2023

	Note	2023 \$m	2022 \$m
OPERATING ACTIVITIES			
Operating cash received			
Taxes received		601,053	536,053
Receipts from sales of goods and services		39,689	36,093
Interest receipts		8,724	3,927
Dividend and distribution receipts		5,049	8,621
Other receipts		16,360	15,435
Total cash received		670,875	600,129
Operating cash used			
Payments for employees		(44,362)	(42,236)
Payments for goods and services		(180,470)	(168,312)
Grants and subsidies paid		(226,819)	(217,850)
Interest paid		(22,247)	(12,175)
Interest payments on lease liabilities		(1,329)	(1,239)
Personal benefits paid		(143,652)	(156,276)
Other payments		(9,231)	(8,038)
Total cash used		(628,110)	(606,126)
Net cash flows from operating activities	8	42,765	(5,997)
INVESTING ACTIVITIES			
Investments in non-financial assets			
Sales of non-financial assets		368	561
Purchases of non-financial assets		(25,153)	(24,357)
Net investments in non-financial assets		(24,785)	(23,796)
Investments in financial assets for policy purposes			
Receipts from policy investments		9,276	8,378
Payments for policy investments		(13,153)	(13,893)
Net investments in financial assets for policy purposes		(3,877)	(5,515)
Investments in financial assets for liquidity purposes		(6,824)	(54,650)
Net cash from investing activities		(35,486)	(83,961)
FINANCING ACTIVITIES			
Net financing cash received			
Borrowings		14,814	21,009
Contributed equity		99	168
Other financing		17,985	110,881
Net cash received		32,898	132,058

Net financing cash used		
Distributions paid	(15)	(16)
Principal payments of lease liabilities	(3,189)	(2,947)
Other financing	(38,207)	(38,173)
Net cash used	(41,411)	(41,136)
Net cash flows from financing activities	(8,513)	90,922
Net increase/(decrease) in cash held	(1,234)	964
Cash at beginning of year	8,698	7,734
Cash at end of year	7,464	8,698
Key fiscal aggregate		
Net cash flows from operating activities	42,765	(5,997)
Net cash flows from investments in non-financial assets	(24,785)	(23,796)
Cash surplus/(deficit)	17,980	(29,793)

Certain comparatives have been restated. Refer to Note 1.6 for further details.

Australian Government statement of changes in equity (net worth) for the year ended 30 June 2023

Reserves

Item funds reserves	Accumulated	Asse t revalu ation	Forei gn curre ncy translation Total	Investments Contributed	Statutory		Other		
					results reserves	reserve equity	reserve worth	reserve	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Australian Government									
Adjusted opening balance as at 1 July 2021	(830,961)	60,915	78	13,756	9,761	1,495	86,005	263	(744,693)
Contribution/(distribution) of equity	-	-	-	-	-	-	-	168	168
Dividends provided for or paid	(16)	-	-	-	-	-	-	-	(16)
Comprehensive result - change in net worth	123,032	10,959	(20)	(417)	-	2,273	12,795	-	135,827
Transfers to/(from)/between reserves	9,839	(11)	-	417	(9,761)	(484)	(9,839)	-	-
Net worth as at 30 June 2022	(698,106)	71,863	58	13,756	-	3,284	88,961	431	(608,714)
/less: Minority interests	198	-	-	1	-	-	1	431	630
Attributable to the Australian Government Sector at 30 June 2022	(698,304)	71,863	58	13,755	-	3,284	88,960	-	(609,344)

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Cont	-
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on)	-
Net	(667,855)
worth	70,525
/less:	-
Minorit	1
Attrib	
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Sect	(668,095)
rest	70,525

The above statements should be read in conjunction with

the accompanying notes.
Certain comparatives have
been restated. Refer to Note
1.6 for further details.

