

GFS Vol. 8



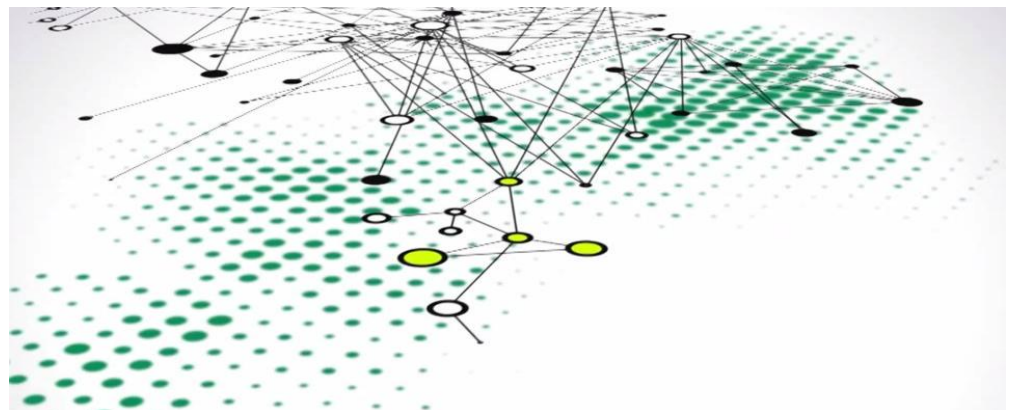
Democratic Republic of Timor-Leste
Ministry of Finance

QUARTERLY FISCAL BULLETIN

October - December 2014

Government Financial Statistics

(GFS)



Executive Summary

By the 31st December 2014, the General Government of Timor - Leste (GGoTL), including the Petroleum (PF) and Donor fund (DF) ran a net operating balance of \$1,424.2 million and had a net lending capacity of \$951.1 million. This is a strong fiscal position for the Government. However even though this net operating balance is positive, the GGoTL still relies on the PF to sustain its current level of operations. Based on the Classification of Functions of Government (COFOG), the GGoTL prioritized spending on economic affairs, general public services, education and social protection. This is in line with the Government's commitments to improving infrastructure, education and the wellbeing of the population of Timor-Leste as stated in the national Strategic Development Plan.

General Directorate of State Finance
National Directorate for Economic Policy
Dili 2014

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1. Revenues

By the end of the year total revenues for the GGoTL, PF and DF amounted to \$2,474.4 million. This was divided into \$184.3¹ million from non-oil revenues, \$2,142.6 million from oil revenues and \$147.5 million from DF.²

1.1. Non-oil Revenues

Non-oil revenues are composed of taxes, grants and other revenue.

Non-oil taxes are the greatest source of revenue in the domestic non-oil economy (78.6% of total non-oil revenues) totalling \$144.8 million by the end of the fourth quarter of 2014. These are divided into:

Taxes on income, profits and capital gains were 81.0% higher at the end of December 2014 compared to December 2013, reaching \$72.1 million at the end of the fourth quarter of 2014.

Taxes on goods and services totalled \$59.6 million by the 31st December of 2014. This collection was 10.0% higher than the \$54.2 million collected in 2013.

Taxes on international trade and transactions were 4.0% higher at the end of the fourth quarter of 2014 than during the same period of 2013 and amounted to \$13.0 million by the 31st December 2014.

Other taxes totalled \$0.1 million at the end of the fourth quarter 2014. This was 32.2% lower than the same period of 2013.

Grants: By the end of fourth quarter of 2014, \$732.0 million were received in transfers from the PF. \$632.3 million corresponded to the ESI and excess withdrawals were \$99.7 million.

Other revenue totalled \$39.5 million by the end of the fourth quarter 2014, a 18.3% decrease compared to the end of 2013. This fall was mostly due to a decrease in other miscellaneous items during 2014 (recorded under 'other').

1.2. Donor Fund revenues

Revenues in the DF are obtained by means of grants received from all development partners classified by each appropriation category. By the end of the fourth quarter of 2014, DF revenues amounted to \$147.5 million,

1.3. Oil Revenues

Oil revenues are the major source of revenues in Timor-Leste (representing 86.6% of total oil and non-oil revenues by the end of fourth quarter). These are divided into:

Taxes in the fourth quarter of 2014 totalled \$752.3 million, mostly due to income taxes recorded under taxes on income, profits and capital gains.

¹ This number does not include grants from the PF worth \$732.0 million.

² *Petroleum Fund (PF), Donor Fund (DF), General Government of Timor - Leste (GGoTL).*

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Other revenue included profit from oil, first tranche petroleum, interest, and trust and dividend income and totalled \$1,390.3 million by 31st of December 2014. This was mostly due to property income, which reached \$1,383.2 million.

2. Expenses

Expenses incurred by the end of the fourth quarter of 2014 by the GGoTL, PF and DF amounted to \$1,050.2 million. The GGoTL spent \$894.1 million, DF spent \$139.5 million, whilst \$16.6³ million were expenditures in the PF.

2.1 General Government Expenditures

Expenditure categories for GGoTL are composed of:

Compensation of Employees was 13.0% higher than the \$148.8 million spent by the end of the fourth quarter 2013, totalling \$168.1 million by the 31st December 2014.

Use of Goods & Services reached \$428.7 million by the end of the fourth quarter of 2014 (a 15.5% increase compared to the same period of 2013 which was \$371.1 million).

Social benefits totalled \$115.6 million in the end of the fourth quarter of 2014, 6.9% lower than was recorded in the same period of 2013. It was mostly affected by a decrease of the current transfer of personal benefits.

Other expenses reached \$181.7 million at the end of the fourth quarter of 2014, 132.0% higher than the \$78.3 million recorded in the same period of 2013. The increase was strongly affected by a rise in the transfer of public grants and the growth of PNDS programme.

2.2 Donor Fund Expenditures

DF expenditure was \$139.5 million by the end of the fourth quarter of 2014. This was divided into \$4.7 million spent on compensation of employees, \$67.7 million spent on use of goods and services and \$67.2 million spent on other expenses.

2.3 Petroleum Fund Expenditures

PF expenses reached \$748.6 million by the end of the fourth quarter of 2014. \$16.6 million were management fees and \$732.0 were transfers to the GGoTL.

3. Net Operating Balance

The net operating balance is calculated as revenues minus expenses and it shows the Government's ability to sustain its current level operations, given revenues and expenses.

At the end of the fourth quarter of 2014, the GGoTL, DF and the PF were running a net operating surplus of \$1,424.2 million. However petroleum revenues played a key role in the overall fiscal surplus, as the net

³ PF also transferred \$732.0 million to the GGoTL.

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operating balance for the PF without the GGoTL and DF the Grants was \$1,394.0 million by the 31st December 2014.

4. Net Acquisition of Non-Financial Assets

Net acquisition of non-financial assets records transactions that change GGoTL's holdings of non-financial assets. It is broadly equivalent to capital expenditure as recorded in the Chart of Accounts in Timor-Leste.

At the end of the fourth quarter 2014 total acquisition of non-financial assets for the GGoTL including DF and PF stood at \$473.0 million. \$8.0 million was spent by DF and \$465.1 million was spent by the GGoTL (particularly on buildings and structures).

5. Net Lending/Borrowing

Net lending/borrowing is calculated as total expenditures minus revenues. Net lending for the GGoTL with the PF and DF was \$951.1 million at the end of the fourth quarter of 2014, taking into account the combination of total revenue, expenditures and acquisition of non-financial assets. This means that the GGoTL with the PF and DF incurred a surplus which is being invested in financial assets, but which was also affected by loan disbursements.

6. Net Acquisition of Financial Assets

The increase in the Government's holdings of financial assets is recorded under net acquisition of financial assets. In the case of Timor-Leste, the net lending capacity is being invested, mostly through the PF, in a range of financial assets including shares, securities, currency and deposits, cash and other equities.

By the end of the fourth quarter of 2014, the net acquisition of financial assets for the GGoTL, DF and the PF was \$966.8 million. This was the result of \$427.2 million withdrawn from the CFTL cash balance to finance the gap between expenses and revenues in the GGoTL (this explains why the value is negative for currency and deposits in the tables in the annex) and \$1,394.0 million invested in financial instruments in the PF.

The unrealized market value of financial assets is recorded under Other Economic Flows and reached \$201.8 million by the end of 2014⁴. This is recorded separately to the net acquisition of financial assets in table 5 of the annex, as it shows changes in value in PF investments and thus results in the total acquisition of financial assets being larger than net lending.

7. Net Incurrence of Liabilities

Net incurrence of liabilities shows the loans disbursement to date in the GGoTL. This totalled \$15.7 million by the 31st December 2014.

⁴ This number is the total sum of Other Economic Flows Q1 to Q4 2014.

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8. The Classification of Functions of Government (COFOG)

The Classification of Functions of the Government categorizes Government expenditures by socioeconomic objective. Therefore it allows for a more intuitive analysis of Government policy and its progress, complementing the GFS Economic Classification presented above.

Based on the COFOG, the most prominent areas of expenditure for the GGoTL in 2014 have been Economic Affairs, General Public Services, Education and Social Protection. Contrastingly, the smallest areas of GGoTL spending have been on Recreation, Culture and Religion, Housing & Community Amenities and Environmental Protection. There has been however, a noticeable rearrangement of GGoTL expenditure allocations in comparison to 2013, as the later three COFOG categories have experienced strong increases in spending for 2014.

On the one hand, high expenditures on Economic Affairs composed 36.7% of expenditures and reflect the Government's commitment to infrastructure projects throughout 2014, particularly on transportation and electricity. Large General Public Service expenditures have amounted to 25.4% of total expenditures and are mostly due to the district development projects both within the Ministry for State Administration and the PDID projects. Furthermore spending on Education (12.2% of total expenditures) is centered on primary and basic education, a cornerstone of both the SDP and the MDGs. Finally, the Veterans' pensions and other assistance make up the majority of the expenditures towards Social Protection which amounted to 10.7% of total expenditures for 2014.

On the other hand, the smallest expenditure allocations for 2014 have been on Recreation, Culture and Religion (1.2%), Housing & Community Amenities (1.0%) and Environmental Protection (0.4%). All three categories grew by 20%, 188% and 127% respectively in their percentage of the 2014 total expenditure compared to 2013. Higher spending in these categories reflects investments on waste management systems and recuperation of biodiversity, a higher execution of the Infrastructure Fund in 2014 as well as more spending on sports and culture.

9. Final Conclusion

At the closing of the fourth quarter of 2014, the GGoTL including the PF and DF had a strong fiscal position. However, the GGoTL is still strongly reliant on the petroleum sector as, without the PF and DF, it would need to borrow \$442.9 million to maintain its current level of operations. Nevertheless, the GGoTL, PF and DF ran a net operating balance of \$1,424.2 million and had a net lending capacity of \$951.1 million. Total net lending capacity was then being invested in financial assets. Based on the Classification of Functions of Government (COFOG), the GGoTL prioritized spending on economic affairs, general public services, education and social protection. This is in line with the Government's commitments to improving infrastructure, education and wellbeing of the population of Timor-Leste as stated in the national Strategic Development Plan.

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Table 1. Accumulated Statement of Government Operations (GGoTL, PF, DF, Transactions)

Data for 2014, in millions of US dollars.		Total Quarter 1	Total Quarter 2	Total Quarter 3	Total Quarter 4	Accumulated Total
Revenue	1	688.4	712.4	622.9	450.7	2,474.4
Taxes	11	257.2	211.6	222.2	206.1	897.1
Taxes on income, profits, and capital gains	111	233.2	184.5	199.7	177.0	794.4
Taxes on goods & services	114	20.8	23.5	19.8	25.4	89.5
Taxes on international trade & transactions	115	3.2	3.6	2.7	3.6	13.0
Other taxes	116	-	-	0.0	0.1	0.1
Grants	13	21.9	11.5	19.2	94.9	147.5
Other revenue	14	409.3	489.3	381.5	149.7	1,429.8
Property income	141	400.8	478.3	366.1	141.4	1,386.6
Other	142-145	8.5	11.0	15.3	8.4	43.2
Expense	2	103.7	239.5	276.2	430.8	1,050.2
Compensation of employees	21	39.3	39.4	43.7	50.4	172.7
Use of goods & services	22	36.6	112.7	117.4	246.3	513.0
Consumption of fixed capital	23	-	-	-	-	-
Interest	24	-	-	-	-	-
Grants	26	-	-	-	-	-
Social benefits	27	16.5	37.0	27.1	35.0	115.6
Other expense	28	11.3	50.4	88.0	99.2	248.9
Gross operating balance [1-2+23]	GOB	584.6	472.9	346.7	19.9	1,424.2
Net operating balance [1-2]	NOB	584.6	472.9	346.7	19.9	1,424.2
Net acquisition of nonfinancial assets	31	18.6	66.7	89.1	298.7	473.0
Acquisition of nonfinancial assets	311	18.6	66.7	89.1	298.7	473.0
Buildings & Structures	3111	18.6	62.1	81.4	255.1	417.2
Machinery & Equipment	3112	0.0	4.6	7.7	43.6	55.9
Consumption of fixed capital [=23]	313	-	-	-	-	-
Net lending / borrowing [1-2-31 = 1-2M]	NLB	566.1	406.2	257.6	(278.8)	951.1
Net acquisition of financial assets	32	569.1	409.0	258.4	(269.6)	966.8
<i>by instrument</i>		-	-	-	-	-
Currency and deposits	3202	20.3	(185.1)	104.7	(90.4)	(150.4)
Securities other than shares	3203	319.2	343.6	58.8	(119.6)	602.1
Loans	3204	-	-	-	-	-
Shares and other equity	3205	194.6	229.1	39.2	(79.7)	383.1
Other accounts receivable	3208	34.9	21.4	55.6	20.1	132.0
Net incurrence of liabilities	33	3.0	2.8	0.8	9.1	15.7
Loans	3304	3.0	2.8	0.8	9.1	15.7
Other accounts payable	3308	-	-	-	-	-
<i>Statistical discrepancy [32 - 33 - NLB-]</i>	NLBz	0.0	0.0	0.0	0.0	0.0
<u>Memorandum item:</u>						
Total expenditure [2+31]	2M	122.3	306.2	365.3	729.5	1,523.3

Note: Statistical Discrepancy should be zero.

Consumption of fixed capital will have to be calculated from inventory

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Table 2. Accumulated Statement of Government Operations for the GGoTL

Data for 2014, in millions of US dollars.		Total Quarter 1	Total Quarter 2	Total Quarter 3	Total Quarter 4	Accumulated Total
Revenue	1	35.5	40.1	376.6	464.0	916.3
Taxes	11	26.0	27.8	27.6	63.4	144.8
Taxes on income, profits, and capital gains	111	10.0	9.4	10.7	42.0	72.1
Taxes on goods & services	114	12.9	14.8	14.2	17.7	59.6
Taxes on international trade & transactions	115	3.2	3.6	2.7	3.6	13.0
Other taxes	116	-	-	0.0	0.1	0.1
Grants	13	-	-	340.0	392.0	732.0
Other revenue	14	9.5	12.4	9.0	8.6	39.5
Property income	141	1.0	1.4	0.8	0.3	3.4
Other	142-145	8.5	11.0	8.2	8.4	36.1
Expense	2	83.0	224.4	254.0	332.7	894.1
Compensation of employees	21	36.0	39.1	43.4	49.6	168.1
Use of goods & services	22	24.7	103.5	111.4	189.2	428.7
Consumption of fixed capital	23	-	-	-	-	-
Interest	24	-	-	-	-	-
Grants	26	-	-	-	-	-
Social benefits	27	16.5	37.0	27.1	35.0	115.6
Other expense	28	5.9	44.8	72.0	59.0	181.7
Gross operating balance [1-2+23]	GOB	-47.5	-184.2	122.7	131.3	22.2
Net operating balance [1-2]	NOB	-47.5	-184.2	122.7	131.3	22.2
Net acquisition of nonfinancial assets	31	14.3	66.4	86.7	297.6	465.1
Acquisition of nonfinancial assets	311	14.3	66.4	86.7	297.6	465.1
Buildings & Structures	3111	14.3	61.8	79.0	254.1	409.2
Machinery & Equipment	3112	0.0	4.6	7.7	43.6	55.9
Consumption of fixed capital [=23]	313	0.0	0.0	0.0	0.0	0.0
Net lending / borrowing [1-2-31 = 1-2M]	NLB	-61.8	-250.7	35.9	-166.3	-442.9
Net acquisition of financial assets	32	-58.8	-247.9	36.7	-157.2	-427.2
<i>by instrument</i>		-	-	-	-	-
Currency and deposits	3202	(58.8)	(247.9)	36.7	(157.2)	(427.2)
Securities other than shares	3203	-	-	-	-	-
Loans	3204	-	-	-	-	-
Shares and other equity	3205	-	-	-	-	-
Other accounts receivable	3208	-	-	-	-	-
Net incurrence of liabilities	33	3.0	2.8	0.8	9.1	15.7
Loans	3304	3.0	2.8	0.8	9.1	15.7
Other accounts payable	3308	-	-	-	-	-
Statistical discrepancy [32 - 33 - NLB-]	NLBz	-	-	-	-	-
Memorandum item:		-	-	-	-	-
Total expenditure [2+31]	2M	97.3	290.8	340.7	630.4	1,359.2

Note: Statistical Discrepancy should be zero.

Consumption of fixed capital will have to be calculated from inventory

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Table 3. Accumulated Statement of Government Operations for the Donor Fund

Data for 2014, in millions of US dollars.	Total Quarter 1	Total Quarter 2	Total Quarter 3	Total Quarter 4	Accumulated Total	
Revenue	1	21.9	11.5	19.2	94.9	147.5
Taxes	11	-	-	-	-	-
Taxes on income, profits, and capital gains	111	-	-	-	-	-
Taxes on goods & services	114	-	-	-	-	-
Taxes on international trade & transactions	115	-	-	-	-	-
Other taxes	116	-	-	-	-	-
Grants	13	21.9	11.5	19.2	94.9	147.5
Other revenue	14	-	-	-	-	-
Property income	141	-	-	-	-	-
Other	142-145	-	-	-	-	-
Expense	2	17.6	11.2	16.9	93.8	139.5
Compensation of employees	21	3.3	0.2	0.3	0.8	4.7
Use of goods & services	22	8.8	5.4	0.6	52.9	67.7
Consumption of fixed capital	23	-	-	-	-	-
Interest	24	-	-	-	-	-
Grants	26	-	-	-	-	-
Social benefits	27	-	-	-	-	-
Other expense	28	5.5	5.6	15.9	40.2	67.2
Gross operating balance [1-2+23]	GOB	4.3	0.3	2.3	1.1	8.0
Net operating balance [1-2]	NOB	4.3	0.3	2.3	1.1	8.0
Net acquisition of nonfinancial assets	31	4.3	0.3	2.3	1.1	8.0
Acquisition of nonfinancial assets	311	4.3	0.3	2.3	1.1	8.0
Buildings & Structures	3111	4.3	0.3	2.3	1.1	8.0
Machinery & Equipment	3112	-	-	-	-	-
Consumption of fixed capital [=23]	313	-	-	-	-	-
Net lending / borrowing [1-2-31 = 1-2M]	NLB	0.0	0.0	0.0	0.0	0.0
Net acquisition of financial assets	32	-	-	-	-	-
<i>by instrument</i>		-	-	-	-	-
Currency and deposits	3202	-	-	-	-	-
Securities other than shares	3203	-	-	-	-	-
Loans	3204	-	-	-	-	-
Shares and other equity	3205	-	-	-	-	-
Other accounts receivable	3208	-	-	-	-	-
Net incurrence of liabilities	33	-	-	-	-	-
Loans	3304	-	-	-	-	-
Other accounts payable	3308	-	-	-	-	-
Statistical discrepancy [32 - 33 - NLB]	NLBz	0.0	0.0	0.0	0.00	0.0
Memorandum item:		-	-	-	-	-
Total expenditure [2+31]	2M	21.8	11.5	19.2	94.9	147.5

Note: Statistical Discrepancy should be zero.

Consumption of fixed capital will have to be calculated from inventory

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Table 4. Accumulated Statement of Government Operations for the Petroleum Fund

Data for 2014, in millions of US dollars.		Total Quarter 1	Total Quarter 2	Total Quarter 3	Total Quarter 4	Accumulated Total
Revenue	1	631.0	660.8	567.0	283.8	2,142.6
Taxes	11	231.2	183.8	194.6	142.7	752.3
Taxes on income, profits, and capital gain	111	223.3	175.1	189.0	135.0	722.3
Taxes on goods & services	114	7.9	8.7	5.6	7.7	30.0
Taxes on international trade & transactio	115	-	-	-	-	-
Other taxes	116	-	-	-	-	-
Grants	13	-	-	-	-	-
Other revenue	14	399.8	476.9	372.5	141.1	1,390.3
Property income	141	399.8	476.9	365.3	141.1	1,383.2
Other	142-145	-	-	7.2	-	7.2
Expense	2	3.1	3.9	345.3	396.2	748.6
Compensation of employees	21	-	-	-	-	-
Use of goods & services	22	3.1	3.9	5.3	4.2	16.6
Consumption of fixed capital	23	-	-	-	-	-
Interest	24	-	-	-	-	-
Grants	26	-	-	340.0	392.0	732.0
Social benefits	27	-	-	-	-	-
Other expense	28	-	-	-	-	-
Gross operating balance [1-2+23]	GOB	627.9	656.9	221.7	(112.4)	1,394.0
Net operating balance [1-2]	NOB	627.9	656.9	221.7	(112.4)	1,394.0
Net acquisition of nonfinancial assets	31	-	-	-	-	-
Acquisition of nonfinancial assets	311	-	-	-	-	-
Buildings & Structures	3111	-	-	-	-	-
Machinery & Equipment	3112	-	-	-	-	-
Consumption of fixed capital [=23]	313	-	-	-	-	-
Net lending / borrowing [1-2-31 = 1-2M]	NLB	627.9	656.9	221.7	(112.4)	1,394.0
Net acquisition of financial assets	32	627.9	656.9	221.7	(112.4)	1,394.0
<i>by instrument</i>						
Currency and deposits	3202	79.1	62.8	68.0	66.8	276.8
Securities other than shares	3203	319.2	343.6	58.8	(119.6)	602.1
Loans	3204	-	-	-	-	-
Shares and other equity	3205	194.6	229.1	39.2	(79.7)	383.1
Other accounts receivable	3208	34.9	21.4	55.6	20.1	132.0
Net incurrence of liabilities	33	-	-	-	-	-
Loans	3304	-	-	-	-	-
Other accounts payable	3308	-	-	-	-	-
<i>Statistical discrepancy [32 - 33 - NLB-]</i>	<i>NLBz</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
<u>Memorandum item:</u>						
Total expenditure [2+31]	2M	3.1	3.9	345.3	396.2	748.6

Note: Statistical Discrepancy should be zero.

Consumption of fixed capital will have to be calculated from inventory

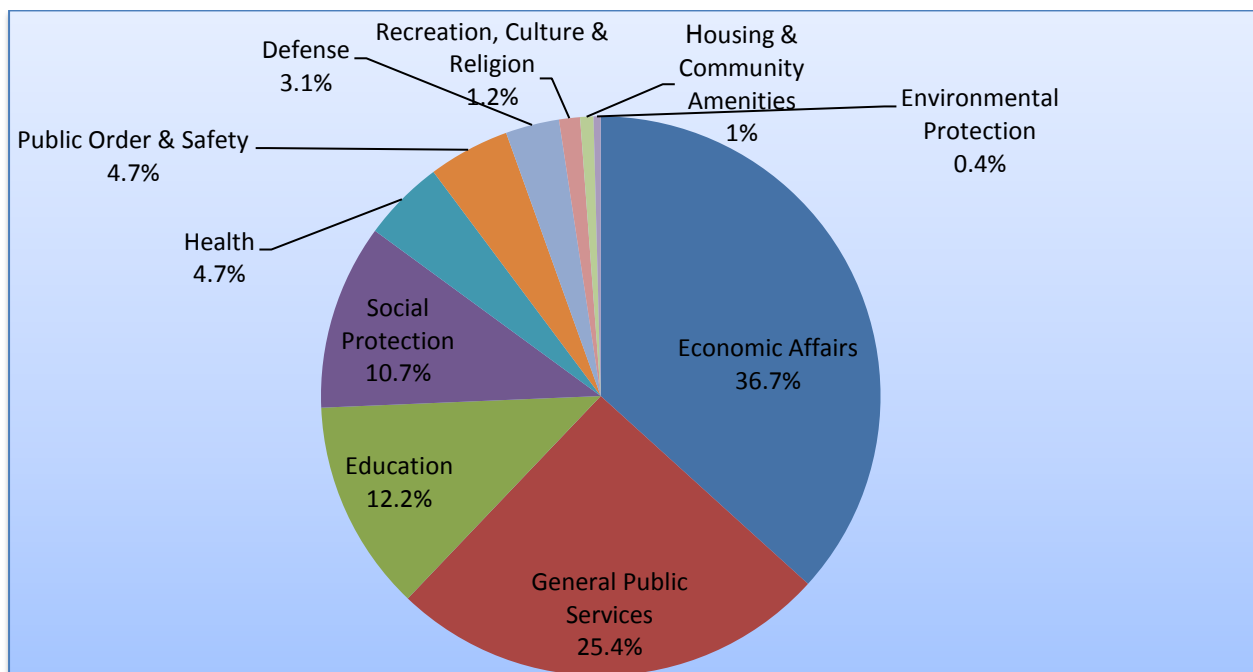
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Table 5. Analytical Framework for the Petroleum Fund

	2013				2014			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Opening Balance	11,775.4	12,977.9	13,624.0	14,558.1	14,952.1	15,670.7	16,634	16,634
Net Acquisition of Financial Assets	994.6	861.2	582.6	119.9	627.9	656.9	221.7	-112.4
Other Economic Flows	208.8	(215.1)	351.9	247.8	92.4	311.6	-270.00	67.7
Closing Balance	12,977.9	13,624.0	14,558.1	14,952.1	15,670.7	16,633.7	16,584	16,589
Statistical discrepancy	-0.87	0.01	-0.46	26.39	-1.74	-5.46	-0.92	0.00

Figure 1- Expenditure by Social Economy Classifications



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Terminology

Compensation of employees are remuneration in cash or kind, payable to an employee in return for work done and social insurance contributions made by a general government unit on behalf of its employees. Compensation of employees is incurred on a monthly basis in Timor-Leste.

Expenses include all transactions that decrease the net worth of the general government sector. Expenditures are financed from the ESI, excess withdrawals from the Petroleum Fund, loans or the use of cash balance.

General Government of Timor-Leste is the combination of the Consolidated Fund (CFTL), Human Capital and Development Fund (HCDF) and the Infrastructure Fund in Timor-Leste.

Grants: are non-compulsory current or capital transfers from one government unit to another government unit or an international organization. These are divided into estimated sustainable income (ESI) and excess withdrawals.

Gross Operating Balance is the revenue minus expenses other than consumption of fixed capital. It indicates whether the government is able to sustain its current level of operations and ideally should portray a surplus. However consumption of fixed capital is not measured in Timor-Leste, therefore Gross Operating Balance is equal to Net Operating Balance.

Net lending/borrowing is a balancing item defined as the net acquisition of all financial assets less the net incurrence of all liabilities from transactions. It is thus a summary measure indicating the extent to which GGoTL is either putting financial resources at the disposal of other sectors in the economy or utilizing the financial resources generated by other sectors.

Net Operating Balance is equal to revenue minus expenses and indicates whether the government is able to sustain its current level of operations.

Other Revenue includes a variety of forms of revenue earned by GGoTL including property income, sales of goods, fines & penalties and other miscellaneous revenue.

Revenues are all transactions that increase the net worth of general government sector and exclude domestic and external borrowing. Revenues tend to increase during the last period of the year, due to the collection of accumulated taxes.

Social benefits are current transfers to households to provide for needs arising from events such as sickness, unemployment, retirement, housing or family circumstances.

Taxes on goods & services are taxes levied on the production, extraction, sale, transfer, leasing or delivery of goods and rendering of services.

Taxes on income, profits, and capital gains are composed of corporate taxes in Timor-Leste.

Taxes on international trade & transactions include sales tax and other import duties in Timor-Leste.

Transactions in financial assets and liabilities record financial transactions. I.e. they record transactions that change a government's holdings of financial assets and liabilities. In Timor-Leste financial assets are all composed of currency and deposit.

Transactions in nonfinancial assets and liabilities record transactions that change a government's holdings of nonfinancial assets. In Timor-Leste these assets are classified as Buildings & Structures and Machinery & Equipment.

Use of goods & services includes total value of goods and services purchased by the general government sector for use in a production process or acquired for resale less the net change in inventories of those goods and services.