

Income statements

For the year ended 30 September	Note	Group		Company	
		2023 \$m	2022 \$m	2023 \$m	2022 \$m
Interest income					
Effective interest rate method		46,358	21,465	42,478	19,167
Fair value through profit or loss		1,714	913	1,404	805
Interest expense		(31,265)	(7,538)	(30,894)	(8,799)
Net interest income	3	16,807	14,840	12,988	11,173
Other income	4	3,841	3,730	10,301	4,478
Operating expenses	5	(9,382)	(8,702)	(8,423)	(7,765)
Credit impairment charge	17	(816)	(124)	(654)	(48)
Profit before income tax		10,450	9,744	14,212	7,838
Income tax expense	6	(2,980)	(2,684)	(2,200)	(1,893)
Net profit for the year from continuing operations		7,470	7,060	12,012	5,945
Net loss after tax for the year from discontinued operations		(51)	(169)	-	-
Net profit for the year		7,419	6,891	12,012	5,945
Attributable to non-controlling interests		5	-	-	-
Attributable to owners of the Company		7,414	6,891	12,012	5,945
Earnings per share		cents	cents		
Basic	7	236.4	214.1		
Diluted	7	228.7	205.6		
Basic from continuing operations	7	238.0	219.3		
Diluted from continuing operations	7	230.2	210.5		

Statements of comprehensive income

For the year ended 30 September	Note	Group		Company	
		2023 \$m	2022 \$m	2023 \$m	2022 \$m
Net profit for the year from continuing operations		7,470	7,060	12,012	5,945
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Fair value changes on financial liabilities designated at fair value attributable to the Group's own credit risk		(67)	149	(70)	88
Revaluation of land and buildings		(4)	1	-	-
Equity instruments at fair value through other comprehensive income reserve:					
Revaluation gains / (losses)		17	11	16	(4)
Tax on items transferred directly to equity		20	(43)	22	(26)
Total items that will not be reclassified to profit or loss		(34)	118	(32)	58
Items that will be reclassified subsequently to profit or loss					
Cash flow hedge reserve		66	(2,510)	303	(2,813)
Cost of hedging reserve		(160)	488	(44)	283
Foreign currency translation reserve:					
Currency adjustments on translation of foreign operations, net of hedging		709	(776)	117	(22)
Transfer to the income statement on disposal or partial disposal of foreign operations ⁽¹⁾		(29)	(29)	(29)	-
Debt instruments at fair value through other comprehensive income reserve:					
Revaluation losses		(14)	(125)	(14)	(125)
Transferred to the income statement		(32)	(199)	(32)	(199)
Tax on items transferred directly to equity		38	705	(63)	852
Total items that will be reclassified subsequently to profit or loss		578	(2,446)	238	(2,024)
Other comprehensive income for the year, net of income tax		544	(2,328)	206	(1,966)
Total comprehensive income for the year from continuing operations		8,014	4,732	12,218	3,979
Net loss after tax for the year from discontinued operations		(51)	(169)	-	-
Total comprehensive income for the year		7,963	4,563	12,218	3,979
Attributable to non-controlling interests ⁽²⁾		13	-	-	-
Total comprehensive income attributable to owners of the Company		7,950	4,563	12,218	3,979

(1) Partial disposals of foreign operations include returns of capital made by foreign branches.

(2) The Group includes \$8 million (2022: \$nil) relating to foreign currency translation of the non-controlling interests in BNZ.

Balance sheets

As at 30 September	Note	Group		Company	
		2023 \$m	2022 \$m	2023 \$m	2022 \$m
Assets					
Cash and liquid assets	8	24,699	56,451	23,959	56,121
Due from other banks	8	117,306	141,861	106,955	133,144
Collateral placed		11,286	13,115	10,214	10,636
Trading assets	9	101,168	40,573	90,417	34,043
Debt instruments	10	46,357	42,080	46,336	42,094
Other financial assets	11	1,430	2,061	1,708	2,749
Derivative assets	18	34,269	61,016	33,784	60,651
Loans and advances	12	702,702	680,434	607,684	592,679
Current tax assets		20	16	19	15
Due from controlled entities		-	-	43,577	38,226
Deferred tax assets	6	3,499	3,385	3,059	2,975
Property, plant and equipment		3,016	3,009	1,935	2,091
Investments in controlled entities		-	-	10,025	4,670
Goodwill and other intangible assets	22	4,952	4,652	2,392	2,172
Other assets	23	8,379	6,473	7,717	5,562
Total assets		1,059,083	1,055,126	989,781	987,828
Liabilities					
Due to other banks	8	39,516	74,679	33,965	69,295
Collateral received		10,672	17,245	9,281	15,365
Other financial liabilities	16	66,352	23,286	51,745	8,960
Derivative liabilities	18	35,633	57,486	36,110	57,494
Deposits and other borrowings	13	682,120	683,526	608,641	616,961
Current tax liabilities		1,012	1,011	978	716
Provisions	24	1,852	2,096	1,651	1,897
Due to controlled entities		-	-	44,059	41,639
Bonds, notes and subordinated debt	14	135,645	119,283	124,329	109,674
Debt issues	15	8,561	7,318	8,561	7,318
Other liabilities	25	16,217	10,164	13,938	8,381
Total liabilities		997,580	996,094	933,258	937,700
Net assets		61,503	59,032	56,523	50,128
Equity					
Contributed equity	27	38,546	39,399	37,760	38,613
Reserves	29	(1,192)	(1,839)	(1,565)	(1,874)
Retained profits		23,800	21,472	20,328	13,389
Total equity (attributable to owners of the Company)		61,154	59,032	56,523	50,128
Non-controlling interests	28	349	-	-	-
Total equity		61,503	59,032	56,523	50,128

Statements of cash flows

For the year ended 30 September	Note	Group		Company	
		2023 \$m	2022 \$m	2023 \$m	2022 \$m
Cash flows from operating activities					
Interest received		47,338	21,518	43,275	19,164
Interest paid		(28,548)	(6,544)	(28,555)	(7,906)
Dividends received		2	28	2,053	2,052
Net trading income received		4,993	5,370	4,083	4,995
Other income received		2,572	2,527	1,704	1,955
Operating expenses paid		(7,614)	(6,207)	(6,598)	(5,591)
Income tax paid		(2,973)	(1,641)	(2,034)	(956)
Cash flows from operating activities before changes in operating assets and liabilities		15,770	15,051	13,928	13,713
Changes in operating assets and liabilities					
Net (increase) / decrease in					
Collateral placed		2,075	(6,720)	528	(4,713)
Deposits with central banks and other regulatory authorities		10,490	(19,703)	10,490	(19,703)
Trading assets		(58,148)	6,273	(53,920)	6,661
Other financial assets designated at fair value		682	624	1,036	491
Loans and advances		(15,854)	(53,384)	(13,534)	(50,274)
Other assets		(237)	3,173	(432)	2,641
Net increase / (decrease) in					
Collateral received		(6,893)	12,624	(6,297)	11,245
Deposits and other borrowings		(9,157)	75,530	(12,366)	73,298
Other financial liabilities designated at fair value		44,592	(352)	43,099	2,910
Other liabilities		296	(2,667)	814	(2,169)
Net funds advanced to and receipts from other banks		(10,468)	5,121	(10,857)	4,452
Net movement in derivative assets and liabilities		153	(7,349)	2,300	(9,971)
Changes in operating assets and liabilities arising from cash flow movements		(42,469)	13,170	(39,139)	14,868
Net cash provided by / (used in) operating activities	37	(26,699)	28,221	(25,211)	28,581
Cash flows from investing activities					
Movement in debt instruments					
Purchases		(34,455)	(33,697)	(34,435)	(33,697)
Proceeds from disposal and maturity		31,296	29,084	31,280	29,071
Net movement in other debt and equity instruments		59	(2)	(32)	(80)
Net movement in amounts due from controlled entities		-	-	(3,320)	3,162
Net movement in shares in controlled entities		-	-	5	(159)
Net movement in shares in associates and joint ventures		-	(4)	-	-
Purchase of controlled entities and business combinations, net of cash acquired		-	(3,183)	-	(3,138)
Proceeds from sale of controlled entities and business closures, net of costs and cash disposed		82	176	82	-
Purchase of property, plant, equipment and software		(1,192)	(1,076)	(900)	(784)
Proceeds from sale of property, plant, equipment and software, net of costs		-	(1)	-	(1)
Net cash provided by / (used in) investing activities		(4,210)	(8,703)	(7,320)	(5,626)

Statements of cash flows

For the year ended 30 September	Group		Company	
	2023 \$m	2022 \$m	2023 \$m	2022 \$m
Cash flows from financing activities				
Repayments of bonds, notes and subordinated debt	(31,143)	(27,640)	(26,937)	(24,319)
Proceeds from issue of bonds, notes and subordinated debt, net of costs ⁽¹⁾	42,827	41,932	38,948	35,188
Payments for share buy-back	(904)	(3,917)	(904)	(3,917)
Purchase of shares for dividend reinvestment plan neutralisation	(693)	(500)	(693)	(500)
Purchase of treasury shares for employee share offer	(23)	-	(23)	-
Proceeds from debt issues, net of costs	1,243	1,983	1,243	1,983
Proceeds from issue of BNZ perpetual preference shares	336	-	-	-
Repayments of debt issues	-	(1,504)	-	(1,504)
Dividends and distributions paid (excluding dividend reinvestment plan)	(4,339)	(4,006)	(4,334)	(4,006)
Repayments of other financing activities	(328)	(339)	(284)	(299)
Net cash provided by / (used in) financing activities	6,976	6,009	7,016	2,626
Net increase / (decrease) in cash and cash equivalents	(23,933)	25,527	(25,515)	25,581
Cash and cash equivalents at beginning of period	62,179	37,881	55,183	30,462
Effects of exchange rate changes on balance of cash held in foreign currencies	2,343	(1,229)	2,113	(860)
Cash and cash equivalents at end of year	40,589	62,179	31,781	55,183

(1) Includes RBNZ's FLP.

Statements of changes in equity

Group	Contributed equity ⁽¹⁾ \$m	Reserves ⁽²⁾ \$m	Retained profits \$m	Total \$m	Non-controlling interests \$m	Total equity \$m
Year to 30 September 2022						
Balance at 1 October 2021	43,247	550	18,982	62,779	-	62,779
Net profit for the year from continuing operations	-	-	7,060	7,060	-	7,060
Net loss for the year from discontinued operations	-	-	(169)	(169)	-	(169)
Other comprehensive income for the year from continuing operations	-	(2,429)	101	(2,328)	-	(2,328)
Total comprehensive income for the year	-	(2,429)	6,992	4,563	-	4,563
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners						
Issue of ordinary shares	500	-	-	500	-	500
On-market purchase of shares for dividend reinvestment plan neutralisation	(500)	-	-	(500)	-	(500)
Share buy-back	(3,917)	-	-	(3,917)	-	(3,917)
Transfer from / (to) retained profits	-	(4)	4	-	-	-
Transfer from / (to) equity-based compensation reserve	69	(69)	-	-	-	-
Equity-based compensation	-	113	-	113	-	113
Dividends paid ⁽³⁾	-	-	(4,506)	(4,506)	-	(4,506)
Balance as at 30 September 2022	39,399	(1,839)	21,472	59,032	-	59,032
Year to 30 September 2023						
Net profit for the year from continuing operations	-	-	7,465	7,465	5	7,470
Net loss for the year from discontinued operations	-	-	(51)	(51)	-	(51)
Other comprehensive income for the year from continuing operations	-	583	(47)	536	8	544
Total comprehensive income for the year	-	583	7,367	7,950	13	7,963
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners						
Issue of ordinary shares	693	-	-	693	-	693
On-market purchase of shares for dividend reinvestment plan neutralisation	(693)	-	-	(693)	-	(693)
Share buy-back	(904)	-	-	(904)	-	(904)
Purchase of treasury shares for employee share offer ⁽⁴⁾	(23)	-	-	(23)	-	(23)
Transfer from / (to) retained profits	-	7	(7)	-	-	-
Transfer from / (to) equity-based compensation reserve	74	(74)	-	-	-	-
Equity-based compensation	-	131	-	131	-	131
Dividends paid ⁽³⁾	-	-	(5,027)	(5,027)	(5)	(5,032)
Other equity movements						
Issue of BNZ perpetual preference shares ⁽⁵⁾	-	-	(5)	(5)	341	336
Balance as at 30 September 2023	38,546	(1,192)	23,800	61,154	349	61,503

(1) Refer to Note 27 Contributed equity for further details.

(2) Refer to Note 29 Reserves for further details.

(3) Refer to Note 30 Dividends for further details.

(4) This represents an on-market purchase of 748,032 shares at an average price of \$30.70 per share.

(5) Refer to Note 28 Non-controlling interests for further details.

Statements of changes in equity

Company	Contributed equity ⁽¹⁾ \$m	Reserves ⁽²⁾ \$m	Retained profits \$m	Total equity \$m
Year to 30 September 2022				
Balance at 1 October 2021	42,461	99	11,899	54,459
Net profit for the year from continuing operations	-	-	5,945	5,945
Other comprehensive income for the year from continuing operations	-	(2,023)	57	(1,966)
Total comprehensive income for the year	-	(2,023)	6,002	3,979
Transactions with owners, recorded directly in equity				
Contributions by and distributions to owners				
Issue of ordinary shares	500	-	-	500
On-market purchase of shares for dividend reinvestment plan neutralisation	(500)	-	-	(500)
Share buy-back	(3,917)	-	-	(3,917)
Transfer from / (to) retained profits	-	6	(6)	-
Transfer from / (to) equity-based compensation reserve	69	(69)	-	-
Equity-based compensation	-	113	-	113
Dividends paid ⁽³⁾	-	-	(4,506)	(4,506)
Balance as at 30 September 2022	38,613	(1,874)	13,389	50,128
Year to 30 September 2023				
Net profit for the year from continuing operations	-	-	12,012	12,012
Other comprehensive income for the year from continuing operations	-	254	(48)	206
Total comprehensive income for the year	-	254	11,964	12,218
Transactions with owners, recorded directly in equity				
Contributions by and distributions to owners				
Issue of ordinary shares	693	-	-	693
On-market purchase of shares for dividend reinvestment plan neutralisation	(693)	-	-	(693)
Purchase of treasury shares for employee share offer ⁽⁴⁾	(23)	-	-	(23)
Share buy-back	(904)	-	-	(904)
Transfer from / (to) retained profits	-	(2)	2	-
Transfer from / (to) equity-based compensation reserve	74	(74)	-	-
Equity-based compensation	-	131	-	131
Dividends paid ⁽³⁾	-	-	(5,027)	(5,027)
Balance as at 30 September 2023	37,760	(1,565)	20,328	56,523

(1) Refer to Note 27 Contributed equity for further details.

(2) Refer to Note 29 Reserves for further details.

(3) Refer to Note 30 Dividends for further details.

(4) This represents an on-market purchase of 748,032 shares at an average price of \$30.70 per share.