

Financial Statements

Statements of Cash Flows ⁽¹⁾

For the year ended 30 June 2014

	Note	Group			Bank	
		2014 \$M	2013 \$M	2012 \$M	2014 \$M	2013 \$M
Cash flows from operating activities						
Interest received		33,623	34,868	38,337	34,827	36,065
Interest paid		(18,160)	(21,056)	(25,456)	(21,085)	(23,903)
Other operating income received		5,138	5,047	5,133	3,630	3,385
Expenses paid ⁽²⁾		(8,377)	(7,819)	(7,913)	(6,852)	(6,269)
Income taxes paid		(3,763)	(2,940)	(2,372)	(3,467)	(2,679)
Net inflows/(outflows) from assets at fair value through Income Statement (excluding life insurance)		5,188	(756)	2,328	4,871	(368)
Net inflows/(outflows) from liabilities at fair value through Income Statement:						
Insurance:						
Investment income		394	2,551	791	-	-
Premiums received ⁽³⁾		2,899	2,106	2,138	-	-
Policy payments and commission expense ^{(2) (3)}		(3,080)	(4,516)	(3,656)	-	-
Other liabilities at fair value through Income Statement		(1,619)	1,503	(3,603)	1,815	81
Cash flows from operating activities before changes in operating assets and liabilities		12,243	8,988	5,727	13,739	6,312
Changes in operating assets and liabilities arising from cash flow movements						
Movement in available-for-sale investments:						
Purchases		(49,468)	(45,429)	(76,408)	(48,489)	(46,730)
Proceeds		44,130	47,090	62,865	44,027	37,579
Net change in deposits with regulatory authorities		(48)	(2)	(15)	(8)	(5)
Net increase in loans, bills discounted and other receivables		(36,795)	(28,035)	(25,754)	(33,355)	(29,042)
Net (increase)/decrease in receivables due from other financial institutions		(197)	3,540	49	(360)	6,491
Net decrease/(increase) in securities purchased under agreements to resell		1,119	(699)	(498)	970	(62)
Insurance business:						
Purchase of insurance assets at fair value through Income Statement		(3,156)	(2,591)	(2,189)	-	-
Proceeds from sale/maturity of insurance assets at fair value through Income Statement		3,804	3,832	3,291	-	-
Net decrease/(increase) in other assets		298	(265)	(61)	325	(368)
Net increase in deposits and other public borrowings		29,419	17,243	35,750	26,114	17,664
Net (decrease)/increase in payables due to other financial institutions		(1,812)	2,123	4,752	(1,246)	2,348
Net increase in securities sold under agreements to repurchase		4,389	327	1,183	4,419	281
Net increase/(decrease) in other liabilities		37	455	155	(3,278)	3,847
Changes in operating assets and liabilities arising from cash flow movements		(8,280)	(2,411)	3,120	(10,881)	(7,997)
Net cash provided by/(used in) operating activities	41 (a)	3,963	6,577	8,847	2,858	(1,685)
Cash flows from investing activities						
Payments for acquisition of controlled entities	41 (e)	-	-	(125)	-	-
Net proceeds from disposal of controlled entities	41 (d)	531	-	-	569	-
Net proceeds from disposal of entities and businesses (net of cash disposals)		481	-	21	414	-
Dividends received		70	82	52	1,944	1,507
Net amounts received from controlled entities ⁽⁴⁾		-	-	-	3,362	42
Proceeds from sale of property, plant and equipment		61	30	25	47	23
Purchases of property, plant and equipment		(513)	(642)	(584)	(212)	(229)
Payments for acquisitions of investments in associates/joint ventures		(36)	(264)	(85)	-	(206)
Purchase of intangible assets		(400)	(464)	(585)	(346)	(412)
Sale of assets held for sale		7	2	-	7	2
Additions through merger of banking licences		-	-	-	-	557
Net cash provided by/(used in) investing activities		201	(1,256)	(1,281)	5,785	1,284

(1) It should be noted that the Group does not use these accounting Statements of Cash Flows in the internal management of its liquidity positions.

(2) Comparative information has been restated to reflect the impact of changes in accounting policy. Refer to Note 1(f) for more details.

(3) Represents gross premiums and policy payments before splitting between policyholders and shareholders.

(4) Amounts received from and paid to controlled entities are presented in line with how they are managed and settled.

Statements of Cash Flows ⁽¹⁾ (continued)

For the year ended 30 June 2014

	Note	Group			Bank	
		2014 \$M	2013 \$M	2012 \$M	2014 \$M	2013 \$M
Cash flows from financing activities						
Proceeds from issue of shares (net of issue costs)		-	193	2	-	193
Dividends paid (excluding Dividend Reinvestment Plan)		(5,491)	(4,860)	(3,748)	(5,458)	(4,833)
Proceeds from issuance of debt securities		87,554	92,250	162,430	76,482	86,296
Redemption of issued debt securities		(79,776)	(93,691)	(158,918)	(72,677)	(82,310)
Purchase of treasury shares		(813)	(664)	(96)	-	-
Sale of treasury shares		760	634	19	-	-
Issue of loan capital		358	1,977	-	-	1,965
Redemption of loan capital		(500)	(2,215)	(1,775)	(500)	(1,909)
Other		(157)	218	132	(58)	73
Net cash provided by/(used in) financing activities		1,935	(6,158)	(1,954)	(2,211)	(525)
Net increase/(decrease) in cash and cash equivalents		6,099	(837)	5,612	6,432	(926)
Effect of foreign exchange rates on cash and cash equivalents		411	852	266	298	728
Cash and cash equivalents at beginning of year		12,618	12,603	6,725	10,748	10,946
Cash and cash equivalents at end of year	41 (b)	19,128	12,618	12,603	17,478	10,748

(1) It should be noted that the Group does not use these accounting Statements of Cash Flows in the internal management of its liquidity positions.

The above Statements of Cash Flows should be read in conjunction with the accompanying notes.