

Westpac Banking Corporation, 2019

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Financial statements

Cash flow statements¹ for the years ended 30 September Westpac Banking Corporation

\$m	Note	Consolidated			Parent Entity	
		2019	2018	2017	2019	2018
Cash flows from operating activities						
Interest received		33,093	32,639	31,133	33,770	32,947
Interest paid		(16,486)	(15,789)	(15,415)	(19,444)	(18,728)
Dividends received excluding life business		6	9	27	2,218	2,016
Other non-interest income received		3,865	4,995	4,926	2,982	3,832
Operating expenses paid		(9,080)	(7,889)	(7,828)	(7,491)	(6,543)
Income tax paid excluding life business		(3,406)	(3,585)	(3,388)	(3,081)	(3,349)
Life business:						
Receipts from policyholders and customers		2,189	2,008	2,239	-	-
Interest and other items of similar nature		6	17	24	-	-
Dividends received		553	642	433	-	-
Payments to policyholders and suppliers		(2,250)	(2,089)	(1,861)	-	-
Income tax paid		(94)	(143)	(164)	-	-
Cash flows from operating activities before changes in operating assets and liabilities		8,396	10,815	10,126	8,954	10,175
Net (increase)/decrease in:						
Collateral paid		(847)	969	2,320	(755)	662
Trading securities and financial assets measured at FVIS		(7,629)	3,492	(4,729)	(7,358)	2,815
Derivative financial instruments		7,605	8,584	(5,042)	6,581	8,263
Loans		(4,188)	(24,740)	(26,815)	(3,312)	(23,661)
Other financial assets		336	859	466	324	502
Life insurance assets and liabilities		(134)	(230)	219	-	-
Other assets		(13)	10	67	(41)	33
Net increase/(decrease) in:						
Collateral received		1,007	(295)	739	1,004	(606)
Deposits and other borrowings		1,113	23,928	23,062	963	20,783
Other financial liabilities		1,463	(3,632)	2,506	1,555	(3,742)
Other liabilities		(5)	10	(82)	(24)	17
Net cash provided by/(used in) operating activities	37	7,104	19,770	2,837	7,891	15,241
Cash flows from investing activities						
Proceeds from available-for-sale securities		-	23,878	25,717	-	21,525
Purchase of available-for-sale securities		-	(24,376)	(27,028)	-	(22,230)
Proceeds from investment securities		19,768	-	-	16,483	-
Purchase of investment securities		(29,527)	-	-	(25,719)	-
Net movement in amounts due to/from controlled entities		-	-	-	2,110	923
Proceeds/(payments) from disposal of controlled entities, net of cash disposed	37	(1)	9	-	-	-
Net (increase)/decrease in investments in controlled entities		-	-	-	94	(577)
Proceeds from disposal of associates		45	-	630	-	-
Purchase of associates		(25)	(30)	(52)	(24)	(30)
Proceeds from disposal of property and equipment		157	91	65	143	62
Purchase of property and equipment		(280)	(310)	(264)	(209)	(251)
Purchase of intangible assets		(906)	(882)	(766)	(846)	(823)
Net cash provided by/(used in) investing activities		(10,769)	(1,620)	(1,698)	(7,968)	(1,401)
Cash flows from financing activities						
Proceeds from debt issues (net of issue costs)		61,484	59,456	72,368	50,375	57,440
Redemption of debt issues		(63,313)	(64,698)	(69,119)	(56,347)	(58,005)
Issue of loan capital (net of issue costs)		4,935	2,342	4,437	4,935	2,342
Redemption of loan capital		(1,662)	(2,387)	(2,188)	(1,662)	(2,387)
Proceeds from exercise of employee options		-	3	11	-	3
Purchase of shares on exercise of employee options and rights		(6)	(8)	(17)	(6)	(8)
Shares purchased for delivery of employee share plan		(27)	(27)	(27)	(27)	(27)
Purchase of RSP treasury shares		(69)	(71)	(68)	(69)	(71)
Net sale/(purchase) of other treasury shares		7	73	7	-	-
Payment of dividends		(4,977)	(5,769)	(4,839)	(4,981)	(5,778)
Payment of distributions to non-controlling interests		(5)	(6)	(13)	-	-
Net cash provided by/(used in) financing activities		(3,633)	(11,092)	552	(7,782)	(6,491)
Net increase/(decrease) in cash and balances with central banks		(7,298)	7,058	1,691	(7,859)	7,349
Effect of exchange rate changes on cash and balances with central banks		569	944	(302)	575	936
Cash and balances with central banks as at the beginning of the year		26,788	18,786	17,397	24,976	16,691
Cash and balances with central banks as at the end of the year		20,059	26,788	18,786	17,692	24,976

The above cash flow statements should be read in conjunction with the accompanying notes.

1. The Group has adopted AASB 9 and AASB 15 from 1 October 2018. Comparatives have not been restated. In addition, the Group has made a number of presentational changes to the Balance Sheet and Income Statement. Comparatives have been restated. Refer to Note 1 for further detail.