

# Auditor's Independence Declaration



As lead auditor for the audit of the Commonwealth Bank of Australia for the year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of the Commonwealth Bank of Australia and the entities it controlled during the year.

A handwritten signature in black ink that reads 'Elizabeth O'Brien'.

Elizabeth O'Brien  
Partner  
PricewaterhouseCoopers

Sydney  
9 August 2023

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# Financial report contents

## Financial statements

|                                    |    |
|------------------------------------|----|
| Income Statements                  | 44 |
| Statements of Comprehensive Income | 45 |
| Balance Sheets                     | 46 |
| Statements of Changes in Equity    | 47 |
| Statements of Cash Flows           | 49 |

## Notes to the financial statements

|   |           |
|---|-----------|
| <b>1. Overview</b>  | <b>51</b> |
| 1.1 General information, basis of accounting, changes in accounting policies and future accounting developments | 51        |
| <b>2. Our performance</b>   | <b>53</b> |
| 2.1 Net interest income   | 53        |
| 2.2 Average balances and related interest   | 55        |
| 2.3 Net other operating income  | 60        |
| 2.4 Operating expenses  | 62        |
| 2.5 Income tax expense  | 64        |
| 2.6 Earnings per share  | 67        |
| 2.7 Financial reporting by segments   | 68        |
| <b>3. Our lending activities</b>  | <b>73</b> |
| 3.1 Loans and other receivables   | 73        |
| 3.2 Loan impairment expense and provisions for impairment   | 77        |
| <b>4. Our deposits and funding activities</b>   | <b>84</b> |
| 4.1 Deposits and other public borrowings  | 84        |
| 4.2 Liabilities at fair value through Income Statement  | 85        |
| 4.3 Debt issues   | 86        |
| 4.4 Term funding from central banks   | 87        |
| 4.5 Securitisation, covered bonds and transferred assets  | 88        |
| <b>5. Our investing, trading and other banking activities</b>   | <b>90</b> |
| 5.1 Cash and liquid assets  | 90        |
| 5.2 Receivables from and payables to financial institutions   | 90        |
| 5.3 Assets at fair value through Income Statement   | 91        |
| 5.4 Derivative financial instruments and hedge accounting   | 92        |
| 5.5 Investment securities   | 102       |

|  |            |
|--|------------|
| <b>6. Other assets</b>   | <b>104</b> |
| 6.1 Property, plant and equipment  | 104        |
| 6.2 Intangible assets  | 107        |
| 6.3 Other assets   | 110        |
| <b>7. Other liabilities</b>  | <b>111</b> |
| 7.1 Provisions   | 111        |
| 7.2 Bills payable and other liabilities  | 118        |
| <b>8. Our capital, equity and reserves</b>   | <b>119</b> |
| 8.1 Capital adequacy   | 119        |
| 8.2 Loan capital   | 120        |
| 8.3 Shareholders' equity   | 122        |
| 8.4 Dividends  | 126        |
| <b>9. Risk management</b>  | <b>128</b> |
| 9.1 Risk management framework  | 129        |
| 9.2 Credit risk  | 136        |
| 9.3 Market risk  | 152        |
| 9.4 Liquidity and funding risk   | 155        |
| 9.5 Disclosures about fair values  | 160        |
| 9.6 Collateral arrangements  | 165        |
| 9.7 Offsetting financial assets and financial liabilities  | 166        |
| <b>10. Employee benefits</b>   | <b>170</b> |
| 10.1 Share-based payments  | 170        |
| 10.2 Retirement benefit obligations  | 172        |
| 10.3 Key management personnel  | 175        |
| <b>11. Group structure</b>   | <b>177</b> |
| 11.1 Investments in subsidiaries and other entities  |            |
| 11.2 Related party disclosures   | 182        |
| 11.3 Discontinued operations and businesses held for sale  | 183        |
| <b>12. Other</b>   | <b>185</b> |
| 12.1 Contingent liabilities, contingent assets and commitments arising from the banking business | 185        |
| 12.2 Notes to the Statements of Cash Flows   | 186        |
| 12.3 Remuneration of auditors  | 187        |
| 12.4 Subsequent events   | 188        |
| Directors' declaration   | 189        |
| Independent auditor's report   | 190        |

|                        |     |
|------------------------|-----|
| Additional information | 200 |
|------------------------|-----|

# Income Statements

For the year ended 30 June 2023

|  | Note | Group <sup>1</sup> |                  |                  | Bank <sup>1</sup> |                  |
|--|------|--------------------|------------------|------------------|-------------------|------------------|
|  |      | 30 Jun 23<br>\$M   | 30 Jun 22<br>\$M | 30 Jun 21<br>\$M | 30 Jun 23<br>\$M  | 30 Jun 22<br>\$M |
| Interest income:   |      |                    |                  |                  |                   |                  |
| Effective interest income  | 2.1  | 43,182             | 23,987           | 24,804           | 38,954            | 21,186           |
| Other interest income  | 2.1  | 1,293              | 306              | 317              | 1,332             | 326              |
| Interest expense   | 2.1  | (21,419)           | (4,820)          | (5,819)          | (20,270)          | (4,633)          |
| Net interest income  |      | 23,056             | 19,473           | 19,302           | 20,016            | 16,879           |
| Net other operating income <sup>2</sup>                                    | 2.3  | 4,474              | 5,463            | 4,904            | 4,812             | 9,588            |
| <b>Total net operating income before operating expenses and impairment</b> |      | <b>27,530</b>      | 24,936           | 24,206           | <b>24,828</b>     | 26,467           |
| Operating expenses   | 2.4  | (12,079)           | (11,609)         | (11,277)         | (11,072)          | (13,058)         |
| Loan impairment (expense)/benefit  | 3.2  | (1,108)            | 357              | (554)            | (1,021)           | 397              |
| <b>Net profit before income tax</b>  |      | <b>14,343</b>      | 13,684           | 12,375           | <b>12,735</b>     | 13,806           |
| Income tax expense   | 2.5  | (4,155)            | (4,011)          | (3,532)          | (3,455)           | (3,432)          |
| <b>Net profit after income tax from continuing operations</b>              |      | <b>10,188</b>      | 9,673            | 8,843            | <b>9,280</b>      | 10,374           |
| Net (loss)/profit after income tax from discontinued operations            | 11.3 | (98)               | 1,098            | 1,338            | –                 | –                |
| <b>Net profit attributable to equity holders of the Bank</b>               |      | <b>10,090</b>      | 10,771           | 10,181           | <b>9,280</b>      | 10,374           |

1 Comparative information has been revised to reflect the changes in presentation detailed in Note 1.1.

2 Net other operating income is presented net of directly attributable fees and commission expenses, depreciation and impairment charges.

The above Income Statements should be read in conjunction with the accompanying notes.

Earnings per share for profit attributable to equity holders of the Bank during the year:

|  | Group           |           |           |
|--|-----------------|-----------|-----------|
|  | 30 Jun 23       | 30 Jun 22 | 30 Jun 21 |
|  | Cents per share |           |           |
| Earnings per share from continuing operations: |                 |           |           |
| Basic  | 603.0           | 561.7     | 499.2     |
| Diluted  | 589.3           | 541.5     | 470.6     |
| Earnings per share:                            |                 |           |           |
| Basic  | 597.2           | 625.4     | 574.8     |
| Diluted  | 583.8           | 601.4     | 539.7     |

# Statements of Comprehensive Income

For the year ended 30 June 2023

|  | Group            |                  |                  | Bank             |                  |
|--|------------------|------------------|------------------|------------------|------------------|
|  | 30 Jun 23<br>\$M | 30 Jun 22<br>\$M | 30 Jun 21<br>\$M | 30 Jun 23<br>\$M | 30 Jun 22<br>\$M |
| <b>Net profit after income tax for the period from continuing operations</b>                               | <b>10,188</b>    | 9,673            | 8,843            | <b>9,280</b>     | 10,374           |
| <b>Other comprehensive income/(expense):</b>   |                  |                  |                  |                  |                  |
| <b>Items that may be reclassified subsequently to profit/(loss):</b>                                       |                  |                  |                  |                  |                  |
| Foreign currency translation reserve net of tax  | 191              | (240)            | (212)            | 33               | 92               |
| Losses on cash flow hedging instruments net of tax   | (961)            | (1,326)          | (1,046)          | (896)            | (1,771)          |
| (Losses)/gains on debt investment securities at fair value through Other Comprehensive Income net of tax   | (230)            | (503)            | 522              | (203)            | (456)            |
| <b>Total of items that may be reclassified</b>   | <b>(1,000)</b>   | (2,069)          | (736)            | <b>(1,066)</b>   | (2,135)          |
| <b>Items that will not be reclassified to profit/(loss):</b>   |                  |                  |                  |                  |                  |
| Actuarial (losses)/gains from defined benefit superannuation plans net of tax                              | (12)             | 76               | (95)             | (12)             | 76               |
| (Losses)/gains on equity investment securities at fair value through Other Comprehensive Income net of tax | (264)            | (1,627)          | 1,521            | (246)            | (1,617)          |
| Revaluation of properties net of tax   | 19               | 30               | 18               | 24               | 30               |
| <b>Total of items that will not be reclassified</b>  | <b>(257)</b>     | (1,521)          | 1,444            | <b>(234)</b>     | (1,511)          |
| <b>Other comprehensive (expense)/income net of income tax from continuing operations</b>                   | <b>(1,257)</b>   | (3,590)          | 708              | <b>(1,300)</b>   | (3,646)          |
| <b>Total comprehensive income for the period from continuing operations:</b>                               | <b>8,931</b>     | 6,083            | 9,551            | <b>7,980</b>     | 6,728            |
| Net (loss)/profit after income tax from discontinued operations  | (98)             | 1,098            | 1,338            | –                | –                |
| Other comprehensive income net of income tax from discontinued operations                                  | –                | –                | 33               | –                | –                |
| <b>Total comprehensive income for the period attributable to equity holders of the Bank</b>                | <b>8,833</b>     | 7,181            | 10,922           | <b>7,980</b>     | 6,728            |

The above Statements of Comprehensive Income should be read in conjunction with the accompanying notes.

|   | Note | Group           |           |           |
|---|------|-----------------|-----------|-----------|
|   |      | 30 Jun 23       | 30 Jun 22 | 30 Jun 21 |
|   |      | Cents per share |           |           |
| Dividends per share attributable to shareholders of the Bank: |      |                 |           |           |
| Ordinary shares   | 8.4  | 450             | 385       | 350       |

# Balance Sheets

As at 30 June 2023

|  | Note | Group            |                  | Bank             |                  |
|--|------|------------------|------------------|------------------|------------------|
|  |      | 30 Jun 23<br>\$M | 30 Jun 22<br>\$M | 30 Jun 23<br>\$M | 30 Jun 22<br>\$M |
| <b>Assets</b>  |      |                  |                  |                  |                  |
| Cash and liquid assets   | 5.1  | 116,619          | 161,154          | 108,367          | 150,974          |
| Receivables from financial institutions                                | 5.2  | 6,079            | 6,845            | 5,422            | 6,071            |
| Assets at fair value through Income Statement                          | 5.3  | 67,627           | 25,315           | 67,641           | 25,249           |
| Derivative assets  | 5.4  | 23,945           | 35,736           | 25,585           | 37,774           |
| Investment securities:   |      |                  |                  |                  |                  |
| At amortised cost  | 5.5  | 2,032            | 3,217            | 2,032            | 3,217            |
| At fair value through Other Comprehensive Income                       | 5.5  | 84,072           | 79,086           | 77,232           | 72,191           |
| Assets held for sale   | 11.3 | 5                | 1,322            | 5                | 28               |
| Loans and other receivables  | 3.1  | 926,082          | 878,854          | 816,140          | 773,042          |
| Shares in and loans to controlled entities                             | 11.2 | –                | –                | 54,636           | 56,719           |
| Property, plant and equipment  | 6.1  | 4,950            | 4,887            | 3,549            | 3,627            |
| Investments in associates and joint ventures                           | 11.1 | 2,848            | 2,801            | 1,430            | 1,407            |
| Intangible assets  | 6.2  | 7,393            | 6,899            | 4,340            | 3,883            |
| Deferred tax assets  | 2.5  | 3,811            | 3,173            | 3,640            | 3,069            |
| Other assets   | 6.3  | 7,382            | 5,971            | 6,799            | 5,387            |
| <b>Total assets</b>  |      | <b>1,252,845</b> | <b>1,215,260</b> | <b>1,176,818</b> | <b>1,142,638</b> |
| <b>Liabilities</b>   |      |                  |                  |                  |                  |
| Deposits and other public borrowings                                   | 4.1  | 864,995          | 857,586          | 786,267          | 783,701          |
| Payables to financial institutions                                     | 5.2  | 21,910           | 26,052           | 21,266           | 25,321           |
| Liabilities at fair value through Income Statement                     | 4.2  | 40,103           | 7,271            | 39,148           | 6,097            |
| Derivative liabilities   | 5.4  | 25,347           | 33,899           | 26,728           | 35,002           |
| Due to controlled entities   |      | –                | –                | 42,586           | 41,433           |
| Current tax liabilities  |      | 671              | 263              | 442              | 75               |
| Deferred tax liabilities   | 2.5  | 138              | 150              | 64               | 82               |
| Liabilities held for sale  | 11.3 | –                | 1,183            | –                | –                |
| Provisions   | 7.1  | 3,013            | 3,636            | 2,818            | 3,370            |
| Term funding from central banks  | 4.4  | 54,220           | 54,807           | 49,637           | 51,137           |
| Debt issues  | 4.3  | 122,267          | 116,902          | 95,893           | 89,940           |
| Bills payable and other liabilities                                    | 7.2  | 15,578           | 12,656           | 14,932           | 12,347           |
|  |      | 1,148,242        | 1,114,405        | 1,079,781        | 1,048,505        |
| Loan capital   | 8.2  | 32,598           | 28,017           | 32,587           | 28,009           |
| <b>Total liabilities</b>   |      | <b>1,180,840</b> | <b>1,142,422</b> | <b>1,112,368</b> | <b>1,076,514</b> |
| <b>Net assets</b>  |      | <b>72,005</b>    | <b>72,838</b>    | <b>64,450</b>    | <b>66,124</b>    |
| <b>Shareholders' Equity</b>  |      |                  |                  |                  |                  |
| Ordinary share capital   | 8.3  | 33,913           | 36,467           | 33,949           | 36,491           |
| Reserves   | 8.3  | (1,710)          | (460)            | (1,838)          | (544)            |
| Retained profits   | 8.3  | 39,797           | 36,826           | 32,339           | 30,177           |
| <b>Shareholders' Equity attributable to equity holders of the Bank</b> |      | <b>72,000</b>    | <b>72,833</b>    | <b>64,450</b>    | <b>66,124</b>    |
| Non-controlling interests  |      | 5                | 5                | –                | –                |
| <b>Total Shareholders' Equity</b>                                      |      | <b>72,005</b>    | <b>72,838</b>    | <b>64,450</b>    | <b>66,124</b>    |

The above Balance Sheets should be read in conjunction with the accompanying notes.

# Statements of Changes in Equity

For the year ended 30 June 2023

|   | Group                      |              |                      |                |                               | Total Shareholders' Equity \$M |
|---|----------------------------|--------------|----------------------|----------------|-------------------------------|--------------------------------|
|   | Ordinary share capital \$M | Reserves \$M | Retained profits \$M | Total \$M      | Non-controlling interests \$M |                                |
| <b>As at 30 June 2021</b>   | 38,420                     | 3,249        | 37,014               | <b>78,683</b>  | 5                             | <b>78,688</b>                  |
| Net profit after income tax from continuing operations                            | –                          | –            | 9,673                | <b>9,673</b>   | –                             | <b>9,673</b>                   |
| Net profit after income tax from discontinued operations                          | –                          | –            | 1,098                | <b>1,098</b>   | –                             | <b>1,098</b>                   |
| Other comprehensive (expense)/income net of income tax from continuing operations | –                          | (3,666)      | 76                   | <b>(3,590)</b> | –                             | <b>(3,590)</b>                 |
| Total comprehensive income for the period   | –                          | (3,666)      | 10,847               | <b>7,181</b>   | –                             | <b>7,181</b>                   |
| Transactions with equity holders in their capacity as equity holders:             |                            |              |                      |                |                               |                                |
| Share buy-back <sup>1</sup>   | (1,937)                    | –            | (4,534)              | <b>(6,471)</b> | –                             | <b>(6,471)</b>                 |
| Dividends paid on ordinary shares   | –                          | –            | (6,535)              | <b>(6,535)</b> | –                             | <b>(6,535)</b>                 |
| Dividend reinvestment plan (net of issue costs)                                   | (1)                        | –            | –                    | <b>(1)</b>     | –                             | <b>(1)</b>                     |
| Share-based payments  | –                          | (9)          | –                    | <b>(9)</b>     | –                             | <b>(9)</b>                     |
| Purchase of treasury shares   | (76)                       | –            | –                    | <b>(76)</b>    | –                             | <b>(76)</b>                    |
| Sale and vesting of treasury shares   | 61                         | –            | –                    | <b>61</b>      | –                             | <b>61</b>                      |
| Other changes   | –                          | (34)         | 34                   | –              | –                             | –                              |
| <b>As at 30 June 2022</b>   | 36,467                     | (460)        | 36,826               | <b>72,833</b>  | 5                             | <b>72,838</b>                  |
| Net profit after income tax from continuing operations                            | –                          | –            | 10,188               | <b>10,188</b>  | –                             | <b>10,188</b>                  |
| Net loss after income tax from discontinued operations                            | –                          | –            | (98)                 | <b>(98)</b>    | –                             | <b>(98)</b>                    |
| Other comprehensive expense net of income tax from continuing operations          | –                          | (1,245)      | (12)                 | <b>(1,257)</b> | –                             | <b>(1,257)</b>                 |
| Total comprehensive income for the period   | –                          | (1,245)      | 10,078               | <b>8,833</b>   | –                             | <b>8,833</b>                   |
| Transactions with equity holders in their capacity as equity holders:             |                            |              |                      |                |                               |                                |
| Share buy-back <sup>2</sup>   | (2,533)                    | –            | –                    | <b>(2,533)</b> | –                             | <b>(2,533)</b>                 |
| Dividends paid on ordinary shares   | –                          | –            | (7,117)              | <b>(7,117)</b> | –                             | <b>(7,117)</b>                 |
| Dividend reinvestment plan (net of issue costs)                                   | –                          | –            | –                    | –              | –                             | –                              |
| Share-based payments  | –                          | 5            | –                    | <b>5</b>       | –                             | <b>5</b>                       |
| Purchase of treasury shares   | (101)                      | –            | –                    | <b>(101)</b>   | –                             | <b>(101)</b>                   |
| Sale and vesting of treasury shares   | 80                         | –            | –                    | <b>80</b>      | –                             | <b>80</b>                      |
| Other changes   | –                          | (10)         | 10                   | –              | –                             | –                              |
| <b>As at 30 June 2023</b>   | 33,913                     | (1,710)      | 39,797               | <b>72,000</b>  | 5                             | <b>72,005</b>                  |

1 On 4 October 2021, the Group announced the successful completion of its \$6 billion off-market buy-back of CBA ordinary shares. 67,704,807 ordinary shares were bought back at \$88.62 per share, and comprised a fully franked dividend component of \$66.96 per share (\$4,534 million) and a capital component of \$21.66 per share (\$1,466 million). On 9 February 2022, the Group announced its intention to conduct an on-market share buy-back of up to \$2 billion. As at 30 June 2022, the Group bought back a total of 4,853,197 ordinary shares (\$468 million) at an average price of \$96.42. The Group recognised \$3 million transaction costs in relation to the capital returns. The shares bought back were subsequently cancelled.

2 On 15 February 2023, the Group announced its intention to undertake an on-market share buy-back of up to \$1 billion of CBA ordinary shares in addition to the \$2 billion announcement on 9 February 2022. During the year ended 30 June 2023, the Group completed the previously announced \$3 billion on-market buy backs and bought back a total of 25,369,084 ordinary shares (\$2,532 million) at an average price of \$99.81. The Group recognised \$1 million in transaction costs in relation to the capital returns. The shares bought back were subsequently cancelled.

The above Consolidated Statements of Changes in Equity should be read in conjunction with the accompanying notes.

# Statements of Changes in Equity (continued)

For the year ended 30 June 2023

|   | Bank                                |                 |                            | Total<br>Shareholders'<br>Equity<br>\$M |
|---|-------------------------------------|-----------------|----------------------------|---|
|   | Ordinary<br>share<br>capital<br>\$M | Reserves<br>\$M | Retained<br>profits<br>\$M |   |
|   | \$M                                 | \$M             | \$M                        |   |
| <b>As at 30 June 2021</b>   | 38,430                              | 3,201           | 30,782                     | <b>72,413</b>                           |
| Net profit after income tax from continuing operations                            | –                                   | –               | 10,374                     | <b>10,374</b>                           |
| Other comprehensive (expense)/income net of income tax from continuing operations | –                                   | (3,722)         | 76                         | <b>(3,646)</b>                          |
| Total comprehensive income for the period   | –                                   | (3,722)         | 10,450                     | <b>6,728</b>                            |
| Transactions with equity holders in their capacity as equity holders:             |                                     |                 |                            |   |
| Share buy-back <sup>1</sup>   | (1,937)                             | –               | (4,534)                    | <b>(6,471)</b>                          |
| Dividends paid on ordinary shares   | –                                   | –               | (6,535)                    | <b>(6,535)</b>                          |
| Dividend reinvestment plan (net of issue costs)                                   | (1)                                 | –               | –                          | <b>(1)</b>                              |
| Share-based payments  | –                                   | (9)             | –                          | <b>(9)</b>                              |
| Purchase of treasury shares   | (60)                                | –               | –                          | <b>(60)</b>                             |
| Sale and vesting of treasury shares   | 59                                  | –               | –                          | <b>59</b>                               |
| Other changes   | –                                   | (14)            | 14                         | <b>–</b>                                |
| <b>As at 30 June 2022</b>   | <b>36,491</b>                       | <b>(544)</b>    | <b>30,177</b>              | <b>66,124</b>                           |
| Net profit after income tax from continuing operations                            | –                                   | –               | 9,280                      | <b>9,280</b>                            |
| Other comprehensive expense net of income tax from continuing operations          | –                                   | (1,288)         | (12)                       | <b>(1,300)</b>                          |
| Total comprehensive income for the period   | –                                   | (1,288)         | 9,268                      | <b>7,980</b>                            |
| Transactions with equity holders in their capacity as equity holders:             |                                     |                 |                            |   |
| Share buy-back <sup>2</sup>   | (2,533)                             | –               | –                          | <b>(2,533)</b>                          |
| Dividends paid on ordinary shares   | –                                   | –               | (7,117)                    | <b>(7,117)</b>                          |
| Dividend reinvestment plan (net of issue costs)                                   | –                                   | –               | –                          | <b>–</b>                                |
| Share-based payments  | –                                   | 5               | –                          | <b>5</b>                                |
| Purchase of treasury shares   | (64)                                | –               | –                          | <b>(64)</b>                             |
| Sale and vesting of treasury shares   | 55                                  | –               | –                          | <b>55</b>                               |
| Other changes   | –                                   | (11)            | 11                         | <b>–</b>                                |
| <b>As at 30 June 2023</b>   | <b>33,949</b>                       | <b>(1,838)</b>  | <b>32,339</b>              | <b>64,450</b>                           |

1 On 4 October 2021, the Group announced the successful completion of its \$6 billion off-market buy-back of CBA ordinary shares. 67,704,807 ordinary shares were bought back at \$88.62 per share, and comprised a fully franked dividend component of \$66.96 per share (\$4,534 million) and a capital component of \$21.66 per share (\$1,466 million). On 9 February 2022, the Group announced its intention to conduct an on-market share buy-back of up to \$2 billion. As at 30 June 2022, the Group bought back a total of 4,853,197 ordinary shares (\$468 million) at an average price of \$96.42. The Group recognised \$3 million transaction costs in relation to the capital returns. The shares bought back were subsequently cancelled.

2 On 15 February 2023, the Group announced its intention to undertake an on-market share buy-back of up to \$1 billion of CBA ordinary shares in addition to the \$2 billion announcement on 9 February 2022. During the year ended 30 June 2023, the Group completed the previously announced \$3 billion on-market buy backs and bought back a total of 25,369,084 ordinary shares (\$2,532 million) at an average price of \$99.81. The Group recognised \$1 million in transaction costs in relation to the capital returns. The shares bought back were subsequently cancelled.

The above Statements of Changes in Equity should be read in conjunction with the accompanying notes.

# Statements of Cash Flows

For the year ended 30 June 2023

|  | Note     | Group <sup>1,2</sup> |                  |                  | Bank <sup>1</sup> |                  |
|--|----------|----------------------|------------------|------------------|-------------------|------------------|
|  |          | 30 Jun 23<br>\$M     | 30 Jun 22<br>\$M | 30 Jun 21<br>\$M | 30 Jun 23<br>\$M  | 30 Jun 22<br>\$M |
| <b>Cash flows from operating activities</b>  |          |                      |                  |                  |                   |                  |
| Interest received  |          | 43,286               | 24,744           | 25,203           | 39,016            | 21,827           |
| Interest paid  |          | (18,212)             | (4,432)          | (6,424)          | (17,561)          | (4,228)          |
| Other operating income received  |          | 3,240                | 3,562            | 4,775            | 2,737             | 2,779            |
| Expenses paid  |          | (11,207)             | (11,027)         | (9,886)          | (10,245)          | (9,835)          |
| Income taxes paid  |          | (3,871)              | (3,530)          | (3,672)          | (3,332)           | (3,086)          |
| Insurance business:  |          |                      |                  |                  |                   |                  |
| Investment income  |          | –                    | (6)              | –                | –                 | –                |
| Premiums received <sup>3</sup>   |          | 183                  | 698              | 695              | –                 | –                |
| Policy payments and commission expense <sup>3</sup>  |          | (208)                | (620)            | (550)            | –                 | –                |
| <b>Cash flows from operating activities before changes in operating assets and liabilities</b> |          | <b>13,211</b>        | <b>9,389</b>     | <b>10,141</b>    | <b>10,615</b>     | <b>7,457</b>     |
| <b>Changes in operating assets and liabilities arising from cash flow movements</b>            |          |                      |                  |                  |                   |                  |
| Movement in investment securities:   |          |                      |                  |                  |                   |                  |
| Purchases  |          | (34,641)             | (34,472)         | (37,045)         | (31,963)          | (33,041)         |
| Proceeds   |          | 30,050               | 34,957           | 29,528           | 27,256            | 32,847           |
| Net (increase)/decrease in assets at fair value through Income Statement (excluding insurance) |          | (36,874)             | 14,587           | (911)            | (36,344)          | 10,463           |
| Net increase in loans and other receivables  |          | (46,102)             | (68,250)         | (39,858)         | (43,598)          | (62,550)         |
| Net decrease/(increase) in receivables from financial institutions                             |          | 1,230                | (1,747)          | 3,567            | 1,116             | (1,607)          |
| Net decrease/(increase) in securities purchased under agreements to resell at amortised cost   |          | 34,690               | (29,888)         | 4,272            | 34,431            | (29,991)         |
| Net (increase)/decrease in other assets  |          | (943)                | (795)            | 185              | (624)             | (536)            |
| Net increase in deposits and other public borrowings   |          | 38,385               | 79,739           | 61,189           | 35,157            | 77,068           |
| Net (decrease)/increase in payables to financial institutions                                  |          | (5,258)              | 7,425            | 4,041            | (5,126)           | 7,269            |
| Net (decrease)/increase in securities sold under agreements to repurchase at amortised cost    |          | (34,996)             | 13,846           | 2,441            | (35,019)          | 13,878           |
| Net increase/(decrease) in other liabilities at fair value through Income Statement            |          | 32,814               | (1,516)          | 4,100            | 33,098            | 3,233            |
| Net increase/(decrease) in other liabilities   |          | 44                   | (35)             | (338)            | 24                | (478)            |
| <b>Changes in operating assets and liabilities arising from cash flow movements</b>            |          | <b>(21,601)</b>      | <b>13,851</b>    | <b>31,171</b>    | <b>(21,592)</b>   | <b>16,555</b>    |
| <b>Net cash (used in)/provided by operating activities</b>                                     | 12.2 (a) | <b>(8,390)</b>       | <b>23,240</b>    | <b>41,312</b>    | <b>(10,977)</b>   | <b>24,012</b>    |

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 includes discontinued operations. For the cash flows from discontinued operations, refer to Note 11.3.

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



# Statements of Cash Flows (continued)

For the year ended 30 June 2023

|   | Note     | Group <sup>1,2</sup> |                  |                  | Bank <sup>1</sup> |                  |
|---|----------|----------------------|------------------|------------------|-------------------|------------------|
|   |          | 30 Jun 23<br>\$M     | 30 Jun 22<br>\$M | 30 Jun 21<br>\$M | 30 Jun 23<br>\$M  | 30 Jun 22<br>\$M |
| <b>Cash flows from investing activities</b>                                   |          |                      |                  |                  |                   |                  |
| Cash outflows from acquisitions of controlled entities (net of cash acquired) |          | –                    | –                | (61)             | –                 | –                |
| Cash inflows from disposals of associates and joint ventures                  |          | –                    | 1,789            | 892              | –                 | 1,789            |
| Cash outflows from acquisitions of associates and joint ventures              |          | (41)                 | (256)            | (60)             | (37)              | (254)            |
| Cash inflows from disposal of controlled entities (net of cash disposed of)   |          | 567                  | 1,975            | 682              | –                 | –                |
| Dividends received  |          | 95                   | 30               | 128              | 1,233             | 3,456            |
| Net amounts received from/(paid to) controlled entities <sup>3</sup>          |          | –                    | –                | –                | 3,292             | (3,674)          |
| Proceeds from sales of property, plant and equipment                          |          | 74                   | 108              | 57               | 41                | 76               |
| Purchases of property, plant and equipment                                    |          | (683)                | (231)            | (235)            | (349)             | (189)            |
| Purchases of intangible assets  |          | (885)                | (746)            | (532)            | (769)             | (642)            |
| <b>Net cash (used in)/provided by investing activities</b>                    |          | <b>(873)</b>         | <b>2,669</b>     | <b>871</b>       | <b>3,411</b>      | <b>562</b>       |
| <b>Cash flows from financing activities</b>                                   |          |                      |                  |                  |                   |                  |
| Share buy-backs   |          | (2,533)              | (6,471)          | –                | (2,533)           | (6,471)          |
| Dividends paid (excluding Dividend Reinvestment Plan)                         |          | (7,117)              | (6,535)          | (4,132)          | (7,117)           | (6,535)          |
| Proceeds from issuance of debt securities                                     |          | 51,833               | 61,921           | 17,802           | 43,462            | 53,854           |
| Redemption of debt securities   |          | (49,329)             | (45,879)         | (49,558)         | (39,641)          | (41,049)         |
| (Maturity of)/proceeds from term funding from central banks                   |          | (598)                | 2,951            | 50,357           | (1,500)           | –                |
| Purchases of treasury shares  |          | (101)                | (76)             | (71)             | (64)              | (60)             |
| Sales of treasury shares  |          | –                    | 48               | 5                | –                 | 50               |
| Proceeds from issuance of loan capital  |          | 7,665                | 6,815            | 6,791            | 7,673             | 6,832            |
| Redemption of loan capital  |          | (3,043)              | (6,540)          | (2,608)          | (3,043)           | (6,165)          |
| Payments for the principal portion of lease liabilities                       |          | (525)                | (523)            | (428)            | (470)             | (477)            |
| Other   |          | –                    | –                | 153              | –                 | –                |
| <b>Net cash (used in)/provided by financing activities</b>                    |          | <b>(3,748)</b>       | <b>5,711</b>     | <b>18,311</b>    | <b>(3,233)</b>    | <b>(21)</b>      |
| Net (decrease)/increase in cash and cash equivalents                          |          | (13,011)             | 31,620           | 60,494           | (10,799)          | 24,553           |
| Effect of foreign exchange rates on cash and cash equivalents                 |          | 828                  | 355              | (465)            | 279               | 429              |
| Cash and cash equivalents at beginning of year                                |          | 119,355              | 87,380           | 27,351           | 109,250           | 84,268           |
| <b>Cash and cash equivalents at end of year</b>                               | 12.2 (b) | <b>107,172</b>       | <b>119,355</b>   | <b>87,380</b>    | <b>98,730</b>     | <b>109,250</b>   |

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 includes discontinued operations. For the cash flows from discontinued operations, refer to Note 11.3.

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

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

# Notes to the financial statements

For the year ended 30 June 2023

## 1. Overview

### 1.1 General information, basis of accounting, changes in accounting policies and future accounting developments

#### General information

The Financial Report of the Commonwealth Bank of Australia (the Bank) and the Bank and its subsidiaries (the Group) for the year ended 30 June 2023, was approved and authorised for issue by the Board of Directors on 9 August 2023. The Directors have the power to amend and reissue the financial statements.

The Bank is a for-profit entity incorporated and domiciled in Australia. It is a company limited by shares that are publicly traded on the Australian Securities Exchange. The registered office is Commonwealth Bank Place South, Level 1, 11 Harbour Street, NSW 2000, Australia.

The Financial Report includes the consolidated and standalone financial statements of the Group and the Bank, respectively. Notes accompanying the financial statements and the Directors' declaration form part of the Financial Report.

On 30 September 2022, the Group completed the sale of CommInsure General Insurance to Hollard Insurance Company Pty Ltd.

There have been no other significant changes in the nature of the principal activities of the Group during the year.

#### Basis of accounting

The Financial Report:

- is a general purpose financial report;
- has been prepared in accordance with the Australian Accounting Standards adopted by the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB);
- has been prepared in accordance with the requirements of the *Corporations Act 2001* (Cth);
- is presented in Australian dollars, which is the Bank's functional and presentation currency, with all values rounded to the nearest million dollars (\$M) in accordance with *ASIC Corporations Instrument 2016/191* unless otherwise indicated;
- includes foreign currency transactions that are translated into the functional currency, using the exchange rates prevailing at the date of each transaction;
- has been prepared on a going concern basis using a historical cost basis, except for certain assets and liabilities (including derivative instruments) measured at fair value;
- presents assets and liabilities on the face of the Balance Sheets in decreasing order of liquidity;
- where required, presents restated comparative information for consistency with the current year's presentation in the Financial Report; and
- contains accounting policies that have been consistently applied to all periods presented, unless otherwise stated.

#### Changes in comparatives

##### Discontinued operations

The financial results of businesses reclassified as discontinued operations are excluded from the results of the continuing operations and are presented as a single line item Net profit/(loss) after income tax from discontinued operations in the Income Statement, and Other Comprehensive Income/(expense) net of income tax from discontinued operations in the Statement of Comprehensive Income.

The Income Statements and the Statements of Comprehensive Income for comparative periods are also restated. Assets and liabilities of discontinued operations subject to disposal have been presented on the Balance Sheet separately as assets and liabilities held for sale. The Balance Sheet is not restated when a business is reclassified as a discontinued operation.

##### Re-segmentation

During the year ended 30 June 2023, the Group made a number of allocations and reclassifications including refinements to the allocation of support units and other costs. These changes have not impacted the Group's net profit, but have resulted in changes to the presentation of the Income Statement and the Balance Sheet of the affected segments. These changes have been applied retrospectively.