

Annual Enterprise Survey: 2015 financial year (provisional)

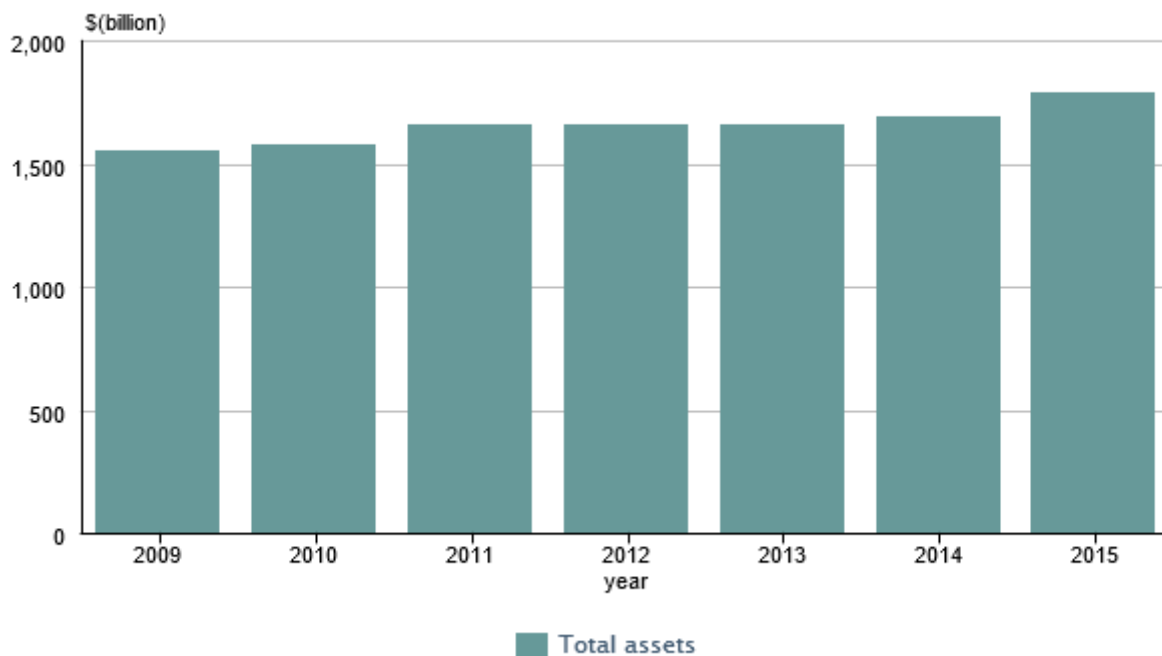
Embargoed until 10:45am – 26 August 2016

Key facts

Provisional data for the 2015 financial year

- Business assets for all industries increased \$94.6 billion (5.6 percent) to \$1.79 trillion – the largest increase since the global financial crisis (2007–09).
- Businesses earned \$59.0 billion in operating profit – down \$1.7 billion (2.8 percent) from 2014.
- The operating profit represented a 3.3 percent return on assets – down from 3.6 percent in 2014.
- Small and medium-sized businesses were 97.4 percent of all businesses, had \$33.7 billion in operating profits, and made a 3.8 percent return on assets.

All industries - total assets
2009-15 financial years



Source: Statistics New Zealand

Liz MacPherson, Government Statistician
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Commentary

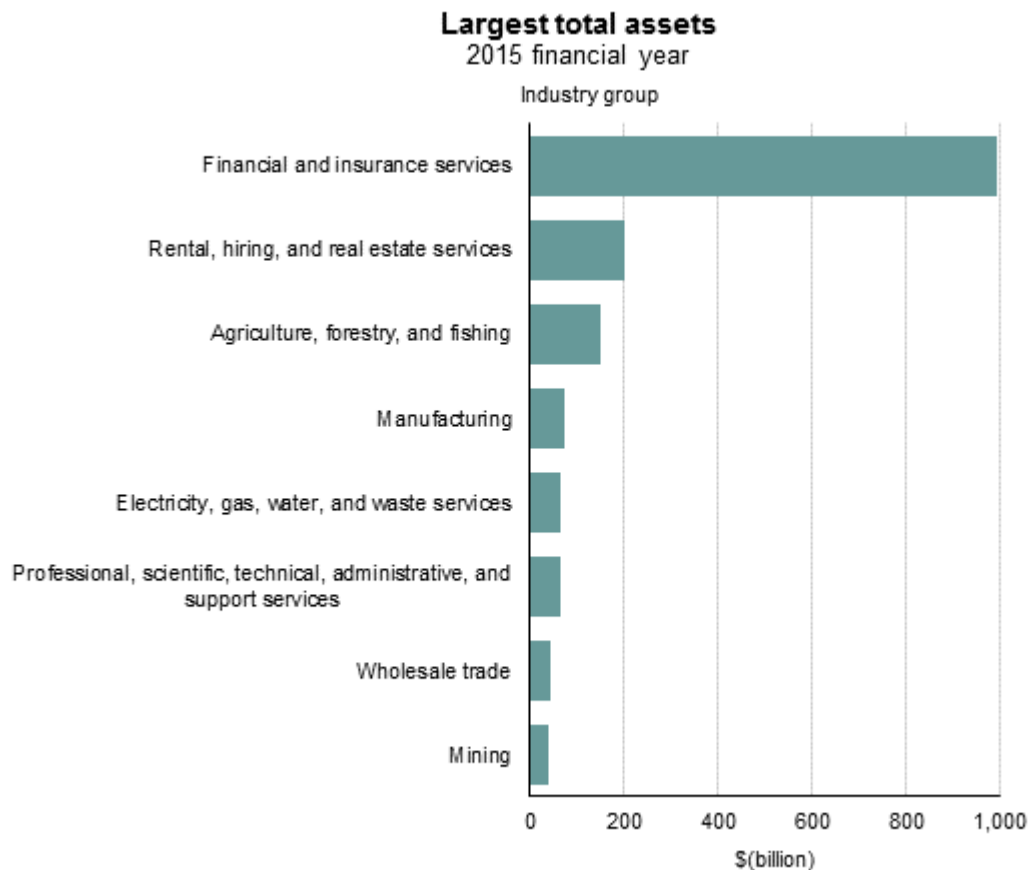
- [Business assets reach nearly \\$1.8 trillion](#)
- [Businesses earn \\$59.0 billion operating profit in 2015](#)
- [Businesses earn 3.3 percent return on assets](#)
- [Small and medium-sized businesses have nearly 50 percent of total assets](#)
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Business assets reach nearly \$1.8 trillion

In 2015, New Zealand businesses held assets valued at nearly \$1.8 trillion (\$1,792.5 billion), a \$94.6 billion (5.6 percent) increase on 2014. This is the largest annual increase in total assets since the global financial crisis (2007–09).

The **financial and insurance services** industry group had the highest asset value in 2015 (\$992.8 billion) – 55.4 percent of total assets. This was up 5.5 percent on 2014.

The banking industry, with \$636.6 billion in assets in 2015, was the largest contributor to the asset value in the financial and insurance services industry group. This was a \$46.4 billion (7.9 percent) increase on 2014. Most banking assets are in the form of loans.



Source: Statistics New Zealand

Businesses earn \$59.0 billion operating profit in 2015

Businesses earned \$59.0 billion in operating profit in 2015, down \$1.7 billion (2.8 percent) on 2014. Operating profit is the balance of income less expenditure (excluding non-operating items).

The **agriculture, forestry, and fishing industry group** had the largest fall in operating profit – down \$2.6 billion (49.2 percent). This was partly offset by a \$1.4 billion (34.2 percent) rise in the manufacturing industry group.

The fall in agriculture, forestry, and fishing mainly resulted from a \$2.2 billion (82.5 percent) fall in the dairy cattle farming industry. The rise in manufacturing came mainly from a \$1.7 billion increase in food product manufacturing.



Businesses earn 3.3 percent return on assets

The \$59.0 billion operating profit earned by businesses represented a 3.3 percent return on assets. This compares with a 3.6 percent return in 2014. The return on assets is calculated as the ratio of operating profit to total asset value – a generally accepted measure of business performance.

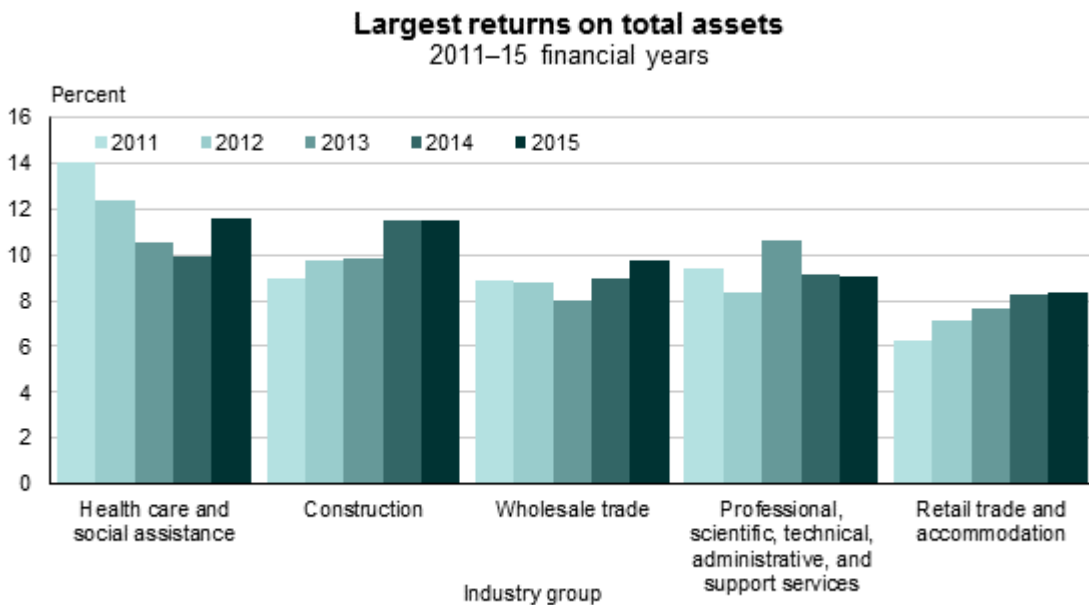
The **health care and social assistance** industry group had the highest rate of return on assets (11.6 percent) for 2015, followed by the construction industry group (11.5 percent).

The medical and other health care services industry, with a 27.3 percent rate of return for 2015, had the highest rate of return on assets within the health care and social assistance industry group in the five years to 2015. Medical and other health care services includes activities such as general practitioners, specialists, and dentists, and related treatment services

(eg physiotherapy).

The **construction** industry group has grown its returns on assets over the five years to 2015. This coincides with the upward trend in the volume of building activity over this period, to near-record levels in 2015. Construction services, with a 13.1 percent rate of return in 2015, generally had the highest return on assets within the construction division in the five years to 2015. Construction services includes activities such as land development and subdivision, and trades such as plumbers, electricians, and carpenters.

The **wholesale trade** industry group had a 9.7 percent return on assets in 2015. Commission-based wholesaling, with a 16.4 percent rate of return, had the highest for the wholesale trade industry group. Commission-based wholesaling includes auctioning services.



Source: Statistics New Zealand

Small and medium-sized businesses have nearly 50 percent of total assets

Small and medium-sized businesses (fewer than 20 employees) were 97.4 percent of all businesses and employed 35.6 percent of the workforce in 2015.

They had \$892.5 billion in assets in 2015, 49.8 percent of total business assets. Their operating profit was \$33.7 billion in 2015 – 57.1 percent of the total. The share of total profit was 61.2 percent in 2014 and 56.5 percent in 2011.

Small and medium-sized businesses had a 3.8 percent return on assets in 2015, a higher rate than businesses with 20 or more employees, which had a 2.8 percent return. The difference between small and medium-sized, and large, businesses was similar to previous years.

Small and medium-sized businesses with the highest rates of return on assets in 2015 were:

- health care and social assistance industry group (29.1 percent) – includes general practitioners, specialists, and dentists.
- professional, scientific, technical, administrative, and support services industry group (18.3 percent) – includes engineers, lawyers, accountants, and vets.
- wholesale trade industry group (12.8 percent).
- construction industry group (12.3 percent) – includes plumbers, electricians, and carpenters.

Industries with higher rates of return tend to have higher proportions of small and medium-sized businesses that are sole traders with no employees.

For more detailed data on industries, and turnover bands by total sales and total income, see the Excel tables in the 'Downloads' box.

Summary totals

Comparing the 2015 financial year with the 2014 financial year.

- Surplus before income tax (including non-operating income and expenses) for all industries decreased \$5.8 billion (8.5 percent) to \$62.5 billion.
- Total income for all industries increased \$17.0 billion (3.0 percent) to \$590.1 billion.
- Total expenditure for all industries increased 21.5 billion (4.2 percent) to \$528.2 billion.
- Total salaries and wages paid for all industries increased \$5.5 billion (6.6 percent) to \$88.7 billion.
- Total assets for all industries increased \$94.6 billion (5.6 percent) to \$1.8 trillion (\$1,792.5 billion).

The Annual Enterprise Survey

The Annual Enterprise Survey (AES) is New Zealand's most comprehensive source of financial statistics, with data from almost 460,000 businesses. It provides information on the annual financial performance and position of businesses in New Zealand. AES provides a wide range of detailed variables.

See [Annual Enterprise Survey – information releases](#) for a list of variables available from AES. If you want information that is not provided in this release, call our Information Centre at 0508 525 525 or email info@stats.govt.nz. Data published with this release for the 2013, 2014, and 2015 financial years excludes non-market government data. They are not directly comparable with data published in previous years.

Business Performance Benchmarker

[The Business Performance Benchmarker](#) is useful if you want to find key financial performance and benchmark statistics for business planning, or to compare your business against similar businesses.

We are developing this tool to provide financial statistics for more industries than those covered by AES. This tool is free of charge to use.

Changes to tables

Formatted industry tables are no longer available on our website, but are available on request. A machine-readable zipped csv file of financial information by industry is available in the 'Downloads' box.

Following a review of 2014 content for the sales size-band tables, we have made improvements to the tables provided for 2015. This includes some formatting changes, and removal of a small amount of content where our evaluation has shown further quality analysis is required to ensure the data is fit for purpose.

Additional tables are provided for 2015, based on total income bands. For industries where income is not primarily sourced from sales, there can be large differences in the distribution of units within bands defined by total income when compared with those defined by sales – the two sets of tables give insight into these differences.

Related links

- [Next release](#)
- [Past releases](#)
- [Data quality](#)
- [Related information](#)

Next release

Annual Enterprise Survey: 2016 financial year (provisional) will be released in August 2017.

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Past releases

[Annual Enterprise Survey](#) has links to past releases.

Data quality

Period-specific information

[Annual Enterprise Survey 2015 – DataInfo+](#)

Methodology used, and the postal and tax contributions for this release.

General information

[Annual Enterprise Survey – DataInfo+](#)

General methodology used to produce these statistics.

[Annual Enterprise Survey definitions – DataInfo+](#)

Definitions of terms and concepts used in this release.

Related information

[Central and local government financial statistics](#) provide an annual measure of income, expenditure and financial position information for central and local government.

[National accounts](#) provide an annual measure of economic aggregates in the New Zealand economy.

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Tables

See the following Excel tables in the 'Downloads' box on this page. If you have problems viewing the files, see [opening files and PDFs](#).

Size band tables

These tables provide information by sales and total income bands.

1. Summary financial statistics by sales bands
2. Enterprise count by ANZSIC division and total sales bands
3. Sum of total sales by ANZSIC division and total sales bands
4. Enterprise count by rolling mean employee bands and total sales bands
5. Enterprise count by rolling mean employee bands and total sales bands (under \$1 million)
6. Enterprise count by operating profit bands and total sales bands
7. Sum of operating profit by ANZSIC division and total sales bands
8. Sum of total assets by ANZSIC division and total sales bands
9. Enterprise count by ANZSIC division and operating profit bands
10. Summary financial statistics by income bands
11. Enterprise count by ANZSIC division and total income bands
12. Sum of total income by ANZSIC division and total income bands
13. Enterprise count by rolling mean employee bands and total income bands
14. Enterprise count by rolling mean employee bands and total income bands (under \$1 million)
15. Enterprise count by operating profit bands and total income bands
16. Sum of operating profit by ANZSIC division and total income bands
17. Sum of total assets by ANZSIC division and total income bands

Machine-readable zipped csv file

A machine-readable zipped csv file is also available. This is a way for technical users to download our data. Formatted industry tables are no longer available on the website, but are available on request. The csv file contains financial information by NZSIOC industry.

See [New Zealand Standard Industry Output Categories classification tables](#) for a table showing NZSIOC levels.

Detailed industry data availability

A finer level of detail is available on request, subject to confidentiality and quality constraints. Depending on the detail and type of analysis required, a number of options are available. We will advise on the most appropriate data to suit a user's needs. Contact our [Information Centre](#) to request more information.

Next release

Annual Enterprise Survey: 2016 financial year (provisional) will be released in August 2017.