

BALANCE SHEET AS AT 31 MARCH 1974—continued

1973		1974	
\$		\$	\$
	Fixed assets at cost less depreciation: (see Notes 3 and 4)		
348,209	Land and buildings ..	311,448	
32,338	Leasehold improvements ..	35,904	
48,145	Furniture and fittings ..	45,159	
25,152	Office machinery ..	20,994	
6,928	Security equipment ..	42,568	
8,946	Motor vehicles ..	11,328	
4,437	Medal and coin collection ..	5,182	
5,400	Goodwill ..	4,050	
<u>479,555</u>		<u>476,633</u>	
<u>\$36,244,237</u>		<u>\$41,857,775</u>	

NOTE 1—NEW ZEALAND GOVERNMENT STOCK AND LOCAL AUTHORITY STOCK

It is the bank's policy to amortize the discounts, premiums and variations in exchange rates on Government stock and local authority securities over the term of the investment on a straight-line basis and to show the value of the securities in the balance sheet at cost price and adjusted by the amortized amounts to date. In accordance with this policy a net sum of \$21,790 has been debited to the revenue account for this financial year.

NOTE 2—MORTGAGES

Mortgages approved but not yet uplifted total \$1,159,080.

NOTE 3—FIXED ASSETS

Cost price \$634,217
Depreciation to date \$157,584
Book value \$476,633

NOTE 4—CONTINGENT LIABILITY

Napier premises development \$100,000

A. G. McHUGH, President.
E. ROBERTSON, General Manager.

AUDITORS' REPORT

We have examined the balance sheet of the Eastern and Central Savings Bank as at 31 March 1974, and the related revenue account for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet with notes attached and revenue account present fairly the financial position of the Eastern and Central Savings Bank at 31 March 1974, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles applied on the basis consistent with that of the preceding year.

BROWN, WEBB AND CO., Chartered Accountants.

Hastings, 10 May 1974.

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OTAGO SAVINGS BANK

PROFIT AND LOSS ACCOUNT FOR YEAR ENDED 31 MARCH 1974

Interest to depositors—		\$
On open accounts	991,941	
Closed accounts and matured investment accounts ..	184,102	
Accrued on investment accounts	409,904	
Home layby accounts—suspensory free deposits ..	1,218	
	<u>1,587,165</u>	
Administrative expenses	928,258	
Trustees' honoraria	4,566	
Depreciation—		\$
Buildings	33,108	
Vehicles, equipment, furniture, etc.	29,354	
	<u>62,462</u>	
Provision for taxation	202,930	
Net profit—carried down	324,922	
	<u>\$3,110,303</u>	
Interest on investments—		
From New Zealand Government stock	1,428,299	
From local authorities stock and debentures ..	107,323	
From mortgages	1,351,690	
From other sources	77,039	
Income from other sources	145,952	
	<u>\$3,110,303</u>	

PROFIT AND LOSS APPROPRIATION ACCOUNT

Provision for donations	\$	60,000
Transfer to reserve		264,922
		<u>\$324,922</u>
Net profit—brought down		324,922
		<u>\$324,922</u>

BALANCE SHEET AS AT 31 MARCH 1974

Depositors' accounts—		\$	
Ordinary accounts	36,629,455		
Thrift club accounts	1,011,830		
Special purpose accounts	4,270,274		
Home layby accounts	186,105		
Home ownership accounts	68,331		
	<u>42,165,995</u>		
Investment accounts	10,992,689		
Total liability to depositors	53,158,684		
National savings accounts	353,113		
Add interest suspense account	6,267		
	<u>359,380</u>		
Other liabilities—			
Interest accrued on investment accounts ..	409,904		
Owing to other trustee savings banks ..	45,349		
Staff provident fund	333,919		
Sundry creditors	8,727		
Total other liabilities	797,899		
Provision for donations	60,000		
Provision for taxation	359,656		
Reserve fund	2,466,000		
	<u>\$57,201,619</u>		

Current assets—		\$	
Cash on hand and at bank	727,974		
Fixed deposits	1,620,000		
Interest accrued on investments	652,205		
Owing by other trustee savings banks ..	48,473		
Sundry debtors	9,837		
Total current assets	3,058,489		
Investments—			
New Zealand Government stock at face value (See note (i) below)	27,234,087		
Local authority securities at cost	1,925,313		
Mortgages	23,095,100		
Personal loans (less interest yet to mature)	50,816		
Shares in Allied Computer Processors Ltd., at cost	16,000		
Total ordinary investments	52,321,316		
National savings securities—			
New Zealand Government stock at cost ..	353,113		
Cash on hand and at bank	6,267		
Total National savings securities	359,380		
Fixed assets—		\$	
	Cost	Depreciation	Book
	Price	to Date	Value
	\$	\$	\$
Land and buildings	1,815,722	463,623	1,352,099
Vehicles, furniture, equipment, etc.	439,366	329,031	110,335
Total fixed assets	1,462,434		
	<u>\$57,201,619</u>		

NOTE (i)—

New Zealand Government stock at cost price—\$27,153,792.

J. G. BARNES, President.
A. L. FLEURY, General Manager.

AUDITORS' REPORT

We report that we have audited the books and accounts of the Otago Savings Bank for the year ended 31 March 1974, and have received all the information and explanations we have required.