

| 1973 | | 1974 | 1973 | | 1974 |
|--------------------|---|--------------------|---------------------|--|---------------------|
| \$ | | \$ | \$N.Z. | | \$N.Z. |
| 783,695 | Unappropriated profits at beginning of year | 970,987 | 816,827 | Provision for taxation | 770,647 |
| 287,292 | Net profit for year | 284,124 | 286,909 | Less provisional tax paid | 424,089 |
| .. | Over provision for prior year's taxes | 203 | | | |
| <u>\$1,070,987</u> | | <u>\$1,255,314</u> | <u>529,918</u> | Provision for dividend | 346,558 |
| | | | 120,000 | Other liabilities including interest accrued | 120,000 |
| | | | <u>1,031,904</u> | | <u>971,730</u> |
| | | | <u>1,681,822</u> | | <u>1,438,288</u> |
| | | | <u>\$80,379,720</u> | | <u>\$75,434,985</u> |

NOTES TO FINANCIAL STATEMENTS

NOTE 1: *Issued and paid-up capital*—
 Balance 1 October 1973 \$ 400,000
 Add further call of 20c per share made during the year 200,000

Balance 30 September 1974 \$600,000

NOTE 2: *General Reserve*—
 Balance 1 October 1973 \$ 200,000
 Add transfer from unappropriated profits 400,000

Balance 30 September 1974 \$600,000

NOTE 3: *Contingent liability*—At 30 September 1974 the company was contingently liable for subsidies to home layby account holders in the amount of \$5,738 (1973, \$6,053).

NOTE 4: *Public securities*—The book values of New Zealand public securities purchased at a discount or at a premium are adjusted annually so as to attain redemption value by maturity date. The redemption value of these securities at 30 September 1974 amounted to \$54,616,590 (1973, \$55,437,430).

AUDITORS' REPORT

We have obtained all the information and explanations that we have required. In our opinion proper books of account have been kept by the company so far as appears from our examination of those books.

In our opinion, according to the best of our information and the explanations given to us and as shown by the said books, the balance sheet and the statement of profit and unappropriated profits, together with the notes thereto, are properly drawn up so as to give respectively a true and fair view of the state of the company's affairs as at 30 September 1974 and of the results of its business for the year then ended.

According to such information and explanations the accounts, the balance sheet and the statement of profit and unappropriated profits give the information required by the Companies Act 1955 in the manner so required.

22 October 1974, Wellington, New Zealand.

WILBERFOSS AND CO., Chartered Accountants.

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NATIONAL BANK OF NEW ZEALAND SAVINGS BANK LTD.

BALANCE SHEET AS AT 31 OCTOBER 1974

| 1973 | | 1974 |
|-------------------|---|-------------------|
| \$N.Z. | | \$N.Z. |
| 2,000,000 | Shareholders' funds— Authorised and issued capital—1,000,000 ordinary shares of \$2 each | 2,000,000 |
| 400,000 | Paid-up capital—1,000,000 ordinary shares of \$2 each paid up to 40c | 400,000 |
| 965,000 | General reserve | 1,265,000 |
| 254,928 | Profit and loss appropriation account | 226,057 |
| <u>1,619,928</u> | | <u>1,891,057</u> |
| 557,534 | New Zealand Government stock revaluation reserves (Note 2) | 547,344 |
| 55,412,744 | Current liabilities and provisions— Depositors' balances— Ordinary accounts | 56,684,464 |
| 943,724 | Home lay-by accounts | 680,136 |
| 14,708,811 | 1 year investment accounts | 10,266,686 |
| 5,455,157 | 2 year investment accounts | 3,927,010 |
| <u>76,520,436</u> | | <u>71,558,296</u> |

| 1973 | | 1974 |
|---------------------|--|---------------------|
| \$N.Z. | | \$N.Z. |
| 3,109,312 | Deposits at The National Bank of New Zealand Ltd. | 3,920,643 |
| 19,953,745 | Investments— Quoted investments— New Zealand Government stock (Note 1) | 11,729,315 |
| 34,150,000 | Unquoted investments— 3¼% New Zealand Government special stock, at cost | 34,200,000 |
| 2,214,677 | Local authorities' securities, at cost | 2,285,456 |
| 56,318,422 | | 48,214,771 |
| 20,168,930 | Mortgages and other loans | 22,641,116 |
| 783,056 | Income accrued on investments | 658,455 |
| <u>77,270,408</u> | | <u>71,514,342</u> |
| <u>\$80,379,720</u> | | <u>\$75,434,985</u> |

On behalf of the Board:

JOHN MOWBRAY, Director.

B. D. JACKSON, Secretary.

PROFIT AND LOSS ACCOUNT FOR YEAR ENDING 31 OCTOBER 1974

| 1973 | | 1974 |
|--------------------|---|--------------------|
| \$N.Z. | | \$N.Z. |
| 2,328,216 | Interest to depositors | 2,301,158 |
| 861,002 | Management and operating expenses | 1,072,712 |
| .. | Directors fees | .. |
| <u>3,189,218</u> | Total expenses | <u>3,373,870</u> |
| 366,799 | Provision for taxation | 351,967 |
| 448,309 | Net profit after taxation | 430,182 |
| <u>\$4,004,326</u> | | <u>\$4,156,019</u> |
| 1,552,258 | Income from investments— New Zealand Government stock and local authority securities | 2,229,082 |
| 3,969,106 | Other investments | 1,890,467 |
| 35,220 | Other income | 36,470 |
| <u>\$4,004,326</u> | | <u>\$4,156,019</u> |

PROFIT AND LOSS APPROPRIATION ACCOUNT

| 1973 | | 1974 |
|------------------|--|------------------|
| \$N.Z. | | \$N.Z. |
| 84,530 | Transfer to New Zealand Government stock revaluation reserve | 90,234 |
| 38,039 | Less tax adjustment | 40,605 |
| 46,491 | | 49,629 |
| 300,000 | Transfer to general reserve | 300,000 |
| 120,000 | Provision for dividend | 120,000 |
| 254,928 | Balance carried forward | 226,057 |
| <u>\$721,419</u> | | <u>\$695,686</u> |