

PROFIT AND LOSS ACCOUNT FOR YEAR ENDING 31 OCTOBER 1975

1974 \$N.Z.		1975 \$N.Z.
2,301,158	Interest to depositors	2,350,815
1,072,712	Management and operating expenses	1,343,813
..	Directors fees
<u>3,373,870</u>	Total expenses	<u>3,694,628</u>
351,967	Provision for taxation	283,852
430,182	Net profit after taxation	346,931
<u>\$4,156,019</u>		<u>\$4,325,411</u>

1974 \$N.Z.		1975 \$N.Z.
2,229,082	Income from investments— New Zealand Government stock and local authority securities	2,088,130
1,890,467	Other investments	2,210,733
<u>4,119,549</u>		<u>4,298,863</u>
36,470	Other income	26,548
<u>\$4,156,019</u>		<u>\$4,325,411</u>

PROFIT AND LOSS APPROPRIATION ACCOUNT

1974 \$N.Z.		1975 \$N.Z.
90,234	Transfer to New Zealand Government stock revaluation reserve	95,279
40,605	Less tax adjustment	42,876
<u>49,629</u>		<u>52,403</u>
300,000	Transfer to general reserve	300,000
120,000	Provision for dividend	120,000
226,057	Balance carried forward	101,036
<u>\$695,686</u>		<u>\$573,439</u>

1974 \$N.Z.		1975 \$N.Z.
254,928	Balance brought forward	226,057
430,182	Net profit for period	346,931
18,892	Transfer from New Zealand Government stock revaluation reserve on account of stock matured or sold during period	820
8,501	Less tax adjustment	369
<u>10,391</u>		<u>451</u>
185	Tax adjustment for 1971 year
<u>\$695,686</u>		<u>\$573,439</u>

NOTES TO THE ACCOUNTS

1. The redemption value of the quoted New Zealand Government stock appearing in the balance sheet is \$12,147,860. The market value (which includes accrued interest \$131,298) is \$11,150,929.

2. New Zealand Government Stock Revaluation Reserve—

(i) The book values of securities purchased at a discount or a premium are adjusted through this reserve so as to attain their redemption values by maturity dates.

	\$	\$
Balance (including taxation payable thereon) 31 October 1974	587,521 Cr	
Add net appreciation for year	95,279	
Less appreciation on maturities and sales during year	(820)	
Balance (including taxation payable thereon) 31 October 1975		681,980 Cr

(ii) As from 1 November 1972 the difference between book values and proceeds on realisation of New Zealand Government stock is taken to profit and loss account in equal annual instalments over a period of 5 years commencing with the year in which it arises.

	\$	\$
Balance at 31 October 1974 of net losses for the years ended that date	73,049	
Plus losses for the year (net)	35,479	
Less proportion of net loss charged to profit and loss account	108,528	
Balance at 31 October 1975 representing net losses to be charged to revenue in future years	87,864	
Less taxation thereon	39,539	
Balance at 31 October 1975		48,325 Dr
Per balance sheet		<u>\$633,655 Cr</u>

AUDITORS' REPORT TO MEMBERS

We have obtained all the information and explanations that we have required. In our opinion, proper books of account have been kept by National Bank of New Zealand Savings Bank Ltd., and proper returns adequate for the purpose of our audit have been received from the branches. 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 profit and loss account together with the notes above, are properly drawn up so as to give respectively, a true and fair view of the state of the company's affairs as at 31 October 1975 and of its business for the year ended on that date.

According to such information and explanations the accounts, the balance sheet, and the profit and loss account together with the notes above give the information required by the Companies Act 1955, in the manner so required.

HUTCHISON HULL & CO., Chartered Accountants.

9 December 1975, Wellington, New Zealand.