

BALANCE SHEET

	1976	1976
	\$	\$
Depositors' accounts:		
Personal cheques	2,406,062	
Ordinary accounts	286,279,543	
Net online deposits in transit	-	
	<u>\$288,685,605</u>	
Housing bonds	-	
Investment accounts	79,516,284	
Total liability to depositors		368,201,889
National savings accounts	553,310	
Add interest suspense accounts	11,108	
		<u>564,418</u>
Other liabilities:		
Interest accrued on investment accounts	2,640,668	
Interest accrued on housing bonds	-	
Staff provident and welfare funds	2,661,716	
Sundry creditors	119,834	
Other (detail)	-	
Total other liabilities		5,422,218
Provision for donations		350,000
Provision for current taxation		1,529,122
Provision for deferred taxation		1,383,069
Reserve fund		19,497,862
		<u>\$396,948,578</u>

	1976	1976
	\$	\$
Current assets:		
Cash on hand and at bank	4,113,758	
Fixed deposits	23,500,000	
Interest accrued on Investments	3,668,140	
Prepaid Computer leasing charges	-	
Sundry debtors	44,468	
Owing by other trustee savings banks	-	
		<u>31,326,366</u>

Investments:		
New Zealand Government stock	174,464,824	
Local authority securities	28,490,017	
Mortgages	149,807,966	
Personal loans	1,507,234	
Total ordinary investments		354,270,041
National savings securities:		
New Zealand Government stock	564,418	

Total national savings securities: 564,418

Fixed assets	Cost Price	Depreciation to Date	Book Value
Land and buildings			7,850,571
Vehicles, equipment, furniture, etc.			2,937,182
Total fixed assets			<u>10,787,753</u>
			<u>\$396,948,578</u>

BALANCE SHEET

	1977	1977
	\$	\$
Depositors' accounts:		
Personal cheques	4,346,941	
Ordinary accounts	298,814,748	
Net online deposits in transit	2,707,917	
	<u>305,869,606</u>	
Housing Bonds	858,310	
Investment accounts	97,817,127	
Total liability to depositors		404,545,043
National savings accounts	462,156	
Add interest suspense accounts	9,511	
		<u>471,667</u>
Other liabilities:		
Interest accrued on investment accounts	3,589,977	
Interest accrued on housing bonds	22,974	
Staff provident fund	-	
Sundry creditors	198,108	
Other (detail)	-	

Total other liabilities	3,811,059
Provision for donations	400,000
Provision for current taxation	63,075
Provision for deferred taxation	1,964,043
Reserve fund	22,504,536
	<u>\$433,759,423</u>

Current assets:	1977	1977
	\$	\$
Cash on hand and at bank	5,226,388	
Fixed deposits	25,000,000	
Interest accrued on investments	4,012,631	
Owing by other trustee savings banks	275,000	
Prepaid computer leasing charges	775,000	
Sundry debtors	74,308	
		<u>35,363,327</u>

Investments:		
New Zealand Government stock	183,891,500	
Local authority securities	28,056,899	
Mortgages	171,070,986	
Personal loans	3,518,348	
Total ordinary investments		386,537,733

National savings securities:		
New Zealand Government stock	471,667	
Total national savings securities		471,667

Fixed assets:	Cost Price	Depreciation to Date	Book Value
Land and buildings			8,307,257
Vehicles, equipment, furniture, etc.			3,079,439
Total fixed assets			<u>11,386,696</u>
			<u>\$433,759,423</u>

A. L. JENKIN, President,
D. F. STEPHENS, General Manager.
Auckland 17 May, 1977

We, the undersigned, being the auditors of the Auckland Savings Bank, appointed in terms of section 29 (3) of the Trustee Savings Banks Act 1948, report:

(1) We have examined the books, accounts, and vouchers of the bank and have received all the information and explanations we have required.

(2) We have verified the cash, investments, securities, and assets of the bank as at 31 March 1977.

(3) The general manager has certified that, to the best of his knowledge and belief, all requirements of the Trustee Savings Banks Act 1948, and regulations thereunder have been complied with.

(4) In our opinion, the above balance sheet and profit and loss account are properly drawn up so as to give respectively a true and fair view of the state of the Auckland Savings Bank's affairs as at 31 March 1977 and of the results of its business for the year ended on that date.

D. C. O'HALLORAN, B.COM., F.C.A. }
CLARKE, MENZIES & CO., } Auditors.
Chartered Accountants }

STATEMENT OF ACCOUNTING POLICIES

The general accounting principles recommended by the New Zealand Society of Accountants for the measurement and reporting of profits on an historical basis have been followed. Particular accounting policies used which significantly affect the measurement of the Bank's profit and its financial position, are set out below:

(a) *Personal Loan Interest*: Interest on personal loans is apportioned over the term of the loan, using the "Rule of 78" method.

(b) *Depreciation*: Fixed assets are being depreciated on a straight line basis at rates which will write off the cost over their estimated useful lives. The principal write off periods are:

Buildings	40-100 years.
Furniture, fittings and office equipment	10-15 years.
Motor vehicles—3 years to estimated residual value of 60% of cost.	

In previous years depreciation was charged on a diminishing value basis on assets other than buildings. The effect of the change is to increase net profit after taxation by \$77,200.