

	1977	1976
\$	\$	\$
Provision for donations ..	—	9,295
Provision for taxation		
Current .. .. .	8,634	11,512
Deferred .. .. .	3,998	8,327
	12,632	19,839
Reserve fund		
Balance 1 April 1976 ..	417,257	393,158
Transferred from appropriations .. .. .	33,033	24,099
	450,290	417,257
	<u>\$13,359,408</u>	<u>\$11,837,606</u>

	1977	1976
\$	\$	\$
Current assets		
Cash on hand and at banks .. .. .	350,088	220,113
Interest bearing deposits	484,669	433,704
Interest accrued on investments	89,937	79,220
Owing by other trustee savings banks ..	13,755	8,113
Sundry debtors ..	10,136	101
	948,585	741,251
Investments		
New Zealand Government stock .. .. .	5,560,372	5,230,372
Local authority securities	253,181	218,551
Mortgages .. .. .	6,072,702	5,243,945
Personal loans .. .. .	107,915	88,048
	11,994,170	10,780,916
Fixed assets		
Land and buildings—cost price .. .. .	274,818	273,987
Depreciation to date ..	24,540	21,789
	250,278	252,198
Furniture and equipment—cost price .. .. .	270,459	147,490
Depreciation to date ..	104,084	84,924
	166,375	63,241
	416,653	88,439
	<u>\$13,359,408</u>	<u>\$11,837,606</u>

P. BLANCHFIELD, M.P., President.  
J. J. LESLIE, General Manager.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 1977

Statement of Accounting Policies

1. *General accounting policies:* The general accounting principles recognised as appropriate for the measurement and reporting of results and financial position under the historic cost method of accounting have been adopted.

2. *Recognition of income:* Income earned is recorded on an accrual basis. Interest on personal loans is calculated according to "rule of 78."

3. *Valuation of investments:* Investments are valued at cost.

4. *Fixed assets and depreciation:* Fixed assets are valued at cost less accumulated depreciation. Depreciation has been charged using the straight-line method based on the economic life of the assets. In previous years Inland Revenue Department's standard rates of depreciation have been used.

5. *Taxation:* Taxation provisions are assessed on accounting profits. Where this income is taxable in a future tax period the provision is shown as deferred taxation.

6. *Change in the basis of accounting:* There have been no changes in accounting policies other than the adoption of depreciation on a straight line basis. This has not materially affected the accounts.

REPORT OF THE AUDITORS

We report that we have audited the books and accounts of the Westland Savings Bank of the year ended 31 March 1977 and have obtained all the information and explanations we have required.

In our opinion the accompanying profit and loss account, balance sheet, and notes, presents fairly the financial position of the bank at 31 March 1977 and the results for the year ended on that date, determined in accordance with the historical cost basis of accounting explained in note 1.

19 May 1977.

MARSHALL & HEAPHY, Chartered Accountants.

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SOUTH CANTERBURY SAVINGS BANK

BALANCE SHEET AS AT 31 MARCH 1977

	Liabilities			Assets		
	1977	1977	1976	1977	1977	1976
	\$	\$	\$	\$	\$	\$
Depositors' Balances:						
Savings Accounts .. .. .	12,270,316		11,173,317			344,800
Thrift Accounts .. .. .	619,723		651,802			1,300,000
		12,890,039	11,825,119			13,244
Current Accounts .. .. .		389,113	217,886			118,961
Investment Accounts:						19,934
6 months .. .. .	237,980		112,270			5,736
1 year .. .. .	1,369,820		1,289,550			
2 years .. .. .	1,393,300		1,423,430			
3 years .. .. .	1,290,750		363,060			
		4,291,850	3,188,310		1,642,232	1,802,675
Housing Bonds .. .. .		44,770				
		17,615,772	15,231,315			
Other Liabilities:						
Interest accrued on investment accounts .. .. .		166,054	116,908		16,413,286	13,757,200
Sundry creditors .. .. .		22,978	26,603			
Owing to other trustee banks		16,471				
Mortgage freehold property			30,000			
				122,625		115,242
				10,500		10,500