

2. Investments—	1980		1979	
	Nominal Value	Book Value	Nominal Value	Book Value
New Zealand Government stock ..	\$ 30,495,351	\$ 30,551,417	\$ 27,241,721	\$ 27,196,436
Local authority stock ..	331,044	331,044	219,965	219,965
	<u>\$30,826,395</u>	<u>\$30,882,461</u>	<u>\$27,461,686</u>	<u>\$27,416,401</u>

The market value of the Bank's Government stock holding is \$23,877,667. Since stocks are generally held until dates of maturity, differences in market value and book value have little financial effect on the bank.

3. Fixed Assets—	1980		1979	
	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation
Freehold buildings ..	566,763	51,968	514,795	514,795
Office machinery ..	571,182	153,701	417,481	417,481
Other fixed assets ..	426,817	231,432	195,385	195,385
	<u>1,564,762</u>	<u>437,101</u>	<u>1,127,661</u>	<u>1,127,661</u>
Land at Government value ..	353,750		353,750	
Total fixed assets ..	<u>\$1,918,512</u>	<u>\$437,101</u>	<u>\$1,481,411</u>	<u>\$1,481,411</u>

	1980		1979	
	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation
Freehold buildings ..	744,648	66,904	677,744	677,744
Office machinery ..	527,784	201,106	326,678	326,678
Other fixed assets ..	498,471	265,934	232,537	232,537
	<u>1,770,903</u>	<u>533,944</u>	<u>1,236,959</u>	<u>1,236,959</u>
Land at Government value ..	363,340		363,350	
Total fixed assets ..	<u>\$2,134,253</u>	<u>\$533,944</u>	<u>\$1,600,309</u>	<u>\$1,600,309</u>

The current Government valuation of land and buildings is \$786,800. Costs of additions since: \$164,870.

4. Administration Expenses—	1980		1979	
Included in the above are:				
Audit fee ..	8,000	6,505		
Depreciation ..	125,886	95,244		
Mortgage interest ..	16,707	19,189		
Trustees fees ..	8,160	5,763		

5. Commitments—	1980		1979	
Mortgages approved but not yet uplifted ..		\$2,219,500		
Premises development ..		\$231,202		

R. N. CARTER, President.
E. ROBERTSON, General Manager.

AUDITOR'S REPORT

We have examined the balance sheet of the Eastern and Central Savings Bank as at 31 March 1980, 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 1980, 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, 26 May 1980.
1952

TARANAKI SAVINGS BANK BALANCE SHEET AS AT 31 MARCH 1980

	1980	1979
Depositors' accounts—		
Ordinary account ..	28,412,328	30,432,505
Thrift club ..	6,696,514	4,732,757
Home loan, ownership and farm ownership ..	3,089,244	1,792,938
Christmas club ..	151,128	134,336
	<u>38,349,214</u>	<u>37,092,536</u>
Personal cheque accounts ..	1,776,519	1,459,779
Investment accounts and term deposits ..	31,088,566	22,978,694
Total depositors' balance ..	71,214,299	61,531,009
National savings depositors' balance ..	21,099	30,524
Other current liabilities—		
Interest accrued on investment accounts and term deposits ..	740,359	471,366
Sundry creditors ..	147,503	108,094
Provision for taxation ..		106,717
1973 taxation due 1979–80 ..		16,192
Total other current liabilities ..	887,862	702,369
Provision for donations ..	50,000	40,000
Deferred taxation ..	565,033	394,114
Reserve Fund ..	3,531,082	3,155,149
	<u>\$76,269,375</u>	<u>\$65,853,165</u>

Current assets—	\$	\$	\$
Cash on hand and at bank ..	605,132		462,547
Fixed deposits ..	8,091,000		6,800,000
Accrued interest on investments ..	1,054,588		810,215
Sundry debtors ..	29,097		11,788
Taxation receivable ..	174,396		
Total current assets ..		9,954,213	8,084,550

Investments—			
New Zealand Government stock ..	26,253,470		23,043,470
Less discount not yet amortised ..	263,463		399,729
		25,990,007	22,643,741
Transferable certificates of deposit ..	850,000		850,000
Less discount not yet amortised ..	4,683		11,963
		845,317	838,037
Local authority stock at cost ..	260,599		241,764
Mortgages ..	33,706,319		30,298,713
Personal loans less unearned interest ..	1,335,450		853,672

Associate Company—			
Northern Trustee Computerbank Ltd.	187,086		151,418
Total investments ..		62,324,778	55,027,345

National savings securities—			
New Zealand Government stock at cost ..	20,000		30,000
Cash on hand and at bank ..	1,099		524
Total national savings securities ..		21,099	30,524

Fixed assets—			
Land ..	254,484		253,984
Buildings ..	2,840,128		2,128,048
Vehicles, office equipment, furniture ..	1,445,177		787,618
	<u>4,539,789</u>		<u>3,169,650</u>
Less depreciation to date ..	570,504		458,904
Total fixed assets ..		3,969,285	2,710,746
		<u>\$76,269,37</u>	<u>\$65,853,165</u>

The attached notes form part of and are to be read in conjunction with these accounts.

M. H. BURN, President.
B. J. RUDD, General Manager.

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

Source of funds—			
Profit after tax ..			\$ 422,800
Depreciation ..			126,744
Total funds from operations ..			<u>\$549,544</u>

From other sources—			
Donation provision transferred ..			3,132
Increase in provisions for donations ..			10,000
Depositors' funds ..			9,683,290
Deferred taxation ..			170,920
Total source of funds ..			<u>\$10,416,886</u>

Application of funds			
Net purchase of fixed assets ..			1,385,283
Investments ..			3,372,381
Mortgages and personal loans ..			3,889,384
Share of associate company ..			35,668
Provision for donations ..			50,000
Increase in working capital ..			1,684,170
			<u>\$10,416,886</u>

Increase in working capital—			
Cash ..			142,585
Fixed deposits ..			1,291,000
Debtors ..			17,309
Creditors ..			(39,409)
Taxation ..			297,305
Accrued interest on investments ..			244,373
Accrued interest on investment accounts ..			(268,993)
			<u>\$1,684,170</u>