

**AUCKLAND SAVINGS BANK**  
**BALANCE SHEET AS AT 31 MARCH 1982**

	1982		1981	
	\$	\$	\$	\$
<b>Depositors' balances—</b>				
Savings accounts ..	398,300,921		387,976,069	
Personal cheques ..	21,729,110		16,661,277	
Term accounts ..	361,012,474		299,889,904	
Housing bonds ..	280,760		891,600	
<b>Depositors' Total ..</b>		<b>781,323,265</b>		<b>705,418,850</b>
<b>National Savings—</b>				
<b>Depositors' Total ..</b>		<b>126,916</b>		<b>313,778</b>
<b>Current liabilities—</b>				
Interest accrued to depositors ..	11,178,652		8,876,432	
Provision for current taxation ..	2,700,431		116,545	
Provision for donations ..	650,000		500,000	
Sundry creditors ..	1,175,315		886,372	
Housing corporation of N.Z. ..	990,687		160,652	
	<u>16,695,085</u>		<u>10,540,001</u>	
Provision for deferred taxation ..	3,725,106		3,790,503	
<b>Reserve fund ..</b>		<b>20,420,191</b>		<b>14,330,504</b>
		<u>41,741,510</u>		<u>35,708,001</u>
		<u><b>\$843,611,882</b></u>		<u><b>\$755,771,133</b></u>

**Fixed Assets—**

	Cost
	\$
Land .. .. .	4,422,992
Buildings .. .. .	9,755,040
Computer, office calculating equipment, furniture, fittings and other assets .. .. .	17,551,226
	<u><b>\$31,729,258</b></u>

	1982		1981	
	\$	\$	\$	\$
<b>Current Assets—</b>				
Cash resources ..	66,754,252		62,638,746	
Interest due and accrued on investments ..	10,793,689		10,021,363	
Sundry debtors ..	298,233		89,400	
		<u>77,846,174</u>		<u>72,749,509</u>
<b>Investments—</b>				
N.Z. Government Securities ..	286,122,196		260,444,784	
Local Authorities Securities ..	40,223,563		39,479,213	
Mortgages ..	389,139,112		345,377,389	
Term loans ..	17,086,199		7,654,345	
Personal loans ..	7,780,836		8,927,833	
Overdrafts ..	472,278		137,214	
Trusteebank Visa ..	2,908,119		973,899	
		<u>743,732,303</u>		<u>662,994,677</u>
<b>National Savings securities at cost—</b>		<b>126,916</b>		<b>313,778</b>
<b>Fixed Assets—(see below)</b>				

**Accum. Depn**

	\$	\$	\$	\$
Land .. .. .	—	4,422,992		3,086,550
Buildings .. .. .	1,455,278	8,299,762		7,737,224
Computer, office calculating equipment, furniture, fittings and other assets .. .. .	8,367,491	9,183,735		8,889,395
	<u><b>\$9,822,769</b></u>		<u><b>\$21,906,489</b></u>	<u><b>19,713,169</b></u>
			<u><b>\$843,611,882</b></u>	<u><b>\$755,771,133</b></u>

O. J. TOPLIS, President.

D. F. STEPHENS, General Manager.

27 April 1982.

We have audited the books and accounts of the Auckland Savings Bank for the year ended 31 March 1982 in accordance with generally accepted auditing standards, and have carried out such procedures as we considered necessary. In our opinion, the Balance Sheet, Profit and Loss Account and Appropriation Account, together with the notes thereon, are properly drawn up so as to give under the historical cost convention, a true and fair view of the financial position of the Auckland Savings Bank as at 31 March 1982 and the financial result of its transactions for the year ended on that date, in accordance with section 29 (2) of the Trustee Savings Bank Act 1948.

McCULLOCH MENZIES, Chartered Accountants.  
Auditors.

**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:

1. *Recognition of Income*—Interest on investments is recognised as income for the period in which it is earned, rather than the period in which it is received. Interest charged on personal loans is apportioned over the term of the loan, using the "Rule of 78" method.

2. *Expenditure—*

(a) *Depreciation*—Fixed assets are being depreciated on a straight line basis at rates which will write off the cost over their estimated useful lives to estimated residual values.

The principal write-off periods are:

Buildings .. .. .	40–100 years
Computer and Office Calculating Equipment .. .. .	5–10 years
Furniture and Fittings .. .. .	10–15 years
Other Fixed Assets .. .. .	3–15 years

(b) *Taxation*—Taxation charged against net profit is the estimated expense relating to the result of the year. It includes an

amount for taxation, the payment of which is deferred to future periods, because taxation practice differs from accounting policies in the treatment of:

- Interest accrued on investments.
- Depreciation charges.
- Interest accrued included in the purchase price of N.Z. Government Securities.

3. *Valuation of Assets*—N.Z. Government and Local Authority Securities are stated at cost, excluding interest accrued at date of purchase. Such securities are normally held to maturity, and their value on redemption approximates cost.

**NOTES:**

*Supplemented Mortgages*—During the year supplemented mortgages were advanced in conjunction with the Housing Corporation of New Zealand. The amount invested is included in Investment Mortgages, and the amount contributed by the Housing Corporation of New Zealand is recorded as a liability.

*Land and Buildings—*

- The cost of land includes \$1,298,692 in respect of the Bank's share of a property under development. This property is recorded at the purchase and development costs to date, including capitalised interest.
- The Bank's Land and Buildings is stated at cost price less depreciation of \$12,722,754. The latest Government valuation received in respect of properties totalled \$20,420,600.

	1982	1981
<b>Commitments at 31 March 1982—</b>	\$	\$
(a) Capital Expenditure Commitments ..	10,130,000	1,240,000
(b) Lending Commitments approved but not advanced ..	19,013,000	17,015,000

	1982	1981
<b>Reserve Fund—</b>	\$	\$
Balance 1 April .. .. .	35,708,001	31,959,264
Add: Net Profit after Provision for Tax and Donations .. .. .	6,033,509	3,748,737
<b>Balance 31 March .. .. .</b>	<u><b>\$41,741,510</b></u>	<u><b>\$35,708,001</b></u>