

A.N.Z. SAVINGS BANK (NEW ZEALAND) LTD. FOR
ACCOUNTS 30 SEPTEMBER 1982

A.N.Z. SAVINGS BANK (NEW ZEALAND) LTD.
Directors Report

THE directors submit the financial statements for the year ended 30 September 1982 and report as follows:

	\$
1. Net profit after tax	3,561,000
Add unappropriated profits brought forward	3,469,000
Less transfer to reserves	3,469,000
Less dividend	1,380,000
Unappropriated profit carried forward	<u>\$2,181,000</u>

2. A nil final dividend is recommended in respect of the year ended 30 September 1982.

3. During the year \$3,469,000 was transferred from unappropriated profits to general reserves.

4. The nature of the company's business has not changed during the past year.

P. G. GILBERT and W. H. BROWN, Directors.

Wellington, New Zealand. 26 October 1982.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED
30 SEPTEMBER 1982

Expressed in New Zealand Currency NZ\$(000)

	1982	1981
Interest to depositors	14,655	14,895
Management and operating expenses	6,715	5,930
<i>Total expenses</i>	<u>21,370</u>	<u>20,825</u>
Provision for taxation	2,924	2,435
Net profit for period	3,561	2,965
	<u>\$27,855</u>	<u>\$26,225</u>
	1982	1981

Income from—

New Zealand Government stock, New Zealand Government Treasury bills and local authority securities	7,252	8,201
Mortgage and other loans	19,116	16,686
Other	1,487	1,338
	<u>\$27,855</u>	<u>\$26,225</u>

PROFIT AND LOSS APPROPRIATION ACCOUNT

Dividend provided or paid	1,380	550
Transfer to general reserves	3,469	—
Balance carried forward	2,181	3,469
	<u>\$7,030</u>	<u>\$4,019</u>
Balance brought forward	3,469	1,054
Net profit for period	3,561	2,965
	<u>\$7,030</u>	<u>\$4,019</u>

REPORT OF THE AUDITORS TO THE MEMBERS OF A.N.Z. SAVINGS BANK (NEW ZEALAND) LTD.

We have obtained all the information and explanations that we have required. In our opinion, proper books of account have been kept by the Company so far as appears from our examination of those books. In our opinion, and to the best of our information and the explanations given to us, and as shown by the said books, the 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 Company's affairs as at 30 September 1982 and of the results of the 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 give the information required by the Companies Act 1955, in the manner so required.

Hutchison Hull and Co., Hunt Duthie and Co., Joint Auditors.

BALANCE SHEET AS AT 30 SEPTEMBER 1982

	1982	1981
Shareholders funds—		
Authorised capital	500	500
Issued capital—		
250,000 ordinary shares of \$2 each fully paid	500	500
Reserve (note 5)	7,269	3,800
Retained earnings	2,181	3,469
	<u>9,950</u>	<u>7,769</u>

Current liabilities and provisions—

Depositors balances:

Ordinary accounts (note 4)	110,902	113,956
Thrift accounts	1,076	1,188
Home ownership accounts	2,185	453
Investment accounts	96,069	102,882
	<u>210,232</u>	<u>218,479</u>
Provision for taxation	(651)	(103)
Other current liabilities (including interest accrued)	2,217	4,294
	<u>211,798</u>	<u>222,670</u>
Deferred liabilities—		
Provision for deferred taxation	3,646	1,696
	<u>\$225,394</u>	<u>\$232,135</u>

Current assets—

	1982	1981
Deposits with ANZ Banking Group (New Zealand) Ltd.	10,901	9,102
New Zealand Government Stock (note 2)	49,798	53,287
Local authority securities (note 2)	321	5,472
Treasury bills	8,500	14,364
Other investments	1,600	—
Income accrued on investments	2,180	1,697
	<u>73,300</u>	<u>83,922</u>
Mortgage and other loans (less provision for doubtful debts)	152,094	148,213
	<u>\$225,394</u>	<u>\$232,135</u>

The notes on the following pages form part of and should be read in conjunction with these accounts.

P. G. GILBERT and W. H. BROWN, Directors.
D. J. H. A. DAVIES, Secretary.

NOTES TO THE ACCOUNTS

1. Bases of Accounting—These accounts have been prepared in accordance with historical cost concepts. The following significant accounting principles have been applied.

(a) *Amortisation of premiums and discounts on investments*—Premiums and discounts on New Zealand Government and local authority securities are amortised from the date of purchase to maturity on a straight line basis.

(b) *Profits and losses on sale of investments*—As the majority of redeemable quoted investments are normally held to or near to maturity, no provision is considered necessary for any differences between the book values and the market values of such individual stocks quoted below book values at the balance date, neither have any transfers been made from reserves or out of the current year's profit to write them down apart from the amortisation of the premium on stocks bought above par referred to in (a).

Realised profits and losses on sales of New Zealand Government and local authority securities are taken to profit and loss account in equal instalments over 5 years commencing with the year of sale.

(c) *Taxation*—Tax effect accounting procedures have been applied under the liability method on timing differences for which the tax liabilities are expected to crystallise within the foreseeable future.

(d) <i>Provisions for losses and doubtful debts</i> —		
Provision for losses:	1982	1981
Balance at beginning of year	7,889	2,975
Losses written off	10,702	7,457
Charge to profit and loss account	14,413	12,371
Balance at end of year	<u>\$11,600</u>	<u>\$7,889</u>

General provision for doubtful debts:		
Balance at beginning of year	135,100	123,600
Charge to profit and loss account	12,990	11,500
Balance at end of year	<u>\$148,090</u>	<u>\$135,100</u>

2. Market Value of New Zealand Government and Local Authority Securities—

As at 30 September 1982	\$48,683,332
As at 30 September 1981	\$55,450,000

3. A contingent liability exists for subsidies on home lay-by deposit accounts which at 30 September 1982 total \$51,647.

4. Depositors' accounts are shown after adjustment for provision for losses.