

5. Taxation—

Current:

Taxation as per Profit Statement	1,445	2,077
Less prior period taxation	(1)	(192)
Less timing differences transferred to deferred tax	(941)	(1,614)
Current taxation payable	503	271
Less provisional tax paid	..	(1,570)
Less refund brought forward	(1,299)	..
Taxation payable/(refund due)	<u>(796)</u>	<u>(1,299)</u>

Deferred:

Provision for deferred tax	2,758	1,144
Plus current deferred portion	941	1,614
	<u>\$3,699</u>	<u>\$2,758</u>

Both the provision for current taxation and the provision for deferred taxation include amounts relating to items currently under investigation by the Inland Revenue Department.

6. Changes to Reserves—

Revenue Reserves:

Loss on sale of securities recovered	43	75
Unamortised discount	..	1
	<u>43</u>	<u>76</u>

Capital Reserves:

Building revaluation	(245)	2,630
	<u>(\$202)</u>	<u>\$2,706</u>

7. Reserves—

Revenue Reserves:

Retained earnings	9,948	7,357
Trusteebank Computer Limited	138	104
Unallocated profit/loss on sale of securities	1	(42)
	<u>\$10,087</u>	<u>\$7,419</u>

Capital Reserves:

Land and buildings revaluation	2,599	2,844
Profit on sale of assets	6	6
	<u>2,605</u>	<u>2,850</u>
	<u>\$12,692</u>	<u>\$10,269</u>

8. New Zealand Government Securities—

Face Value 31 March 1985	109,237	93,054
Less unamortised premiums and discounts	3,822	2,540
Book value	<u>105,415</u>	<u>90,514</u>
Estimated market value	<u>88,386</u>	<u>92,148</u>

New Zealand Government Securities are normally held to maturity and accordingly premiums and discounts are amortised over their life.

The Government Guarantee of Depositors' Funds including accrued interest in terms of section 44 of the Trustee Banks Act 1983 and subsequent amendments was in force at balance date and continues to remain in force. However, the requirement to hold New Zealand Government Securities pursuant to the same act was removed on 11 February 1985.

Included in the total are securities sold prior to 31 March 1985 but which are subject to an undertaking to repurchase at an agreed price. The consideration paid by the purchasers for these securities is included in Commitments to Repurchase Securities.

9. Local Authority Securities—

	1985	1984
	\$000	\$000
Total advances	11,336	11,336
Less sales and matured advances	10,906	10,864
	<u>\$430</u>	<u>\$472</u>
Current balance of debenture held	243	287
Nominal value of registered stock held	187	185
	<u>\$430</u>	<u>\$472</u>
Market value of registered stock	<u>155</u>	<u>193</u>

10. Associated Company—

Trusteebank Computer Limited:

Shares at cost	140	140
Share of profits	138	104
Debentures at cost	563	93
	<u>\$841</u>	<u>\$337</u>