

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 1985

	1985 \$	1985 \$
<i>Income—</i>		
Interest	3,822,025	1,376,094
<i>Expenditure—</i>		
Advertising	590,117	18,771
Audit fees	15,000	..
Bad debts	132,737	..
Commissions paid to banks	1,864,860	782,100
Depreciation	22,787	7,010
Professional fees	24,558	..
Provision for doubtful debts	2,059,856	1,014,255
Other operating	199,447	39,770
Salaries and wages	120,544	12,188
	<u>5,029,906</u>	<u>1,874,094</u>
Net loss for year	1,207,881	498,000
Accumulated losses brought forward	633,510	135,510
	<u>\$1,841,391</u>	<u>\$633,510</u>

STATEMENT OF CHANGES IN FINANCIAL POSITION

Funds were provided:	\$
Net profit	..
Depreciation	22,787
	<u>22,787</u>
Other sources—	
Advances from consolidated account	42,366,273
	<u>\$42,389,060</u>
Funds were applied to:	
Purchase of fixed assets	57,023
Increase in working capital	41,124,156
Net loss from operations	1,207,881
	<u>\$42,389,060</u>
Increase/(decrease) in working capital—	
Accounts receivable	41,979,291
Bank	(395,582)
Stationery	588
Creditors	(458,965)
	<u>\$41,124,156</u>

NOTES TO THE 1985 FINANCIAL STATEMENTS

1 *Statement of Accounting Policies*1.1 *General Accounting Policies*

The financial statements have been prepared on the basis of historical cost accounting. Accrual accounting is used to

match expenses and revenue. Reliance is placed on the fact that the scheme is a going concern.

1.2 *Particular Accounting Policies*

The following particular accounting policies have a material effect on the measurement of the result and financial position.

1.2.1 *Interest Income*

Interest income is brought to account using the rule of 78 method over the term of the loan contracts.

1.2.2 *Fixed Assets and Depreciation*

Fixed assets are stated at cost less accumulated depreciation. Depreciation is provided for by using the straight line method as follows:

Computer equipment	33%
Furniture and fittings	10%, 25%

1.2.3 There have been no changes in accounting policies. All policies have been applied on a basis consistent with those used in previous years.

1.2.4 *Stationery Stock*

Stationery stock is stated at cost.

1.2.5 *Bad and Doubtful Debts*

All known losses are written off in the period in which they become evident. In addition a general provision is maintained for unidentified doubtful debts which could emerge in subsequent accounting periods. Additions to the provision are made from the Profit and Loss Account.

2 *Accounts Receivable*

The accounts receivable figure shown in the accounts is arrived at in the following manner:

Accounts receivable as at 31 March 1985	61,468,796
Add: Suspense Accounts	<u>2,971,805</u>
	64,440,601
Deduct: Provision for doubtful debts	<u>3,074,112</u>
Balance as per accounts	<u>\$61,366,489</u>

3 *Fixed Assets*

Schedule of fixed assets and depreciation as at 31 March 1985.

	Cost \$	Depreciation for Period \$	Accumulated Depreciation \$	Book Value 31/3/85 \$
Computers	63,087	18,781	24,883	38,204
Furniture and fittings	15,265	4,006	5,062	10,203
	<u>\$78,352</u>	<u>\$22,787</u>	<u>\$29,945</u>	<u>\$48,407</u>

Notice by Examiner of Commercial Practices of Consents to Merger and Takeover Proposals

PURSUANT to section 72 (6) of the Commerce Act 1975, notice is hereby given that the Examiner of Commercial Practices has consented to the following merger and takeover proposals.

Person by or on behalf of whom notice was given in terms of section 70 (1) of the Commerce Act 1975	Proposal	Date of Consent	Commission Reference
AMP Financial Corporation (NZ) Ltd.	AMP Financial Corporation (NZ) Ltd. may acquire 40 percent of the share capital of John Marshall & Co. Ltd.	13 November 1985	482
Firth Industries Ltd.	Firth Industries Ltd. may acquire up to 100 percent of the share capital of Crushing Contractors Ltd.	21 November 1985	490
A. M. Bisley & Company Ltd.	A. M. Bisley & Company Ltd. may acquire up to 50 percent of the shares carrying voting rights in Northern Pulp Ltd. and Northern Pulp Ltd. may acquire forests currently owned by A. M. Bisley and Company Ltd.	21 November 1985	493
Mercantile Credits Ltd.	Mercantile Credits Ltd. may acquire up to 15 000 000 50 cent shares in AIC Corporation Ltd.	20 November 1985	481
Child Freighters Ltd.	Child Freighters Ltd. may acquire the fixed assets of Cappers Coastal Freight Ltd.	21 November 1985	487

Dated at Wellington this 25th day of November 1985.

D. T. WOGAN, for Examiner of Commercial Practices.