

4. *Taxation—*

The differences between the provision for taxation at the current rate of tax and that shown in the Profit Statement are as follows:

Taxation at current rates	594	340
Permanent differences	22	-
Timing differences not recognised	(112)	-
Re-estimate of timing differences not recognised	(291)	-
Additional deferred taxation provision required for the tax rate increase from 45% to 48%	66	-
	<u>\$279</u>	<u>\$340</u>
Current charge represents:		
Current tax payable	455	110
Net deferred tax	(176)	230
	<u>\$279</u>	<u>\$340</u>

5. *Government and Local Authority Securities—*

Cost price plus amortisation	24,812	42,087
Nominal value	24,800	43,248
Market value	19,049	34,388

6. *Associated Company—*

Trusteebank Computer Limited—at cost:

Shares	997	-
Debenture	628	-
	<u>\$1,625</u>	<u>-</u>

In March 1986 the Bank purchased a 14.3% share in Trusteebank Computer Limited. In the period to 31 March 1986 there was no profit for equity accounting purposes. The company's balance date is 31 May.

7. *Fixed Assets—*

	Cost \$000	1985 Accumulated Depreciation \$000	Book Value \$000	Cost \$000	1984 Accumulated Depreciation \$000	Book Value \$000
Improvements to leasehold premises	731	164	567	743	131	612
Furniture, fittings and equipment	2,308	772	1,536	2,038	512	1,526
Vehicles	109	30	79	80	17	63
	<u>\$3,148</u>	<u>\$966</u>	<u>\$2,182</u>	<u>\$2,861</u>	<u>\$660</u>	<u>\$2,201</u>

8. *Term Liabilities—*

The Housing Corporation of New Zealand liabilities relate to supplemented mortgage loans advanced for eligible depositors under the Home Ownership Savings Scheme.

9. *Deferred Taxation Payable—*

	1986 \$000	1985 \$000
Deferred taxation last year	1,057	827
Current years charge	49	230
Additional provision required for the tax rate increase from 45% to 48%	66	-
Re-estimate of timing differences not recognised	(291)	-
	<u>\$881</u>	<u>\$1,057</u>
Potential taxation for which no provision for deferred tax has been made	<u>\$430</u>	<u>-</u>

10. *Depositors' Balances—*

	1986 \$000	1985 \$000
Repayable—		
At call	60,598	57,048
Within 1 year	60,845	52,416
1-2 years	2,233	6,882
2-3 years	1,485	1,199
3-5 years	198	42
	<u>\$125,359</u>	<u>\$117,587</u>

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.

11. *Financing Commitments—*

	1986 \$000	1985 \$000
Mortgages approved but not uplifted	2,661	2,793
Capital commitments—data processing	363	3
—premises	-	27
—associated company	315	-