

	Notes	1989 \$000	1988 \$000
Retained earnings at year beginning		4,387	3,002
Retained earnings at year end		<u>\$6,341</u>	<u>\$4,387</u>

The notes form part of and should be read in conjunction with these accounts.

Westpac Savings Bank - NZ - Ltd. Balance Sheet as at 30 September 1989

Assets—	Notes	1989 \$000	1988 \$000
Deposit with Westpac Banking Corporation	73,189	74,919	
Accrued interest	14	14	
Mortgage and other loans	13,694	24,994	
Total assets		86,897	99,927
<i>Less Liabilities—</i>			
Depositors accounts	65,461	80,706	
Accrued interest and other liabilities	1,859	2,733	
Provision for taxation	236	(899)	
Total liabilities		67,556	82,540
<i>Net assets</i>		<u>\$19,341</u>	<u>\$17,387</u>
<i>Shareholders' Funds—</i>			
Share capital—			
Authorised and issued 14 400 000 ordinary shares of \$1 each	2	14,400	14,400
Less uncalled 2 000 000 ordinary shares of 70c each		1,400	1,400
Revenue reserves—			
Retained earnings		6,341	4,387
Total shareholders funds		<u>\$19,341</u>	<u>\$17,387</u>

The notes form part of and should be read in conjunction with these accounts.

On behalf of the board:

R. W. R. WHITE and J. C. FAIR, Directors.

Notes to the Financial Statements Year Ended 30 September 1989

1. *Statement of Accounting Policies*

General Accounting Policies

The financial statements are based on the general principles of historical cost accounting, including the going concern concept and the accrual basis of accounting.

Particular Accounting Policies

Taxation—The company adopts tax effect accounting whereby income tax expense is calculated on pre-tax accounting profits after adjustment for permanent taxation differences. The tax effect of timing differences which occur where items are included or allowed for income tax purposes in a period different to that for accounting is shown in provision for deferred income tax and future income tax benefits, as applicable.

The liability method of inter-period allocation of income tax has been applied.

Changes in Accounting Policies—There have been no significant changes in the accounting policies applied during the period covered by these financial statements. All policies have been applied on bases consistent with those used in previous years.

2. *Share Capital*

	1989 \$000	1988 \$000
<i>Authorised Capital—</i>		
14 400 000 ordinary shares of \$1.00 each	14,400	14,400
<i>Issued Capital—</i>		
12 400 000 ordinary shares of \$1.00 each	12,400	12,400
2 000 000 ordinary shares of \$1.00 each paid to 30 cents	600	600
	<u>\$13,000</u>	<u>\$13,000</u>