

International Building & Investment Societies

Statement of Financial Performance

April 2005 through March 2006



10051980710

Apr '05 - Mar '06

Ordinary Income/Expense	
Income	
Interest - Bank	11,072.62
Interest - Mortgages/Advances	27,241.09
Rental Received	22,519.25
undry/expense recovery	7.48
Total Income	60,840.44
Expense	
Administrative & Clerical	2,800.00
Audit Fees	2,749.38
Bank Fees	227.48
Computer Processing Charges	7,312.50
Interest - Depositors & Bank	733.10
Miscellaneous	0.00
Rates & Building Maintenance	1,386.90
Secretarial & Accounting	3,937.50
Total Expense	19,146.86
Net Ordinary Income	41,693.58
Other Income/Expense	
Other Expense	
Interest Paymts to Shareholders	20,484.58
Depreciation	4,456.17
Less Provision for Taxation	3,266.80
Total Other Expense	28,207.55
Net Other income	-28,207.55
Net Income	13,486.03

Signed in accordance with Building Societies Act 1965

JG Rutherford, Director

CJ Rutherford, Director

NATIONAL PROCESSING CENTRE
30 JUN 2006
RECEIVED

NATIONAL PROCESSING CENTRE
28 JUN 2006
RECEIVED

International Building & Investment Society

Statement of Financial Position

As of March 31, 2006

	<u>Mar 31, '06</u>
ASSETS	
Current Assets	
Current/Savings	
National Bank	9,029.41
National Term Dep	152,607.69
National Bank Dep A/c	14,267.92
Total Current/Savings	<u>175,905.02</u>
Other Current Assets	
Investments	250,944.49
Total Other Current Assets	<u>250,944.49</u>
Total Current Assets	426,849.51
Other Assets	
Non Current Assets	<u>367,113.87</u>
Total Other Assets	<u>367,113.87</u>
TOTAL ASSETS	<u><u>793,963.38</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Trade A/c's Payable (Unsecured)	39,091.49
Deposit at call (Unsecured)	9,380.81
Taxation Provision	3,266.80
Total Other Current Liabilities	<u>51,739.10</u>
Total Current Liabilities	51,739.10
Long Term Liabilities	
Deposits - more than 12 mths	162,973.55
'B' Shares	382,178.82
'E' Preference Shares	119,694.80
Total Long Term Liabilities	<u>664,847.17</u>
Total Liabilities	716,586.27
Equity	
'A' Capital Shares	2,600.00
General Reserve	15,815.00
Building Reserve	18,000.00
Retained Earnings	27,476.08
Net Income	13,486.03
Total Equity	<u>77,377.11</u>
TOTAL LIABILITIES & EQUITY	<u><u>793,963.38</u></u>

BECK & ASSOCIATES

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Audit and Forensic Accounting Specialists

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Auditors report to the Members of International Building and Investment Society

We have audited the attached financial statements. The financial statements provide information about the past financial performance of the Society and its financial position as at 31 March 2006. This information is stated in accordance with the accounting policies.

Directors Responsibilities

The Directors are responsible for the preparation of the financial statements which give a true and fair view of the financial position of the Society as at 31 March 2006 and the results of its operations and cash flows for the year ended on that date.

Auditor's Responsibilities

It is our responsibility to express an independent opinion on the financial statements presented by the Directors and report our opinion to you.

Basis of Opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- The significant estimates and judgements made by the Directors in the preparation of the financial statements;
- Whether the accounting policies are appropriate to the Society's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with New Zealand Auditing Standards. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to obtain reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our

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opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Other than in our capacity as auditors, we have no relationship with or interests in the Society.

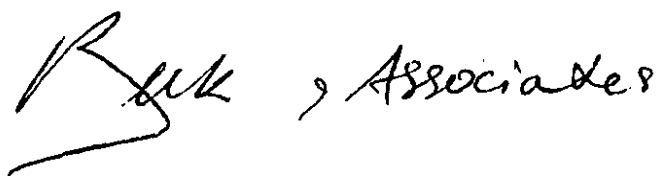
Unqualified opinion

We have obtained all the information and explanations we have required.

In our opinion;

- proper accounting records have been kept by the Society as far as appears from our examination of those records;
- the financial statements:
 - comply with New Zealand generally accepted accounting practice;
 - give a true and fair view of the financial position of the Society as at 31 March 2006 and the results of its operations for the year ended on that date.

Our audit was completed on 20 June 2006 and our unqualified opinion is expressed as at that date.



Beck & Associates
Chartered Accountants
Christchurch