

(b) *Grants*: Grants made are included in the income and expenditure account when paid.

(c) *Investments*: Shares held in Trust Bank New Zealand Limited are stated at cost.

## 2. Investments

	\$
Shares in Trust Bank New Zealand Limited 14 300 000 ordinary shares of \$1 each, fully paid	21,316,622

## 3. Taxation

For taxation purposes the trust is deemed to be a charitable organisation. Its income is not subject to taxation.

## 4. Goods and Services Tax

The trust is not registered for Goods and Services Tax purposes. Accordingly these financial statements are stated on a G.S.T. inclusive basis.

## 5. Incorporation

The Trust Bank Waikato Community Trust was incorporated on 5 August 1988.

### *Auditors' Report to the Trustees of the Trust Bank Waikato Community Trust*

We have audited the financial statements in accordance with accepted auditing standards, and have carried out such procedures as we considered necessary.

In our opinion the financial statements give, using the historical cost method, a true and fair view of the financial position of the trust as at 31 March 1989 and the results of its activities for the period ended on that date.

DELOITTE HASKINS & SELLS, Chartered Accountants.

Hamilton, New Zealand.

Dated this 30th day of May 1989.

### *Schedule of Distribution of Income by Way of Grants for the Period Ended 31 March 1989*

Name of Organisation or Persons	Amount Distributed
No distributions were made in this financial year.	

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## Trust Bank Southland

### Trust Bank Southland Community Trust

#### *Income and Expenditure Account for the Period 10 Months Ended 31 March 1989*

	Note	\$
Income—		
Interest		3,457
Other income	5	54,605
Total income		58,062
Less expenditure—		
Other expenses		1
Trustees' remuneration		25,113
Travelling expenses		1,862
Total expenditure		26,976
Net income before grants		31,086
Less grants		55,400
Net loss transferred to the trust fund		\$24,314

### *Balance Sheet as at 31 March 1989*

	Note	\$
Trust funds—		
Funds introduced	6	21,281,000
Net loss for the year		24,314
Balance 31 March 1989		\$21,256,686
Current liabilities—		
Trust Bank Southland Limited— current account		24,314
Working capital		-24,314
Add long-term assets—		
Investments—		
Shares in Trust Bank New Zealand Limited	2	21,281,000
Net assets		\$21,256,686

Signed on behalf of the Board of Trustees:

B. SIMPSON, Chairperson.

D. E. H. SOPER, Trustee.

Dated this 29th day of May 1989.

### *Statement of Cash Flows for the 10 Months Ended 31 March 1989*

	Note	\$
Cash flows from operating activities		
Cash was provided from:		
Interest on investments		3,457
Other	5	54,605
		58,062
Cash was disbursed to:		
Cheque book (stamp duty)		1
Trustees remuneration		25,113
Trustees expenses		1,862
Grants to the community		55,400
		82,376
Net cash flows from operating activities		-24,314
Cash flows from investing activities—		
Cash was provided from:		
Sale of shares	7	6,324,000
		6,324,000
Cash was applied to:		
Investment in shares	8	6,324,000
Net cash flow from investing activities		-
Net decrease in cash on hand		-24,314
Add cash at 1 April 1988		-
Cash at 31 March 1989		-\$24,314

### *Notes to the Financial Statements for the 10 Months Ended 31 March 1989*

#### 1. Statement of Accounting Policies

##### *General Accounting Policies*

The general accounting policies adopted in the preparation of these financial statements are:

- The measurement base adopted is the historical cost basis.
- Reliance has been placed on the fact that the entity is a going concern.
- The matching of revenues earned and expenses incurred using accrual accounting except that dividend income is accounted for on a receipts basis.