

**Particular Accounting Policies**

The following are the particular accounting policies which have a material effect on the measurement of results and financial position:

- (a) *Dividend income:* Dividend income from Trust Bank New Zealand Limited is included in the income and expenditure account when it is received.
- (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**

|  | 1989<br>\$                  |
|--|-----------------------------|
| Shares in Trust Bank New Zealand Limited | _____                       |
| cash paid \$6,324,000                    |                             |
| share swop \$14,957,000                  | \$21,281,000                |
|  | <u>                    </u> |

**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. Other Income**

The Board of Trust Bank Southland allocated \$54,605 for the Community Trust to distribute as donations from its donations provisions.

**6. Funds Introduced**

When Trust Bank Southland Limited was incorporated 10.5 million \$1 shares were issued with a premium of \$10.78 million giving the total value of \$21,281,000.

7. The trust sold their shares in Trust Bank Southland Limited to Trust Bank New Zealand Limited for the following consideration:

|  |                     |
|--|---------------------|
| Cash                                     | \$ 6,324,000        |
| Shares in Trust Bank New Zealand Limited | 14,957,000          |
|  | <u>\$21,281,000</u> |

8. The trust purchased the shares already held by Trust Bank Southland Limited in Trust Bank New Zealand Limited for \$6,324,000.

This gives the trust 13.9% shareholding in Trust Bank New Zealand Limited.

**Auditors' Report to the Members of the Trust Bank Southland 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 10 months ended on that date.

DELOITTE HASKINS SELLS, Chartered Accountants.

Invercargill, New Zealand.

Dated this 29th day of May 1989.

**Trust Bank Southland Community Trust**

| Name of Organisation or Persons         | Amount<br>Distributed<br>\$ |
|---|-----------------------------|
| The Otautau Combined Sports Complex Ins | 5,000                       |

Amount  
Distributed  
\$

| Name of Organisation or Persons                               | Amount<br>Distributed<br>\$ |
|---|-----------------------------|
| Invercargill Water Tower Cupola Restoration Project           | 5,000                       |
| Life Education Committee                                      | 3,000                       |
| Gore District Historical Society                              | 5,000                       |
| Southland Area Health Board (Colour Doppler Echocardiography) | 30,000                      |
| Wyndham Miniature Rifle Club                                  | 300                         |
| H & H Cougar Brass  | 750                         |
| Southland Farmers Nissan Highland Pipe Band                   | 250                         |
| Schizophrenia Fellowship                                      | 500                         |
| Drummond District Bowling Club                                | 300                         |
| Winton Golf Club (Inc)  | 500                         |
| Central Southland Squash Club                                 | 500                         |
| Mokoreta Tennis/Netball Court Committee                       | 500                         |
| Bluff Rugby Club Centennial Committee                         | 500                         |
| Woodlands Bowling Club (Inc)                                  | 300                         |
| Rosedale Intermediate School Committee                        | 500                         |
| Wallacetown School Committee                                  | 250                         |
| Limehills School  | 250                         |
| Otatara Kindergarten  | 250                         |
| Waianiwa School   | 250                         |
| Invercargill Rugby Football Club                              | 500                         |
| Southland Womens Bowling Centre                               | 500                         |
| NZ Epilepsy Assn. Southland Branch                            | 500                         |
| Total   | <u>\$55,400</u>             |

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**Trust Bank Canterbury****Trust Bank Canterbury Community Trust****Income and Expenditure Account for the Period Ended 31 March 1989**

|   | Note | \$                |
|---|------|-------------------|
| Income—                                 |      |                   |
| Dividends                               | 1    | —                 |
| Total income                            |      | —                 |
| Less expenditure—                       |      |                   |
| Auditor's fees                          |      | 750               |
| Trustees' fees                          |      | 18,950            |
| Trustees' travelling and other expenses |      | 2,598             |
| Other expenses                          |      | 2,782             |
| Total expenditure                       |      | <u>25,080</u>     |
| Net loss before grants                  |      | (25,080)          |
| Less grants                             | 1    | —                 |
| Net loss transferred to the trust fund  |      | <u>(\$25,080)</u> |

(The notes to the financial statement form part of and are to be read in conjunction with the above account.)

**Balance Sheet as at 31 March 1989**

|   | Note | \$                  |
|---|------|---------------------|
| Trust funds—                                      |      |                     |
| Funds introduced                                  |      | 56,235,000          |
| Net loss for year                                 |      | (25,080)            |
| Balance 31 March 1989                             |      | <u>\$56,209,920</u> |
| Represented by:                                   |      |                     |
| Current liabilities—                              |      |                     |
| Sundry creditors                                  |      | 10,737              |
| Trust Bank Canterbury Limited—<br>current account |      | 14,343              |
| Working capital (deficit)                         |      | <u>(25,080)</u>     |
| Add long-term assets—                             |      |                     |