

TRUST BANK OTAGO COMMUNITY TRUST INC.

TRUSTEES' REPORT FOR THE PERIOD ENDED 31 MARCH 1989

Review of Results and Financial Position

This is the formative year of the trust and no income has been received from its investments as at 31 March 1989. The establishment of the trust and trustees' deliberations in relation to the structure of its investment have necessitated a number of meetings. In the main, this has been the major activity of the trust to date.

The trust expects its maiden dividend from Trust Bank New Zealand Ltd. in the immediate future from which the trust will implement its philanthropic role of distributing grants, a role previously played by Trust Bank Otago.

INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD ENDED 31 MARCH 1989

INCOME	\$
Dividends	—
	Note 2
TOTAL INCOME	Nil
LESS EXPENDITURE	
Advertising	248
Auditors' Fees	275
Other Expenses	465
Trustees' Fees	20,375
Travelling Expenses	4,682
TOTAL EXPENDITURE	<u>26,045</u>
NET INCOME BEFORE GRANTS	(26,045)
LESS GRANTS	—
EXCESS EXPENDITURE OVER INCOME TRANSFERRED TO ACCUMULATED TRUST FUND	<u>(26,045)</u>

AUDITORS' REPORT

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, according to the best of our information and the explanations given to us, the Financial Statements are properly drawn up so as to give a true and fair view of the financial position of the Trust Bank Otago Community Trust Inc. as at 31 March 1989 and the results of its activities for the year ended on that date.

PEAT MARWICK
CHARTERED ACCOUNTANTS

26 May 1989
DUNEDIN

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDING 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.

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 Ltd. 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 Ltd. are stated at cost.

2. DIVIDENDS

No dividends were received from Trust Bank New Zealand Ltd. The first dividend from that company is expected to be declared in June 1989.

3. INVESTMENTS

Shares in Trust Bank New Zealand Ltd.
13,500,000 ordinary shares
of \$1 each, fully paid \$21,202,352

In the opinion of the trustees, the market value of this investment is not less than the cost as shown in the financial statements.

NOTICE OF PUBLIC MEETING

The First Annual Public Meeting of the Trust Bank Otago Community Trust Inc. is to be held on Monday, 10 July 1989, at 2 p.m. in the Dunningham Room on the fourth floor of the Dunedin Public Library.

Business

Presentation of the Trustees Report and Financial Accounts for the period to 31 March 1989.

P. R. GEORGE
SECRETARY

19 June 1989
DUNEDIN

BALANCE SHEET AS AT 31 MARCH 1989

ACCUMULATED TRUST FUNDS	\$
Balance 1 April 1988	—
Funds Introduced During the Year	21,202,452
Less Excess Expenditure Over Income	(26,045)
Balance 31 March 1989	<u>\$21,176,407</u>
REPRESENTED BY:	
CURRENT ASSETS	—
Less CURRENT LIABILITIES	
Sundry Creditors	23,000
Trust Bank Otago Ltd. — Current Account	2,945
WORKING CAPITAL	<u>(25,945)</u>
ADD LONG TERM ASSETS	
Investments	
Shares in Trust Bank New Zealand Limited	Note 3 <u>21,202,352</u>
NET ASSETS	<u>\$21,176,407</u>

Signed on behalf of the Board of Trustees
Chairperson: C. A. Melville
Trustee: J. Ng
Date: 26 May 1989