

# ASB BANK COMMUNITY TRUST

## Statement of Income and Expenditure

FOR THE YEAR ENDED 31 MARCH, 1990.

NOTE	1990 \$000	1989 \$000
<b>INCOME</b>		
Dividends	5,865	539
Interest	246	34
	6,111	573
<b>EXPENDITURE</b>		
Audit	11	—
Depreciation	9	—
Interest	16	—
Legal	3	3
Occupancy	9	7
Other Operating	46	4
Public Information	41	4
Staff	113	49
Trustees: Fees	68	58
Expenses	13	7
	329	127
Surplus before Taxation and Extraordinary Item	5,782	446
Taxation	75	51
	5,707	395
Extraordinary Item	118,824	—
Surplus for allocation	124,531	395
<b>DISTRIBUTIONS</b>		
Donations	5,198	338
ASB Charitable Trust	118,824	—
Undistributed Surplus for the Period	509	57
Undistributed Surplus Brought Forward	57	—
Undistributed Surplus Carried Forward	566	57

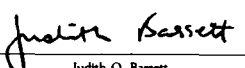
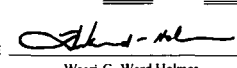
The attached notes form part of and are to be read in conjunction with these financial statements.

## Statement of Cash Flows FOR THE YEAR ENDED 31 MARCH, 1990.

	1990 \$000	1989 \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash was disbursed to:		
Payments to suppliers, Trustees and employees	(285)	(126)
Taxes Paid	(77)	—
Donations paid to Charities	(4,634)	(118)
Net cash outflows for Operating activities	(4,996)	(244)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Cash was provided from:		
Dividends Received	5,865	539
Interest Received on Deposits	249	30
	6,114	569
Cash was applied to:		
Cash Outflow for Office Equipment etc	(317)	(1)
Net Cash Flows from Investing Activities	5,797	568
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash was provided from:		
Proceeds from sale of ASB shares	252,000	—
Cash was applied to:		
Donation to ASB Charitable Trust	(252,000)	—
Net Cash Flows from Financing Activities	Nil	—
Net Increase in Cash Held	801	324
Add Opening Cash Brought Forward	324	—
Ending Cash Carried Forward	1,125	324

## Balance Sheet AS AT 31 MARCH, 1990.

NOTE	1990 \$000	1989 \$000
<b>TRUST FUNDS</b>		
Trust Capital	44,321	177,282
Investment Revaluation Reserve	4,827	—
Undistributed Surplus	566	57
	49,714	177,339
<b>LIABILITIES</b>		
Overdraft (unsecured)	25	44
Creditors	57	2
Committed Donations	783	220
Taxation	49	51
	914	317
	50,628	177,656
<b>ASSETS</b>		
Investments	49,147	177,282
Fixed Assets	312	1
ASB Charitable Trust	9	—
Short Term Deposits	1,150	368
Debtors	10	5
	50,628	177,656

TRUSTEE  TRUSTEE 

Judith O. Bassett Waari G. Ward-Holmes

The attached notes form part of and are to be read in conjunction with these financial statements.

## Notes to the Financial Statements FOR THE YEAR ENDED 31 MARCH, 1990.

### 1. STATEMENT OF ACCOUNTING POLICIES

The ASB Bank Community Trust ("the Trust") was formed on 30 May 1988 through the creation of a trust deed in compliance with the Trustee Banks Restructuring Act 1988. Under the terms of the trust deed the Trust was settled with 60 million \$1 fully paid ordinary shares in ASB Bank Limited representing 100% of the issued capital. Subsequently 45 million shares were sold.

### GENERAL ACCOUNTING POLICIES

The measurement basis adopted is that of historical cost adjusted for the revaluation of certain assets. Reliance is placed on the fact that the Trust is a going concern. Accrual accounting is used to match income and expenditure.

### PARTICULAR ACCOUNTING POLICIES

#### Investments

Investments are valued at the net tangible asset backing as disclosed in the latest published accounts. Any revaluation difference is transferred to an investment revaluation reserve.

#### Fixed Assets

Fixed Assets are valued at cost less accumulated depreciation.

#### Depreciation

Office equipment and furniture are depreciated on a diminishing value basis.

#### Taxation

Taxation includes both current and deferred tax. Deferred tax is calculated using the liability method.

#### Dividends

Dividends are recognised as income when they are received by the Trust.

#### Donations

Donations are accounted for as they are distributed or committed to be distributed to eligible organisations as approved by the Trustees except that where donations approved are payable over a number of accounting periods the future donations payable are accounted for in the year in which they are paid.

#### Changes in Accounting Policies

Formerly investments were included at their value on the date they were received pursuant to the Trustee Banks Restructuring Act 1988. The method of valuing investments has been changed and they are now included at their net tangible asset backing as disclosed in the latest available published accounts of the investee company. The Trustees consider that this method more fairly reflects the underlying value of the investment. The effect of this is to increase the value of the investment in 1989 by \$117,282,000 and to reduce the capital gain on sale by \$87,961,000 in 1990.

Note	1990 \$000	1989 \$000
<b>2. TAXATION</b>		
Surplus before Taxation	5,782	446
Add/Deduct		
Non-Deductible Expenditure	283	—
Dividend Imputation Credit	2,889	209
	3,172	—
	8,954	655
Taxation Payable	2,964	260
Dividend Imputation Credit	2,889	209
	75	51
<b>3. EXTRAORDINARY ITEM</b>		
The extraordinary item represents the profit, net of tax, on disposal of 75% of the Trust's shareholding in ASB Bank Limited to the Commonwealth Bank of Australia.		
Gross sale proceeds	252,000	—
Less: Disposal Expenses	214	—
Book value of Investment	132,962	—
	118,824	—
<b>DISTRIBUTION TO ASB CHARITABLE TRUST</b>		
From Income	118,824	—
From Capital	132,962	—
	251,786	—
<b>4. TRUST CAPITAL</b>		
Opening Balance	177,282	—
Settlement of ASB Bank shares	—	177,282
Transfer to ASB Charitable Trust	132,962	—
	44,320	177,282
<b>5. INVESTMENT</b>		
Book value of shares in ASB Bank Limited	44,320	177,282
Investment Revaluation	4,827	—
	49,147	177,282
<b>6. FIXED ASSETS</b>		
Office Equipment and Furniture		
Cost	332	1
Accumulated Depreciation	20	—
Net Book Value	312	1
<b>7. COMMITMENTS</b>		
In addition to the committed donations there is a future liability of \$1,136,200 for donations which are payable in the years 1 April 1990 to 31 March 1992. These are not shown on the Balance Sheet.		

## Report of the Auditors to the Trustees of ASB BANK COMMUNITY TRUST

We have examined the accompanying balance sheet, statement of income and expenditure and statement of cashflows and have obtained all the information and explanations we have required. We are of the opinion that proper accounting records have been kept by the Trust.

We are of the opinion that the balance sheet, statement of income and expenditure and statement of cashflows are properly drawn up and give, on an historical cost basis, adjusted by the revaluation of certain assets, a true and fair view of the financial position of the Trust as at 31 March 1990 and its results and cashflow for the ten months ended on that date.

June 8 1990  
AUCKLAND

  
KPMG Peat Marwick  
CHARTERED ACCOUNTANTS