

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

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

2. Dividend

	1991 \$	1990 \$
Dividends received from Trust Bank New Zealand Limited. Final dividend (declared in respect of the financial year ended 31 March 1990 and received 28 June 1990)	924,350	458,700
This brings the total dividend received to \$1,035,550 of which \$111,200 was received last year.		
Interim dividend in respect of the financial year ended 31 March 1991, received on 14 December 1990	252,702	111,200
	<u>1,177,052</u>	<u>569,900</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 the financial statements are stated on a G.S.T. inclusive basis.

5. Shares in Trust Bank New Zealand Limited

The trust holds 13.9 percent shareholding in Trust Bank New Zealand Limited \$21,281,000.

6. Investment Reserve

	\$	1991 \$	1990 \$
Balance 1 April 1990		53,025	—
Initial allocation	—		50,000
20 percent of 1989–90 dividend	207,000		—
20 percent of 1990–91 interim dividend	50,540		—
Interest	<u>27,174</u>		<u>3,025</u>
		284,714	
Balance 31 March 1991		<u>\$337,739</u>	<u>\$53,025</u>

The trust has resolved that 20 percent of dividends is retained by the trust for future investments together with interest.

7. Undistributed Surplus

	1991 \$	1990 \$
Balance 1 April 1990	165,462	(24,314)
Net surplus for the year	90,805	189,776
Balance 31 March 1991	<u>\$256,267</u>	<u>\$165,462</u>

8. Grants Not Paid

Committed grants not yet disbursed—		
Southland Hospice	100,000	
Southland Cycling Trust	5,000	
Southland Community Council on Substance Abuse Inc.	40,000	
Amateur Athletic Association—Surrey Park Track	75,000	
Southland Polytechnic Bursaries	<u>2,500</u>	
		<u>\$222,500</u>

Auditors' Report to the Members of the Trust Bank Southland Community Trust Inc.

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 1991 and the results of its activities and cash flows for the year ended on that date.

DELOITTE ROSS TOHMATSU, Chartered Accountants.

Invercargill, New Zealand.

Dated this 30th day of May 1991.

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