

V. S. BUCK, Chairperson.

R. J. TODD, Trustee.

Dated this 17th day of June 1992.

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

**Statement of Cash Flows for the Year Ended 31 March 1992**

	1992	1991
	\$	\$
Cash was provided by (used for):		
Operations		
Dividend from Trust Bank New Zealand Limited .. .. .	3,174,600	2,752,100
Interest on investments .. .. .	198,041	138,922
Rent .. .. .	5,421	0
Payments to suppliers and employees .. .. .	(110,517)	(53,706)
Trustees .. .. .	(77,224)	(39,600)
Grants to the community .. .. .	(2,449,999)	(1,482,358)
	<u>740,322</u>	<u>1,315,358</u>
Investing		
Investment in Government stock .. .. .	(292,859)	(564,781)
Investment in local authority stock .. .. .	(791,504)	(101,289)
Investment in shares .. .. .	(130,000)	0
Term deposit .. .. .	519,228	(728,066)
Community trust loans .. .. .	(15,807)	(3,000)
Purchase of fixed assets .. .. .	(19,199)	0
	<u>(730,141)</u>	<u>(1,397,136)</u>
Increase (decrease) in cash .. .. .	10,181	(81,778)
Cash at beginning of year .. .. .	81,896	163,674
Cash at end of year .. .. .	<u>\$92,077</u>	<u>\$81,896</u>
Represented by:		
Call account .. .. .	112,998	52,433
Current account .. .. .	(20,921)	29,463
	<u>\$92,077</u>	<u>\$81,896</u>

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**Notes to the Financial Statements for the Year Ended 31st March 1992**

**1. Statement of Accounting Policies**

*General Accounting Policies*

The following general accounting policies have been adopted in the preparation of the financial statements.

- (i) The measurement base adopted is that of historical cost, except for the revaluation of fixed interest Government and local authority stock and reliance is placed on the fact that the business is a going concern.
- (ii) The matching of revenue earned and expenses incurred using accrual accounting concepts.

*Specific Accounting Policies*

*Depreciation:* Depreciation has been charged in the financial statements using rates which will write off the cost of assets less their estimated residual value over their estimated economic lives. The depreciation rates used are:

Plant and equipment .. .. .	20% c.p.
Motor vehicles .. .. .	20% c.p.

Computer: The computer was acquired near year end and because it was not fully operational, it has not been depreciated.

*Fixed Assets:* Fixed assets are recorded at cost less accumulated depreciation.

*Dividend Income:* Dividend income from Trust Bank New Zealand Limited is included in the income and expenditure statement when it is received.

*Grants:* Grants are included in the income and expenditure statement when paid whereas in prior years grants made were included in the income and expenditure statement when approved by the trustees.

*Investments:* Shares held in Trust Bank New Zealand Limited are stated at cost. Government and local authority stock is shown at market value.

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

*Goods and Services Tax:* The trust is not registered for G.S.T. purposes and therefore the financial statements have been prepared on a G.S.T. inclusive basis.

*Changes in Accounting Policies*

The board has resolved that it is more appropriate to account for grants paid to the community on a cash basis rather than an accruals basis as was previously the case.