

Statement of Cash Flows for the Period Ended 31 March 1991

	1991 \$	1990 \$
Cash flows from operating activities		
Cash was provided from:		
Dividend from Trust Bank New Zealand Limited	2,752,100	1,332,500
Interest on investments	138,922	53,139
Other	0	100
	<u>2,891,022</u>	<u>1,385,739</u>
Cash was disbursed to:		
Suppliers of goods and services	(53,706)	(24,872)
Trustees	(39,600)	(32,750)
Grants to the community	(1,482,358)	(950,100)
	<u>(1,575,664)</u>	<u>(1,007,722)</u>
Net cash flows from operating activities	1,315,358	378,017
Cash flows from investing activities—		
Cash was applied to—		
Investment in Government securities	(564,781)	0
Investment in local authority securities	(101,289)	0
Investment in Trust Bank Canterbury—term deposit	(728,066)	(200,000)
Community trust loans	(3,000)	0
Net cash flows from investing activities	<u>(1,397,136)</u>	<u>(200,000)</u>
Net increase (decrease) in cash held	(81,778)	178,017
Add cash at 1 April 1990	163,674	(14,343)
Cash at 31 March 1991	<u>\$81,896</u>	<u>\$163,674</u>
Represented by:		
On call account	52,433	184,734
Current account	29,463	(21,060)
	<u>\$81,896</u>	<u>\$163,674</u>

Notes to the Financial Statements for the Period Ended 31 March 1991**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 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 approved by the trustees.
- (c) *Investments:*
 - Shares held in Trust Bank New Zealand Limited are stated at cost.
 - Government and local authority securities are shown at market value.
- (d) *Changes in Accounting Policies—*There have been no changes in the above accounting policies which have been applied on bases consistent with those used in previous years.

2. Investments

Shares in Trust Bank New Zealand Limited (32 500 000 ordinary shares of \$1 each, fully paid, being 32.5 percent of the total issued capital).

Trust Bank Canterbury Community Trust has not equity accounted for this investment, as recommended by SSAP8 issued by the New Zealand Society of Accountants, as the trust does not have significant influence over Trust Bank New Zealand Limited, at this time.

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. Accordingly these financial statements are stated on a G.S.T. inclusive basis.