

Sample Accounting Policy Note for 2006/07 Financial Statements

Accounting Policy Note: (Usually Note 1)

(xx) Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

Notes to the Financial Statements:

Note XX: Contingent Assets and Contingent Liabilities

	30 June 2007	30 June 2006	
	\$	\$	
Contingent Assets:			
(Description of Contingent Asset)	2,000	-	
	2,000	-	
Contingent Liabilities:			
Perpetual Maintenance	-	-	
	-	-	

Deleted: Obligation

Perpetual Maintenance

The Trust has an obligation under the Cemeteries and Crematoria Act 2003 to manage and maintain each public cemetery for which it is responsible. As stated in section 12 of the Act in exercising its functions the Trust must have regard to its obligation in relation to the funding of the perpetual maintenance of the public cemetery.

At this time the Trust is aware that there will be an ongoing significant cash outflows for future expenditure on perpetual maintenance of the public cemetery but is unable to calculate a sufficiently reliable estimate of any related present obligation which may arise under the accounting standards and accordingly has not recognised a value for this obligation in these financial statements.

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Deleted: The Trust is not expected to receive reimbursement of these cash outflows.

<<The following is only Applicable to Cemeteries that Disclose a Perpetual Maintenance Reserve which is cash backed>>

The Trust has nevertheless created a reserve, which is cash backed, as a source of future contributions towards its perpetual maintenance obligations, which is disclosed as a Perpetual Maintenance Reserve in Note xx.

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<<The following is only Applicable to Cemeteries that Disclose a Perpetual Maintenance Reserve which is not cash backed>>

The Trust has nevertheless created a related reserve, which is not fully cash backed and is disclosed as a Perpetual Maintenance Reserve in Note xx.

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