



SUPPLEMENT

TO THE

NEW ZEALAND GAZETTE

OF

THURSDAY, 24 NOVEMBER 1983

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SUMMARY

OF THE

RECEIPTS AND PAYMENTS

OF THE

PUBLIC ACCOUNT

FOR THE

SIX MONTHS ENDED 30 SEPTEMBER 1983

INTRODUCTION

This summary of the receipts and payments of the public accounts is produced quarterly and published in terms of section 67 of the Public Finance Act 1977. The contents of the summary are as follows:

- *Statement of Accounting Policies*, outlines the general accounting principles on which the accounts are prepared, and the particular accounting policies adopted.
- *Statement of Source and Application of Funds*, a summary financial report of the aggregated transactions for the year to date.
- *Consolidated Account*, the main operating account within the Public Account. All receipts must be credited to this account unless there is specific statutory provision to the contrary, e.g., proceeds of loans, and Road User Charges. The main revenue items in the account are direct and indirect taxation, interest received, dividends and profits from Corporations and Government trading undertakings, and departmental receipts.

The bulk of Government expenditure is met from this account by way of annual appropriations through votes (see the Estimates of Expenditure B. 7 [Pt. I]), and permanent appropriations made pursuant to various statutes.
- *Loans Account*, records the proceeds from all new loans raised (except those raised for redemption of loans) in New Zealand or Overseas during the financial year. The payments side of the account records the disbursement of these proceeds by annual and permanent appropriations, and by way of transfers to other accounts within the Public Account. A non cash item is included on both the receipts and payments side of the account to record the value of capital equipment purchased under credit arrangements.
- *Loans Redemption Account*, records how loan moneys received specifically for the purpose of repaying or redeeming public debt, together with other receipts credited to the account, have in fact been applied to convert or repay public debt. The account also records cash received and paid in respect of the issue and redemption of Treasury bills.
- *National Roads Fund*, is established under section 22 of the National Roads Act 1953. Its purpose is to record certain indirect taxation revenues specifically set aside to fund expenditure on construction and maintenance of roads. The account also records other moneys appropriated for these purposes.
- *Reserve Account*, records funds set aside to meet future contingencies. Transfers into this account are made from the Consolidated Account, but if a contingency arises the funds may be transferred to any of the other accounts within the Public Account.
- *Trust Account*, contains over 50 separate accounts and is primarily used to record moneys received or held in trust. Moneys paid into the account are generally available to be applied only for the specific purpose for which they were received.
- *The Summary of Balances and the Composition of Balances*.
- *Notes to the Accounts*, contains additional explanatory information on specific receipts or payments items.

STATEMENT OF ACCOUNTING POLICIES

General Accounting Principles

The Public Accounts comprise the 5 operating accounts established by sections 38 to 42 of the Public Finance Act 1977, together with a suspense account created under section 37 (1) (c) of that Act, and the National Roads Fund established by section 22 of the National Roads Act 1953. A brief description of each of the operating accounts is given in the introduction to this summary. The Suspense Account is a clearing account for receipts banked to the Public Account.

The "Public Account" refers to the bank account of that name kept at the Reserve Bank of New Zealand.

The transactions reflected in this summary are only those relating to departments or activities operating within the Public Account. It does not reflect transactions of accounts to which sections 68 and 69 of the Public Finance Act apply. All transactions are reported on the cash basis of accounting.

The amounts shown in this summary represent the cumulative result of transactions from the beginning of the financial year.

Particular Accounting Policies

The following particular accounting policies which affect the contents of the accounts have been adopted—

Recognition of Receipts and Payments

Receipts for money paid into the Public Account are initially credited to the Suspense Account. The receipts are subsequently recognised by debiting the Suspense Account when the revenue receiver advises Treasury of the particular account code to be credited. The balance to the credit of the Suspense Account at the end of each accounting period is disclosed in the Summary of Balances.

Payments are brought to charge as expenditure in two ways:

- if money is paid from the Public Account Disbursement Account, it is recognised as a payment immediately.
- if money was paid from an imprest account, it is recognised as a payment when Treasury is advised of the particular account code to be debited. Money credited to Imprestees but remaining unspent at the end of each accounting period forms part of the cash balances.

Recognition of Interdepartmental Transactions

Transactions occurring between Government Departments are recognised on the following basis:

- if it was a cash transaction, then the accounting policy on recognition of receipts and payments above applies.
- if it was a non-cash transaction, then the transaction is recognised when Treasury is advised of the accounting codes to be credited and debited.

Foreign Currencies

As a general rule receipts and payments are converted into New Zealand currency at a special exchange rate fixed between the mid-point of the buying and selling rates for each foreign currency quoted by the Reserve Bank. This rate is retained until it is at variance by 2 percent with the actual mid-point of the buying and selling rate.

All rates are adjusted on an official revaluation and on 1 March in each year.

Any gains or losses arising from differences between actual rates of exchange used for transactions and the special mid-point rate are disclosed in the public accounts.

An exception to the general rule is made to certain types of receipts such as the proceeds from loans raised overseas. In these cases the exchange rate used is the actual bank rate at which the foreign currency was converted to New Zealand dollars.

Investments

Investments of Public Account Balances are recorded at cost price in foreign currency and converted at the relevant mid-point exchange rate into New Zealand dollars. Gains or losses arising from investment transactions are recognised when realised and are disclosed in the public accounts. Balances of investments in Companies and Government Agencies are not reported in quarterly summaries.

Changes in Accounting Policies

There have been no material changes in accounting policies.

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

	Note	Six Months Ended 30 September 1983	Six Months Ended 30 September 1982
		\$(000)	\$(000)
Funds were provided from:			
Taxation		4,106,842	4,223,451
Interest, dividends, and profits		458,457	403,357
Departmental and miscellaneous receipts		350,773	317,248
Repayment to Public Account of loans and advances		28,315	31,577
Trust Account net receipts		101,052	39,206
		<u>5,045,439</u>	<u>5,014,839</u>
Loans and Treasury bills		5,403,989	3,895,329
			<u>10,449,428</u>
			<u>8,910,168</u>
Funds were applied to:			
Annual appropriations		5,854,636	5,345,415
Permanent appropriations		1,306,401	893,222
Miscellaneous expenditure		45,773	31,439
		<u>7,206,810</u>	<u>6,270,076</u>
Repayment of Loans and Treasury bills		3,438,998	2,446,018
			<u>10,645,808</u>
			<u>8,716,094</u>
			<u><u>(\$196,380)</u></u>
			<u><u>\$194,074</u></u>
			<u><u>356,845</u></u>
			<u><u>86,708</u></u>
			<u><u>(639,933)</u></u>
			<u><u>(82,398)</u></u>
			<u><u>116,299</u></u>
			<u><u>160,173</u></u>
			<u><u>(\$196,380)</u></u>
			<u><u>\$194,074</u></u>

Footnote:
Transfers between accounts have been eliminated.

CONSOLIDATED

RECEIPTS	Note	Six Months Ended 30 September 1983			Six Months Ended 30 September 1982
		\$(000)	\$(000)	\$(000)	\$(000)
Direct taxation—					
Estate and gift duty			17,954		15,523
Income tax	1		2,797,479		3,100,178
Land tax			420		658
Property speculation tax			4		2
				2,815,857	3,116,361
Indirect taxation—					
Beer duty			75,493		36,000
Customs duty			280,446		269,346
Domestic air travel tax			6,303		5,139
Duties payable by racing clubs			26,312		23,962
Energy resources levy			23,471		21,002
Film hire tax			1,025		574
International departure tax			8,004		7,340
Mileage tax			2		5
Motor spirits duty		110,860			77,665
Less refunds		2,315			Dr. 4,383
			108,545		
Motor vehicles, fees and charges			55,588		5,690
Sales tax			545,143		514,864
Stamp duties			41,252		41,632
				1,171,584	998,836
Total, Taxation				3,987,441	4,115,197
Interest—					
On capital liability—					
Air New Zealand			175		200
Development Finance Corporation of New Zealand			160		1,209
Energy: Electricity			115,755		108,423
Energy: Mines			10,507		8,165
Housing			32,637		30,836
Housing Corporation of New Zealand			74,020		67,507
Lands and Survey			10,098		10,558
Maori Affairs			17,533		16,037
Natural Gas Corporation of New Zealand Ltd.			361		2,617
New Zealand Railways Corporation			2,035		2,619
Post Office			26,300		25,070
Rural Banking and Finance Corporation of New Zealand			84,729		70,314
On other public money			22,339		11,803
				396,649	355,358
Dividends and profits from trading undertakings—					
Bank of New Zealand			4,344		3,390
Development Finance Corporation of New Zealand			1,500		1,500
Reserve Bank of New Zealand			49,356		31,204
				55,200	36,094
Departmental receipts—					
Administration—					
General Administration—					
Audit			816		713
Commission for the Environment			2		1
Customs			561		455
Inland Revenue			1,268		983
Internal Affairs			3,828		3,932
Legislative			2		2
Prime Minister's Department			1		1
State Services Commission	2		1,119		15,124
Statistics			112		48
Treasury			1,187		685
Valuation			4,459		3,811
				13,355	25,755
Law and Order—					
Crown Law			7		2
Justice			29,241		27,172
Police			1,336		929
				30,584	28,103
Government Services—					
Works and Development (Programmes I, II, IV, VI, VII, and VIII)				9,993	6,438
Stabilisation—					
Stabilisation				5	9
Carried forward			53,937	4,439,290	60,305

ACCOUNT

PAYMENTS	Note	Six Months Ended 30 September 1983			Six Months Ended 30 September 1982
		\$(000)	\$(000)	\$(000)	\$(000)
Permanent appropriations—					
Civil List			2,492		2,513
Debt services—					
Administration and management			3,899		5,843
Interest—					
In New Zealand		702,282			435,892
Overseas		299,777			230,956
			1,002,059		666,848
Superannuation			51,703		40,378
Miscellaneous	3		40,448		38,948
Total, Permanent Appropriations				1,100,601	754,530
Annual appropriations—					
Administration—					
<i>General Administration—</i>					
Accident Compensation		52			52
Audit		2,958			2,661
Broadcasting		107			101
Building Performance Guarantee Corporation		9			10
Commission for the Environment		519			480
Customs		15,637			14,494
Inland Revenue		34,154			33,033
Internal Affairs (Programmes I to III)		32,637			35,483
Legislative		5,952			5,424
Prime Minister's Department		785			802
Railways		64			26
State Services Commission	2	38,560			37,040
Statistics		8,148			8,257
Treasury		6,440			6,420
Valuation		6,825			6,337
			152,847		150,620
<i>Law and Order—</i>					
Crown Law		1,321			1,037
Justice		66,243			62,472
Police		88,683			87,082
Security Intelligence Service		1,971			1,787
			158,218		152,378
<i>Government Services—</i>					
Government Printing Office		2,820			2,128
Works and Development (Programmes I, II, IV, VI, VII, and VIII)		104,749			107,214
			107,569		109,342
<i>Stabilisation—</i>					
Stabilisation			12,626		27,134
Total, Administration			431,260		439,474
Carried forward			431,260	1,100,601	439,474

CONSOLIDATED

RECEIPTS	Note	Six Months Ended 30 September 1983			Six Months Ended 30 September 1982
		\$(000)	\$(000)	\$(000)	\$(000)
Brought forward			53,937	4,439,290	60,305
Departmental receipts— <i>continued</i>					
Foreign Relations—					
Defence—					
Defence			5,627		3,388
Foreign Affairs—					
Foreign Affairs			3,447		2,354
Development of Industry—					
Land Use—					
Agriculture and Fisheries		7,816			6,086
Forest Service		53,171			59,246
Lands and Survey		43,126			44,195
Maori Affairs (Programmes V and VI)		20,104			18,996
			124,217		128,523
Fuel and Power—					
Energy	4		57,227		45,490
Other Industrial Services—					
Labour		1,198			1,542
Scientific and Industrial Research		4,085			2,790
Tourist and Publicity		1,723			1,347
Trade and Industry		5,676			3,344
			12,682		9,023
Education—					
Education			9,135		8,153
Social Services—					
Social Services—					
Social Welfare			13,969		12,113
Other Social Services—					
Maori Affairs (Programmes I to IV)			1,556		1,243
Health—					
Health			1,581		721
Transport and Communications—					
Transport—					
Transport		31,971			33,785
Works and Development (Programmes III and V)		104			56
			32,075		33,841
Total, Departmental Receipts				315,453	305,154
Total, Ordinary Receipts				4,754,743	4,811,803
Special Receipts—					
Capital gains on realisation of investments (net)				1,988	1,712
Public Finance Act 1977, section 100—					
Exchange differences on overseas transactions				12,651	Dr 19,830
Repayment from Rural Banking and Finance Corporation	5			4,581	..
Reserve Bank—Surplus on agency transactions with I.M.F. .. .. .				..	35
TOTAL RECEIPTS				4,773,963	4,793,720
Excess of payments over receipts				1,977,123	1,098,044
				\$6,751,086	\$5,891,764
Balances at beginning of year—					
Cash			26,620		1,810
Imprests			77,493		81,811
				104,113	83,621
				\$104,113	\$83,621

The notes on page 4125 form part of and

ACCOUNT—continued

PAYMENTS	Note	Six Months Ended 30 September 1983			Six Months Ended 30 September 1982
		\$(000)	\$(000)	\$(000)	\$(000)
Brought forward			431,260	1,100,601	439,474
Annual appropriations—continued					
Foreign Relations—					
Defence—					
Defence			299,883		281,743
Foreign Affairs—					
Foreign Affairs			81,092		78,956
Development of Industry—					
Land Use—					
Agriculture and Fisheries		306,676			189,138
Forest Service		123,975			122,487
Lands and Survey		51,951			56,611
Maori Affairs (Programmes V and VI)		16,775			15,338
Rural Banking and Finance Corporation (Programmes I and II)		4,987			7,058
			504,364		390,632
Fuel and Power—					
Energy	4		86,657		118,411
Other Industrial Services—					
Labour		164,997			145,479
Scientific and Industrial Research		44,658			43,108
Tourist and Publicity		12,618			8,763
Trade and Industry		35,256			40,699
			257,529		238,049
Education—					
Education			880,820		841,856
Social Services—					
Social Services—					
Social Welfare			1,917,806		1,670,141
Other Social Services—					
Housing Corporation (Programmes I and II)		41,921			39,109
Internal Affairs (Programme IV)		2,114			4,163
Maori Affairs (Programmes I to IV)		16,973			16,022
			61,008		59,294
Health—					
Health			885,985		847,513
Transport and Communications—					
Transport—					
Transport		128,671			126,096
Works and Development (Programmes III and V)		94,157			36,087
			222,828		162,183
Communications—					
Post Office (part vote)			1,238		2,614
Total, Annual Appropriations				5,630,470	5,130,866
Total, Ordinary Payments				6,731,071	5,885,396
Special Payments—					
Public Finance Act 1977, section 100—					
Adjustment of balances consequent on changes in exchange rates				20,015	6,368
TOTAL PAYMENTS				\$6,751,086	\$5,891,764
Excess of payments over receipts				1,977,123	1,098,044
Balances at end of 6 months—					
Cash			Dr. 2,037,211		Dr. 1,212,533
Imprests			164,201		198,110
				Dr. 1,873,010	Dr. 1,014,423
				\$104,113	\$83,621

should be read in conjunction with the accounts.

LOANS

RECEIPTS	Note	Six Months Ended 30 September 1983		Six Months Ended 30 September 1982
		\$(000)	\$(000)	\$(000)
Loans raised—				
In New Zealand—				
Inflation-adjusted savings bonds		45,410		293,457
Kiwi savings stock		1,357,603		.. .
Premium stock		205		58,403
Special issues		937,248		200,000
Tap issues		929,838		564,108
Tender stock		94,270		.. .
			3,364,574	1,115,968
Overseas—				
Cash loans	6	693,156		1,459,494
Capital equipment credit arrangements		32,013		12,434
			725,169	1,471,928
Loan receipts unallocated	7		66,431	140,774
Securities issued to International Monetary Fund—				
Non-negotiable, non-interest bearing notes			62,177	48,554
			\$4,218,351	\$2,777,224
Balances at beginning of year—				
Cash		3,252		29,282
Investments		64,779		30,031
			68,031	59,313
Excess of receipts over payments			3,728,816	2,439,191
			\$3,796,847	\$2,498,504

ACCOUNT

PAYMENTS	Note	Six Months Ended 30 September 1983			Six Months Ended 30 September 1982
		\$(000)	\$(000)	\$(000)	\$(000)
Permanent appropriations—					
Encashment of securities—Asian Development Bank	..		..		3,600
Encashment of securities—I.B.R.D.	..		50		..
Subscription to I.M.F.	..		2		3
Charges and expenses of raising loans—					
In New Zealand—					
Discounts on tap issues	..	59,529			12,741
Discounts on tender stock	..	1,339			..
		60,868			12,741
Overseas	..	17,259			12,152
			78,127		24,893
Total, Permanent Appropriations				78,179	28,496
Annual appropriations—					
Development of Industry—					
Fuel and Power—					
Energy	4		93,333		55,790
Miscellaneous Investment and Financing Transactions—					
Miscellaneous Investment Transactions—					
Capital Participation—					
Bank of New Zealand	..	19,250			19,250
New Zealand Steel Development Ltd.	..	..			3,510
Petroleum Corporation of New Zealand Ltd.	..	5,859			15,747
Tourist Hotel Corporation of New Zealand	..	724			252
			25,833		38,759
Miscellaneous Financing Transactions—					
Housing Corporation (Programme IV)	..	62,000			30,000
Rural Banking and Finance Corporation (Programme III)	..	136,000			124,000
			198,000		154,000
Total, Annual Appropriations				317,166	248,549
Capital equipment purchased under credit arrangements—					
Defence	..		4,452		2,890
Energy: Electricity	..		..		772
Post Office	..		27,494		7,973
Railways	..		..		799
Transport	..		67		..
				32,013	12,434
Security in favour of International Monetary Fund	..			62,177	48,554
Excess of receipts over payments	..			3,728,816	2,439,191
				\$4,218,351	\$2,777,224
Balances at end of 6 months—					
Cash	..		3,109,032		2,066,809
Investments (nominal value \$706,757,835)	..		687,815		431,695
				3,796,847	2,498,504
				\$3,796,847	\$2,498,504

should be read in conjunction with the accounts.

LOANS REDEMPTION

RECEIPTS	Note	Six Months Ended 30 September 1983		Six Months Ended 30 September 1982
		\$(000)	\$(000)	\$(000)
Loans raised in conversion of maturing loans	6		129,130	63,000
Loans raised for the purpose of repaying loans— Overseas—				
Cash loans .. .. .			..	285,239
Treasury bills issued			1,118,685	818,420
Money received for repayment of loans and advances—				
Alliance Textiles Ltd.		1,000		..
Energy: Electricity		13,220		12,111
Energy: Mines .. .. .		..		94
Harbour Boards		160		226
Natural Gas Corporation of New Zealand Ltd. .. .. .		..		3,909
New Zealand Railways Corporation		6,266		5,661
Post Office		809		667
Tourist Hotel Corporation of New Zealand .. .. .		..		5,500
Vote Defence—Armed services equipment credit arrangements		5,333		1,855
Vote Foreign Affairs—Capital equipment credit arrangements		170		141
Vote Health—Capital equipment credit arrangement		589		490
Vote State Services Commission—Capital equipment credit arrangements		258		260
Vote Transport (Airport Development)—Capital equipment credit arrangement		337		369
Wellington Hospital Board		163		282
			28,305	31,565
Other money received			10	12
Discount on Government stock purchased from the Reserve Bank of New Zealand	8		13,190	..
Excess of payments over receipts			2,140,288	1,240,588
			<u>3,429,608</u>	<u>2,438,824</u>
Balances at beginning of year—				
Cash		27,579		3,137
Investments (nominal value \$983,469,974)		972,174		140,434
			999,753	143,571
			<u>\$999,753</u>	<u>\$143,571</u>

The notes on page 4125 form part of and

ACCOUNT

PAYMENTS	Note	Six Months Ended 30 September 1983			Six Months Ended 30 September 1982
		\$(000)	\$(000)	\$(000)	\$(000)
Loans converted	6			129,130	63,000
Loans repaid—					
In New Zealand—					
Inflation-adjusted savings bonds		110,832			22,333
Kiwi savings stock		454,320			..
Premium stock		5,402			4,145
Tap issues		407,856			..
Other loans		537,651			349,975
			1,516,061		376,453
Overseas—					
Cash loans	6	747,984			899,460
Capital equipment credit arrangements		26,777			21,613
I.B.R.D. loans		528			543
			775,289		921,616
				2,291,350	1,298,069
Treasury bills redeemed				986,505	1,072,515
Premium on redemption, Inflation-adjusted savings bonds				21,529	3,328
Charges and expenses of raising loans for the purpose of repaying loans				1,094	1,912
				<u>\$3,429,608</u>	<u>\$2,438,824</u>
Excess of payments over receipts				2,140,288	1,240,588
Balance at end of 6 months—					
Cash				Dr. 1,140,535	Dr. 1,097,017
				<u>\$999,753</u>	<u>\$143,571</u>

should be read in conjunction with the accounts.

NATIONAL ROADS

RECEIPTS	Note	Six Months		Six Months
		Ended 30 September 1983		Ended 30 September 1982
		\$(000)	\$(000)	\$(000)
Motor spirits duty		71,677		65,189
Less refunds		4,914		4,239
			66,763	60,950
Road user charges		53,756		53,612
Less refunds		3,866		7,142
			49,890	46,470
Mileage tax			4	5
Sales tax on compressed natural gas		1,923		829
Less refunds		24		..
			1,899	829
Sales tax on liquefied petroleum gas		1,104		..
Less refunds		259		..
			845	..
Total, Taxation			119,401	108,254
Contribution from Consolidated Account			93,000	34,000
Receipts from land and property	9		1,787	..
Miscellaneous			1,123	2,358
			\$215,311	\$144,612
Balance at beginning of year—				
Cash			8,464	9,012
Excess of receipts over payments			87,690	34,415
			\$96,154	\$43,427

RESERVE

		\$(000)	\$(000)	\$(000)
Interest on investments			6,608	11,905
			\$6,608	\$11,905
Balances at beginning of year—				
Cash		16,877		10,138
Investments (nominal value \$490,541,760)		489,137		240,198
			506,014	250,336
Excess of receipts over payments			3,473	19,894
			\$509,487	\$270,230

TRUST

		\$(000)	\$(000)	\$(000)
Receipts			1,594,566	689,050
Balances at beginning of year—				
Cash		8,291		34,474
Investments		26,981		6,109
			35,272	40,583
			\$1,629,838	\$729,633

The notes on page 4125 form part of and

FUND

PAYMENTS	Note	Six Months		Six Months
		Ended 30 September 1983	Ended 30 September 1983	Ended 30 September 1982
		\$(000)	\$(000)	\$(000)
State highways construction		13,571		17,070
State highways maintenance		30,002		26,922
Local authorities subsidised works		72,710		57,414
Purchases of land and property	9	1,639		..
Administration		7,331		6,224
General		2,367		2,566
			127,620	110,196
Unauthorised expenditure under section 28A, National Roads Act 1953			1	1
Excess of receipts over payments			87,690	34,415
			\$215,311	\$144,612
Balance at end of 6 months—				
Cash			96,154	43,427
			\$96,154	\$43,427

ACCOUNT

	\$(000)	\$(000)	\$(000)
Adjustment of value of investments consequent on changes in exchange rates		3,135	<i>Cr.</i> 7,989
Excess of receipts over payments		3,473	19,894
		\$6,608	\$11,905
Balances at end of 6 months—			
Cash	291,996		132,315
Investments (nominal value \$219,902,580)	217,491		137,915
		509,487	270,230
		\$509,487	\$270,230

ACCOUNT

	\$(000)	\$(000)	\$(000)
Payments		1,493,514	649,844
Balances at end of 6 months—			
Cash	128,492		72,454
Investments	7,832		7,335
		136,324	79,789
		\$1,629,838	\$729,633

should be read in conjunction with the accounts.

SUMMARY OF BALANCES

	Note	At 30 September 1983	At 30 September 1982
		\$(000)	\$(000)
Consolidated Account		<i>Dr.</i> 1,873,010	<i>Dr.</i> 1,014,423
Loans Account		3,796,847	2,498,504
Loans Redemption Account		<i>Dr.</i> 1,140,535	<i>Dr.</i> 1,097,017
National Roads Fund		96,154	43,427
Reserve Account		509,487	270,230
Suspense Account	10	150,132	62,140
Trust Account		136,324	79,789
		<u>1,675,399</u>	<u>842,650</u>

COMPOSITION OF BALANCES

	Note	At 30 September 1983	At 30 September 1982
		\$(000)	\$(000)
Cash		598,060	67,595
Imprests		164,201	198,110
Investments— In New Zealand		7,832	7,335
Overseas		905,306	569,610
		<u>1,675,399</u>	<u>842,650</u>

The notes on page 4125 form part of and should be read in conjunction with the accounts.

NOTES TO THE ACCOUNTS

Six Months Ended 30 September 1983 \$(000)	Six Months Ended 30 September 1982 \$(000)
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1. Income Tax

Income tax is net of refunds.

Refunds to exporters in terms of the Income Tax Act 1976 were

112,683

90,869

2. State Services Commission

In terms of section 52A of the Public Finance Act 1977 a revolving fund was opened from 1 April 1983 for the functions of the Computer Services Division of the State Services Commission. Thus receipts and payments in respect of this division are now included in the Trust Account.

3. Miscellaneous Payments

This item includes a payment made this financial year of \$2,130 made under a guarantee given by the Government in terms of section 86 (2) of the Public Finance Act 1977 in respect of Halfmoon and Horseshoe Bays Harbour Board.

4. Ministry of Energy

The Consolidated Account receipts and payments relate only to the non-trading activities of the Ministry. The Loans Account payments relate to the Ministry's trading activities.

5. Special Receipts

The repayment is in respect of an overclaim of concessions on interest for general lending in 1982-83.

6. Accounting Treatment of Flexible Financing Facilities

The presentation of these items has been changed by omitting transactions for periodic draw-downs and repayments of principal which occur during the life of a flexible financing facility and which have no effect on the outstanding public debt. However, the comparative figures for the six months ended 30 September 1982 have not been adjusted for the item in the Loans Account "Loans raised—Overseas—Cash loans" and the item in the Loans Redemption Account "Loans repaid—Overseas—Cash loans", both of which remain unadjusted by \$380,806,000.

7. Loan Receipts Unallocated

With reference to the Statement of Accounting Policies, receipts for loan moneys paid into the Public Account are cleared from the Suspense Account and credited to the item loan receipts unallocated, as a means of clearing the Suspense Account of moneys which are identifiable as loan moneys but for which no final accounting documentation was received in Treasury at the end of the quarter.

8. Discount on Government Stock

This discount is the difference between the purchase price and the nominal value of Government stock purchased from the Reserve Bank of New Zealand. The nominal value of the stock is included in this Account under loans repaid in New Zealand.

9. Receipts from and Purchases of Land and Property

Details of these were not separately identified before 1 April 1983.

10. Suspense Account

As set out in the Particular Accounting Policy pertaining to recognition of receipts and payments the Suspense Account contains moneys received but not yet allocated to a particular fund or account.

B. V. GALVIN,
Secretary to the Treasury.
27 October 1983.

C. F. SPROULE,
Director, Financial Management, Treasury.
27 October 1983.

REPORT OF THE AUDIT OFFICE

The Audit Office, having been appointed in terms of section 25 of the Public Finance Act 1977, has audited the foregoing summary of the receipts and payments of the Public Account for the six months ended 30 September 1983. In terms of section 67 of that Act, the Audit Office is of the opinion that the summary on pages 4112 to 4125 properly reflects, in accordance with the accounting policies set out on page 4112, the financial transactions of the Public Account for the six months.

J. T. CHAPMAN,
Deputy Controller and Auditor-General.
10 November 1983.