



SUPPLEMENT  
TO THE  
**NEW ZEALAND GAZETTE**  
OF  
THURSDAY, 29 NOVEMBER 1984

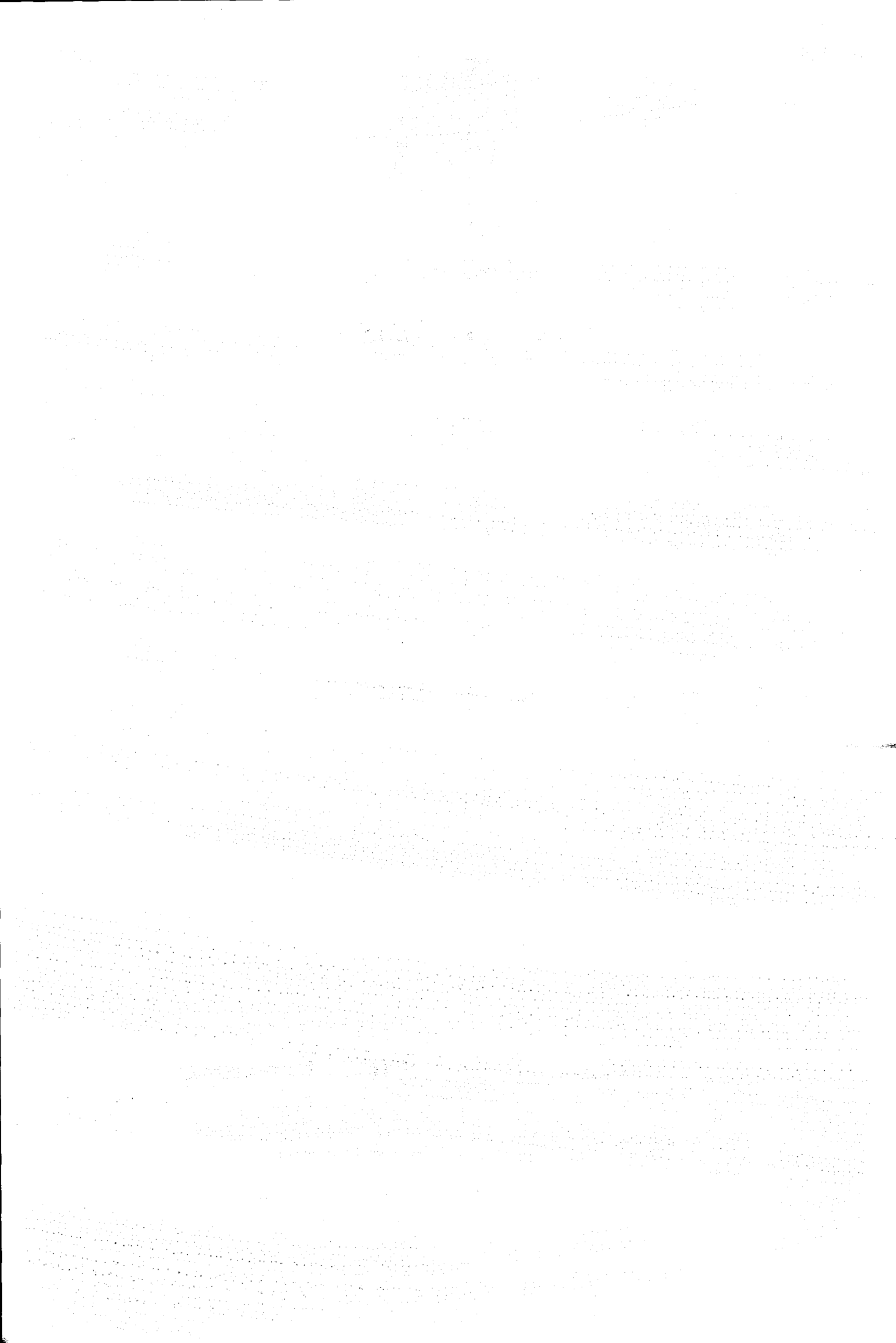
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WELLINGTON: FRIDAY, 30 NOVEMBER 1984

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**SUMMARY**  
OF THE  
**RECEIPTS AND PAYMENTS**  
OF THE  
**PUBLIC ACCOUNT**  
FOR THE  
SIX MONTHS ENDED 30 SEPTEMBER 1984



## 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 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.

This summary reflects only those transactions 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 at historic cost.

**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 advanced to Imprestees but remaining unspent at the end of each accounting period forms part of the cash balances.

**Particular Accounting Policies**

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

**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 at the mid-point between 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 for certain types of receipts such as the proceeds from loans raised overseas and repatriated to New Zealand. 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. Capital 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 changes in accounting policies. All policies have been applied on bases consistent with those used in previous years.

## STATEMENT OF SOURCE AND APPLICATION OF FUNDS

	Note	Six Months		Six Months
		Ended 30 September 1984	Ended 30 September 1983	Ended 30 September 1983
		\$(000)	\$(000)	\$(000)
<b>Funds were provided from:</b>				
Taxation		4,605,368		4,106,842
Interest, dividends, and profits		501,267		458,457
Departmental and miscellaneous receipts		553,762		350,773
Repayment to Public Account of loans and advances		48,049		28,315
		<u>5,708,446</u>		<u>4,944,387</u>
Loans and Treasury bills		6,779,332		5,403,989
			<b>12,487,778</b>	<b>10,348,376</b>
<b>Funds were applied to:</b>				
Annual appropriations		5,878,580		5,854,636
Permanent appropriations		1,463,356		1,306,401
Miscellaneous expenditure		27,780		45,773
Trust Account net payments		5,545		(101,052)
		<u>7,375,261</u>		<u>7,105,758</u>
Repayment of Loans and Treasury bills		3,414,297		3,438,998
			<b>10,789,558</b>	<b>10,544,756</b>
<b>Increase (Decrease) of funds for the six months</b>			<b>\$1,698,220</b>	<b>(\$196,380)</b>
<b>Increase in cash</b>			<b>2,377,205</b>	<b>356,845</b>
<b>Increase in imprests</b>			<b>135,570</b>	<b>86,708</b>
<b>(Decrease) in investments</b>			<b>(814,555)</b>	<b>(639,933)</b>
<b>Increase (Decrease) of funds for the six months</b>			<b>\$1,698,220</b>	<b>(\$196,380)</b>

## Footnote:

Transfers between accounts have been eliminated.

## CONSOLIDATED

RECEIPTS	Note	Six Months Ended 30 September 1984			Six Months Ended 30 September 1983
		\$(000)	\$(000)	\$(000)	\$(000)
Direct taxation—					
Estate and gift duty			20,508		17,954
Income tax	1		2,978,855		2,797,479
Land tax			326		420
Property speculation tax					4
				2,999,689	2,815,857
Indirect taxation—					
Beer duty			92,553		75,493
Customs duty			378,148		280,446
Domestic air travel tax			6,566		6,303
Duties payable by racing clubs			28,638		26,312
Energy resources levy			28,175		23,471
Film hire tax			825		1,025
International departure tax			9,862		8,004
Mileage tax			2		2
Motor spirits duty		109,085			110,860
Less refunds		1,667			Dr. 2,315
			107,418		
Motor vehicles, fees and charges			74,735		55,588
Sales tax			675,575		545,143
Stamp duties			53,843		41,252
				1,456,340	1,171,584
<b>Total, Taxation</b>				<b>4,456,029</b>	<b>3,987,441</b>
Interest—					
On capital liability—					
Air New Zealand					175
Development Finance Corporation of New Zealand					160
Energy: Electricity			122,721		115,755
Energy: Mines			12,516		10,507
Housing			34,119		32,637
Housing Corporation of New Zealand			80,396		74,020
Lands and Survey					10,098
Maori Affairs			19,261		17,533
Natural Gas Corporation of New Zealand Ltd.			2,670		361
New Zealand Railways Corporation			2,556		2,035
Post Office			15,066		26,300
Rural Banking and Finance Corporation of New Zealand			94,934		84,729
On other public money			32,572		22,339
				416,813	396,649
Dividends and profits from trading undertakings—					
Bank of New Zealand			8,000		4,344
Development Finance Corporation of New Zealand					1,500
Petroleum Corporation of New Zealand Ltd.			14,000		
Reserve Bank of New Zealand			45,146		49,356
Winstone-Samsung Industries Ltd.			3,931		
				71,077	55,200
Departmental receipts—					
Administration—					
General Administration—					
Audit		872			816
Commission for the Environment		1			2
Customs		579			561
Inland Revenue		965			1,268
Internal Affairs		3,490			3,828
Legislative		2			2
Prime Minister's Department		1			1
State Services Commission		1,422			1,119
Statistics		131			112
Treasury		2,255			1,187
Valuation		4,096			4,459
			13,814		13,355
Law and Order—					
Crown Law			12		7
Justice		32,466			29,241
Police		3,483			1,336
			35,961		30,584
Government Services—					
Works and Development (Programmes I, II, IV, VI, VII, and VIII)			8,495		9,993
Stabilisation—					
Stabilisation					5
Carried forward			58,270	4,943,919	53,937

The notes on page 5447 form part of and

## ACCOUNT

PAYMENTS	Note	Six Months Ended 30 September 1984			Six Months Ended 30 September 1983
		\$(000)	\$(000)	\$(000)	\$(000)
Permanent appropriations—					
Civil List .....			2,698		2,492
Debt services—					
Administration and management .....			6,233		3,899
Interest—					
In New Zealand .....		736,704			702,282
Overseas .....		369,226			299,777
			1,105,930		1,002,059
Superannuation .....			68,821		51,703
Miscellaneous .....	2		28,775		40,448
<b>Total, Permanent Appropriations</b> .....				<b>1,212,457</b>	<b>1,100,601</b>
Annual appropriations—					
Administration—					
<i>General Administration—</i>					
Accident Compensation .....		53			52
Audit .....		3,095			2,958
Broadcasting .....		85			107
Building Performance Guarantee Corporation .....		9			9
Commission for the Environment .....		562			519
Customs .....		16,268			15,637
Government Life Insurance Corporation .....	3	16			..
Inland Revenue .....		34,856			34,154
Internal Affairs (Programmes I to III) .....		33,608			32,637
Legislative .....		5,631			5,952
Prime Minister's Department .....		961			785
Railways .....		38			64
State Services Commission .....		28,134			38,560
Statistics .....		8,204			8,148
Treasury .....		6,831			6,440
Valuation .....		6,939			6,825
			145,290		152,847
<i>Law and Order—</i>					
Crown Law .....		1,504			1,321
Justice .....		70,554			66,243
Police .....		91,252			88,683
Security Intelligence Service .....		2,063			1,971
			165,373		158,218
<i>Government Services—</i>					
Government Printing Office .....		5,563			2,820
Works and Development (Programmes I, II, IV, VI, VII, and VIII) .....		95,167			104,749
			100,730		107,569
<i>Stabilisation—</i>					
Stabilisation .....	4				12,626
<b>Total, Administration</b> .....			<b>411,393</b>		<b>431,260</b>
Carried forward .....			411,393	1,212,457	431,260

should be read in conjunction with the accounts.

## CONSOLIDATED

RECEIPTS	Note	Six Months Ended 30 September 1984			Six Months Ended 30 September 1983
		\$(000)	\$(000)	\$(000)	\$(000)-
Brought forward .. .. .			58,270	4,943,919	53,937
Departmental receipts— <i>continued</i>					
Foreign Relations—					
Defence—					
Defence .. .. .			4,337		5,627
Foreign Affairs—					
Foreign Affairs .. .. .			2,609		3,447
Development of Industry—					
Land Use—					
Agriculture and Fisheries .. .. .		9,358			7,816
Forest Service .. .. .		68,314			53,171
Lands and Survey .. .. .		41,045			43,126
Maori Affairs (Programmes V and VII) .. .. .		16,588			20,104
				135,305	124,217
Fuel and Power—					
Energy .. .. .	5		13,340		57,227
Other Industrial Services—					
Labour .. .. .		1,045			1,198
Scientific and Industrial Research .. .. .		3,138			4,085
Tourist and Publicity .. .. .		1,687			1,723
Trade and Industry .. .. .		6,571			5,676
				12,441	12,682
Education—					
Education .. .. .			10,941		9,135
Social Services—					
Social Services—					
Social Welfare .. .. .			16,816		13,969
Other Social Services—					
Maori Affairs (Programmes I to IV) .. .. .			6,440		1,556
Health—					
Health .. .. .			1,019		1,581
Transport and Communications—					
Transport—					
Transport .. .. .		40,276			31,971
Works and Development (Programmes III and V) .. .. .		43			104
				40,319	32,075
Communications—					
Post Office .. .. .				91	..
<b>Total, Departmental Receipts</b> .. .. .				<b>301,928</b>	<b>315,453</b>
<b>Total, Ordinary Receipts</b> .. .. .				<b>5,245,847</b>	<b>4,754,743</b>
Special Receipts—					
Auckland Harbour Bridge Authority .. .. .	6			750	..
Christmas Island Phosphate Commission .. .. .	6			1,415	..
Government Printing Office—	6				
Surplus funds .. .. .				11,970	..
Notional tax payments .. .. .				440	..
Public Finance Act 1977, section 100—					
Adjustment of balances consequent on changes in exchange rates .. .. .	6			165,689	Dr 20,015
Repayment from Rural Banking and Finance Corporation .. .. .	6			755	4,581
Reserve Bank—Surplus on agency transactions with I.M.F. .. .. .				606	..
<b>TOTAL RECEIPTS</b> .. .. .				<b>5,427,472</b>	<b>4,739,309</b>
Excess of payments over receipts .. .. .				<b>1,497,995</b>	<b>1,977,123</b>
				<b>\$6,925,467</b>	<b>\$6,716,432</b>
Balances at beginning of year—					
Cash .. .. .			31,894		26,620
Imprests .. .. .			76,794		77,493
				<b>108,688</b>	<b>104,113</b>
				<b>\$108,688</b>	<b>\$104,113</b>



## ACCOUNT—continued

PAYMENTS	Note	Six Months Ended 30 September 1984			Six Months Ended 30 September 1983
		\$(000)	\$(000)	\$(000)	\$(000)
Brought forward .. .. .			411,393	1,212,457	431,260
Annual appropriations—continued					
Foreign Relations—					
Defence—					
Defence .. .. .			323,100		299,883
Foreign Affairs—					
Foreign Affairs .. .. .			87,761		81,092
Development of Industry—					
Land Use—					
Agriculture and Fisheries .. .. .		182,346			306,676
Forest Service .. .. .		162,026			123,975
Lands and Survey .. .. .		53,719			51,951
Maori Affairs (Programmes V and VII) .. .. .		15,990			16,775
Rural Banking and Finance Corporation (Programmes I and II) .. .. .		10,070			4,987
			424,151		504,364
Fuel and Power—					
Energy .. .. .	5		52,459		86,657
Other Industrial Services—					
Labour .. .. .		214,810			164,997
Scientific and Industrial Research .. .. .		47,181			44,658
Tourist and Publicity .. .. .		10,767			12,618
Trade and Industry .. .. .		38,413			35,256
			311,171		257,529
Education—					
Education .. .. .			886,298		880,820
Social Services—					
Social Services—					
Social Welfare .. .. .			2,099,958		1,917,806
Other Social Services—					
Housing Corporation (Programmes I and II) .. .. .		60,969			41,921
Internal Affairs (Programme IV) .. .. .		1,705			2,114
Maori Affairs (Programmes I to IV) .. .. .		17,759			16,973
			80,433		61,008
Health—					
Health .. .. .			899,289		885,985
Transport and Communications—					
Transport—					
Transport .. .. .		120,990			128,671
Works and Development (Programmes III and V) .. .. .		878			94,157
			121,868		222,828
Communications—					
Post Office .. .. .			5,620		1,238
<b>Total, Annual Appropriations</b> .. .. .				<b>5,703,501</b>	<b>5,630,470</b>
<b>Total, Ordinary Payments</b> .. .. .				<b>6,915,958</b>	<b>6,731,071</b>
Special Payments—					
Capital losses on realisation of investments (net) .. .. .				1,547	Cr. 1,988
Public Finance Act 1977, section 100—					
Exchange differences on overseas transactions .. .. .				7,962	Cr. 12,651
<b>TOTAL PAYMENTS</b> .. .. .				<b>\$6,925,467</b>	<b>\$6,716,432</b>
Excess of payments over receipts .. .. .				1,497,995	1,977,123
Balances at end of 6 months—					
Cash .. .. .		Dr. 1,601,671			Dr. 2,037,211
Imprests .. .. .		212,364			164,201
				<b>Dr. 1,389,307</b>	<b>Dr. 1,873,010</b>
				<b>\$108,688</b>	<b>\$104,113</b>

should be read in conjunction with the accounts.

## LOANS

RECEIPTS	Note	Six Months		Six Months
		Ended 30 September 1984	Ended 30 September 1983	Ended 30 September 1983
		\$(000)	\$(000)	\$(000)
Loans raised—				
In New Zealand—				
Inflation-adjusted savings bonds .. .. .		72,027		45,410
Kiwi savings stock .. .. .				1,357,603
Our New Zealand bonds .. .. .		67,669		
Premium stock .. .. .				205
Special issues .. .. .		43,600		937,248
Tap issues .. .. .				929,838
Tender stock .. .. .		1,940,986		94,270
			2,124,282	3,364,574
Overseas—				
Cash loans .. .. .		1,415,715		693,156
Capital equipment credit arrangements .. .. .		18,612		32,013
			1,434,327	725,169
Loan receipts unallocated .. .. .	7		352,339	66,431
Securities issued to International Monetary Fund—				
Non-negotiable, non-interest bearing notes .. .. .				62,177
Securities issued to I.B.R.D.—				
Non-negotiable, non-interest bearing notes .. .. .			4,830	
			<u>\$3,915,778</u>	<u>\$4,218,351</u>
Balances at beginning of year—				
Cash .. .. .		13,837		3,252
Investments .. .. .		62,784		64,779
			76,621	68,031
Excess of receipts over payments .. .. .			3,605,185	3,728,816
			<u>\$3,681,806</u>	<u>\$3,796,847</u>

The notes on page 5447 form part of and

## ACCOUNT

PAYMENTS	Note	Six Months Ended 30 September 1984			Six Months Ended 30 September 1983
		\$(000)	\$(000)	\$(000)	\$(000)
Permanent appropriations—					
Encashment of securities—I.B.R.D. .. .. .			60		50
Subscription to International Monetary Fund .. .. .			..		2
Subscription to I.B.R.D. .. .. .			539		..
Charges and expenses of raising loans—					
In New Zealand—					
Discounts on tap issues .. .. .			..		59,529
Discounts on tender stock .. .. .		67,760			1,339
		<u>67,760</u>			<u>60,868</u>
Overseas—					
Commissions .. .. .		14,498			17,259
Discounts .. .. .		16,994			..
		<u>31,492</u>			<u>17,259</u>
			99,252		78,127
<b>Total, Permanent Appropriations</b> .. .. .				<b>99,851</b>	<b>78,179</b>
Annual appropriations—					
Development of Industry—					
<i>Fuel and Power—</i>					
Energy .. .. .	4		74,615		93,333
Miscellaneous Investment and Financing Transactions—					
<i>Miscellaneous Investment Transactions—</i>					
Capital Participation—					
Bank of New Zealand .. .. .			..		19,250
Petroleum Corporation of New Zealand Ltd. .. .. .		15,464			5,859
Tourist Hotel Corporation of New Zealand .. .. .		..			724
			15,464		<u>25,833</u>
<i>Miscellaneous Financing Transactions—</i>					
Housing Corporation (Programme IV) .. .. .			..		62,000
Rural Banking and Finance Corporation (Programme III) .. .. .		85,000			136,000
			85,000		<u>198,000</u>
<b>Total, Annual Appropriations</b> .. .. .				<b>175,079</b>	<b>317,166</b>
Capital equipment purchased under credit arrangements—					
Defence .. .. .			13,208		4,452
Energy: Electricity .. .. .			1,902		..
Post Office .. .. .			15,723		27,494
Transport .. .. .			..		67
				<b>30,833</b>	<u>32,013</u>
Security in favour of International Monetary Fund .. .. .				..	62,177
Security in favour of I.B.R.D. .. .. .				<b>4,830</b>	..
Excess of receipts over payments .. .. .				<b>3,605,185</b>	3,728,816
				<u><b>\$3,915,778</b></u>	<u><b>\$4,218,351</b></u>
Balances at end of 6 months—					
Cash .. .. .			3,082,547		3,109,032
Investments (nominal value \$601,437,769) .. .. .			599,259		687,815
				<b>3,681,806</b>	<u>3,796,847</u>
				<u><b>\$3,681,806</b></u>	<u><b>\$3,796,847</b></u>

should be read in conjunction with the accounts.

## LOANS REDEMPTION

RECEIPTS	Note	Six Months		Six Months
		Ended 30 September 1984		Ended 30 September 1983
		\$(000)	\$(000)	\$(000)
Loans raised in conversion of maturing loans .. .. .			4,904	129,130
Loans raised for the purpose of repaying loans— Overseas—				
Cash loans .. .. .			420,172	..
Treasury bills issued .. .. .			2,443,308	1,118,685
Money received for repayment of loans and advances—				
Capital Equipment Credit Arrangements—				
Energy: Electricity .. .. .		9,715		13,220
Energy: Mines .. .. .		346		..
New Zealand Railways Corporation .. .. .		7,331		5,899
Post Office .. .. .		4,524		809
Vote Defence .. .. .		8,592		5,333
Vote Foreign Affairs .. .. .		223		170
Vote Health .. .. .		775		589
Vote State Services Commission .. .. .		247		258
Vote Transport (Airport Development) .. .. .		420		337
Wellington Hospital Board .. .. .		..		163
		32,173		26,778
I.B.R.D. Loans—				
Harbour Boards .. .. .		414		160
New Zealand Railways Corporation .. .. .		367		367
		781		527
Other Loans and Advances—				
Alliance Textiles Ltd. .. .. .		..		1,000
Development Finance Corporation of New Zealand .. .. .		417		..
Natural Gas Corporation of New Zealand Ltd. .. .. .		4,671		..
Winstone-Samsung Industries Ltd. .. .. .		10,000		..
		15,088		1,000
			48,042	28,305
Other money received .. .. .			7	10
Discount on Government stock purchased from the Reserve Bank of New Zealand .. .. .			..	13,190
Excess of payments over receipts .. .. .			485,302	2,140,288
			<u>\$3,401,735</u>	<u>\$3,429,608</u>
Balances at beginning of year—				
Cash .. .. .		12,625		27,579
Investments (nominal value \$1,093,892,886) .. .. .		1,091,484		972,174
			1,104,109	999,753
			<u>\$1,104,109</u>	<u>\$999,753</u>

The notes on page 5447 form part of and

## ACCOUNT

PAYMENTS	Note	Six Months Ended 30 September 1984			Six Months Ended 30 September 1983
		\$(000)	\$(000)	\$(000)	\$(000)
Loans converted .. .. .				4,904	129,130
Loans repaid—					
In New Zealand—					
Inflation-adjusted savings bonds .. .		70,569			110,832
Kiwi savings stock .. .		87,251			454,320
Premium stock .. .		1,155			5,402
Tap issues .. .		6,368			407,856
Other loans .. .		451,606			537,651
			616,949		1,516,061
Overseas—					
Cash loans .. .		673,925			747,984
Capital equipment credit arrangements .. .		32,173			26,778
I.B.R.D. loans .. .		781			527
			706,879		775,289
				1,323,828	2,291,350
Treasury bills redeemed .. .				2,054,732	986,505
Premium on redemption, Inflation-adjusted savings bonds .. .				16,218	21,529
Flexible financing facilities rollover expenses .. .				2,053	1,094
				<u>\$3,401,735</u>	<u>\$3,429,608</u>
Excess of payments over receipts .. .				485,302	2,140,288
Balance at end of 6 months—					
Cash .. .				618,807	Dr. 1,140,535
				<u>\$1,104,109</u>	<u>\$999,753</u>

should be read in conjunction with the accounts.

## NATIONAL ROADS

RECEIPTS	Note	Six Months		Six Months
		Ended 30 September 1984	Ended 30 September 1983	Ended 30 September 1983
		\$(000)	\$(000)	\$(000)
Motor spirits duty		70,781		71,677
Less refunds		3,765		4,914
			67,016	66,763
Road user charges		87,577		53,756
Less refunds		9,255		3,866
			78,322	49,890
Mileage tax			10	4
Sales tax on compressed natural gas		3,032		1,923
Less refunds		108		24
			2,924	1,899
Sales tax on liquefied petroleum gas		1,444		1,104
Less refunds		377		259
			1,067	845
<b>Total, Taxation</b>			<b>149,339</b>	<b>119,401</b>
Contribution from Consolidated Account				93,000
Receipts from land and property			1,625	1,787
Miscellaneous			954	1,123
			<b>\$151,918</b>	<b>\$215,311</b>
Balance at beginning of year—				
Cash			14,741	8,464
Excess of receipts over payments			870	87,690
			<b>\$15,611</b>	<b>\$96,154</b>

## RESERVE

		\$(000)	\$(000)	\$(000)
Interest on investments			13,377	6,608
Adjustment of value of investments consequent on changes in exchange rates	6		67,630	Dr 3,135
			<b>\$81,007</b>	<b>\$3,473</b>
Balances at beginning of year—				
Cash		8,558		16,877
Investments (nominal value \$516,540,973)		509,787		489,137
			<b>518,345</b>	<b>506,014</b>
Excess of receipts over payments			81,007	3,473
			<b>\$599,352</b>	<b>\$509,487</b>

## TRUST

		\$(000)	\$(000)	\$(000)
Receipts			797,499	1,594,566
Balances at beginning of year—				
Cash		11,899		8,291
Investments		35,915		26,981
			<b>47,814</b>	<b>35,272</b>
			<b>\$845,313</b>	<b>\$1,629,838</b>

The notes on page 5447 form part of and

## FUND

PAYMENTS	Note	Six Months Ended 30 September 1984		Six Months Ended 30 September 1983
		\$(000)	\$(000)	\$(000)
State highways construction .. .. .		22,773		13,571
State highways maintenance .. .. .		36,196		30,002
Local authorities subsidised works .. .. .		79,859		72,710
Purchases of land and property .. .. .		2,632		1,639
Administration .. .. .		8,622		7,331
General .. .. .		965		2,367
			<b>151,047</b>	<b>127,620</b>
Unauthorised expenditure under section 28A, National Roads Act 1953 .. .. .			<b>1</b>	<b>1</b>
Excess of receipts over payments .. .. .			<b>870</b>	<b>87,690</b>
			<b>\$151,918</b>	<b>\$215,311</b>
Balance at end of 6 months—				
Cash .. .. .			<b>15,611</b>	96,154
			<b>\$15,611</b>	<b>\$96,154</b>

## ACCOUNT

	\$(000)	\$(000)	\$(000)
Excess of receipts over payments .. .. .		<b>81,007</b>	3,473
		<b>\$81,007</b>	<b>\$3,473</b>
Balances at end of 6 months—			
Cash .. .. .	319,111		291,996
Investments (nominal value \$284,109,786) .. .. .	280,241		217,491
		<b>599,352</b>	509,487
		<b>\$599,352</b>	<b>\$509,487</b>

## ACCOUNT

	\$(000)	\$(000)	\$(000)
Payments .. .. .		<b>803,044</b>	1,493,514
Balances at end of 6 months—			
Cash .. .. .	36,354		128,492
Investments .. .. .	5,915		7,832
		<b>42,269</b>	136,324
		<b>\$845,313</b>	<b>\$1,629,838</b>

should be read in conjunction with the accounts.

## SUMMARY OF BALANCES

	Note	At 30 September 1984	At 30 September 1983
		\$(000)	\$(000)
Consolidated Account		<i>Dr.</i> 1,389,307	<i>Dr.</i> 1,873,010
Loans Account		3,681,806	3,796,847
Loans Redemption Account		618,807	<i>Dr.</i> 1,140,535
National Roads Fund		15,611	96,154
Reserve Account		599,352	509,487
Suspense Account	8	145,885	150,132
Trust Account		42,269	136,324
		<u>\$3,714,423</u>	<u>\$1,675,399</u>

## COMPOSITION OF BALANCES

	Note	At 30 September 1984	At 30 September 1983
		\$(000)	\$(000)
Cash		2,616,644	598,060
Imprests		212,364	164,201
Investments—			
In New Zealand		5,915	7,832
Overseas		879,500	905,306
		<u>\$3,714,423</u>	<u>\$1,675,399</u>

The notes on page 5447 form part of and should be read in conjunction with the accounts.



## NOTES TO THE ACCOUNTS

**1. Income Tax**

Income tax is net of refunds.

Refunds to exporters in terms of the Income Tax Act 1976 were \$60,907,573 for the six months ended 30 September 1984 and \$112,683,321 for the corresponding period in 1983.

**2. Miscellaneous Payments**

This item includes payments made this financial year totalling \$533,373 under a guarantee given by the Government in terms of section 86 (2) of the Public Finance Act 1977 in respect of Timber Stockpile Ltd.

**3. Government Life Insurance Corporation**

On 1 October 1983 the Government Life Insurance Office became a corporation under the provisions of the Government Life Insurance Corporation Act 1983. Payments recorded in the Consolidated Account are for fees and expenses of appointed directors of the corporation.

**4. Annual Appropriations—Vote Stabilisation**

Payments previously made from this vote are now made as follows—

Subsidy on milk—from Vote Agriculture and Fisheries.

Subsidy on transport of liquid petroleum gas—from Vote Energy.

**5. 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 portion of the Ministry's trading activities advanced from the Public Account.

**6. Special Receipts****Auckland Harbour Bridge Authority**

The Auckland Harbour Bridge Authority was dissolved on 31 March 1984. Investments in property and securities have been acquired by the New Zealand Government and these are being administered by the Ministry of Works and Development.

The receipt for \$750,000 represents principal repayment of short term investments matured during the quarter.

**Christmas Island Phosphate Commission**

The receipt of \$1,414,731 is the final payment received in respect of New Zealand's share of the net assets and liabilities of the Christmas Island Phosphate Commission which has now been wound up.

**Government Printing Office**

The receipt of \$11,969,881 is a transfer from the Government Printing Office Fund in the Trust Account being funds surplus to normal operational requirements at 31 March 1984.

The receipt of \$440,000 is a payment to the Consolidated Account in lieu of Income Tax.

**Effect of 18 July 1984 Devaluation on Public Account Balances**

In accordance with the particular accounting policies pertaining to Investments and to Foreign Currencies, investments of Public Account Balances were realigned to reflect the devaluation of 18 July 1984. This has resulted in an increase in investment balances of \$53,009,197 for Reserve Account investments and \$140,552,770 for other public account investments. These figures are included respectively under the items "Adjustment of value of investments consequent on changes in exchange rates" in the Reserve Account, and "Adjustment of balances consequent on changes in exchange rates" in the Consolidated Account.

**Rural Banking and Finance Corporation**

The repayment is in respect of an overclaim of concessions on interest for general lending in 1983-84.

**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. This clears 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. Suspense Account**

As set out in the General 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.  
24 October 1984.

**C. F. SPROULE,**  
Director, Financial Management, Treasury.  
24 October 1984.

## 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 1984. In terms of section 67 of that Act, the Audit Office is of the opinion that the summary on pages 5434 to 5447 properly reflects, in accordance with the accounting policies set out on page 5434, the financial transactions of the Public Account for the six months.

S. T. KEENE,  
Assistant Controller and Auditor-General.  
7 November 1984.