



SUPPLEMENT

TO THE

NEW ZEALAND GAZETTE

OF

THURSDAY, 28 FEBRUARY 1985

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SUMMARY

OF THE

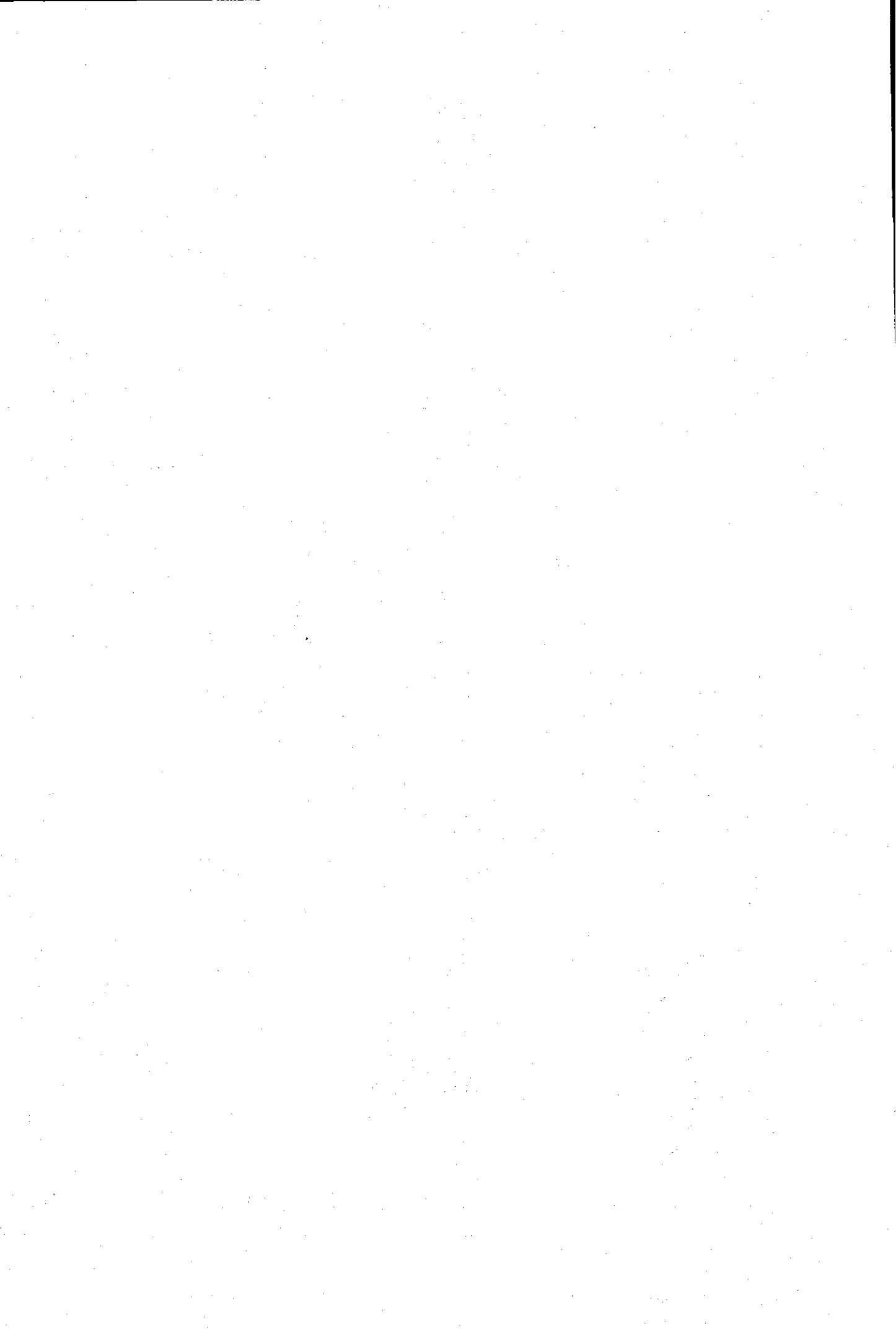
RECEIPTS AND PAYMENTS

OF THE

PUBLIC ACCOUNT

FOR THE

NINE MONTHS ENDED 31 DECEMBER 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 Policies

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	Nine Months Ended 31 December 1984	Nine Months Ended 31 Decem- ber 1983
	\$(000)	\$(000)
Funds were provided from:		
Taxation	7,046,086	6,353,859
Interest, dividends, and profits	795,160	680,795
Departmental and miscellaneous receipts	730,168	514,889
Repayment to Public Account of loans and advances	71,697	60,657
	<u>8,643,111</u>	<u>7,610,200</u>
Loans and Treasury bills	12,638,635	7,575,714
		<u>21,281,746</u>
		<u>15,185,914</u>
Funds were applied to:		
Annual appropriations	9,357,294	9,010,265
Permanent appropriations	2,373,470	1,852,203
Miscellaneous expenditure	92,014	131,103
Trust Account net payments	20,280	(9,788)
	<u>11,843,058</u>	<u>10,983,783</u>
Repayment of Loans and Treasury bills	6,868,418	4,511,012
		<u>18,711,476</u>
		<u>15,494,795</u>
Increase (Decrease) of funds for the nine months		<u><u>\$2,570,270</u></u>
		<u><u>(\$308,881)</u></u>
Increase in cash		3,067,073
Increase in imprests		196,223
(Decrease) in investments		(693,026)
		182,951
		118,465
		(610,297)
Increase (Decrease) of funds for the nine months		<u><u>\$2,570,270</u></u>
		<u><u>(\$308,881)</u></u>

Footnote:
Transfers between accounts have been eliminated.

The notes on page 997 form part of and should be read in conjunction with the accounts.

RECEIPTS	Note	Nine Months Ended 31 December 1984			Nine Months Ended 31 December 1983
		\$(000)	\$(000)	\$(000)	\$(000)
Direct taxation—					
Estate and gift duty			28,124		25,725
Income tax	1		4,438,545		4,187,008
Land tax			40,561		34,538
Property speculation tax					3
				4,507,230	4,247,274
Indirect taxation—					
Beer duty			150,359		125,255
Customs duty			604,029		446,354
Domestic air travel tax			10,117		9,453
Duties payable by racing clubs			44,018		41,658
Energy resources levy			41,955		34,065
Film hire tax			1,106		1,448
International departure tax			12,845		11,740
Mileage tax			3		3
Motor spirits duty		155,526			163,432
Less refunds		2,320			Dr. 2,887
			153,206		
Motor vehicles, fees and charges			93,039		89,651
Sales tax			1,128,551		940,932
Stamp duties			84,413		66,671
				2,323,641	1,927,775
Total, Taxation				6,830,871	6,175,049
Interest—					
On capital liability—					
Air New Zealand Ltd.			150		175
Development Finance Corporation of New Zealand			147		160
Energy: Electricity			186,930		178,911
Energy: Mines			19,549		16,231
Housing			61,321		49,089
Housing Corporation of New Zealand			143,854		112,601
Lands and Survey			9,379		10,098
Maori Affairs			19,261		17,533
Natural Gas Corporation of New Zealand Ltd.			2,670		542
New Zealand Railways Corporation			3,172		3,962
Post Office			48,963		39,760
Revolving funds			4,421		
Rural Banking and Finance Corporation of New Zealand	2		144,242		129,554
On other public money			54,180		35,350
				698,239	593,966
Dividends and profits from trading undertakings—					
Bank of New Zealand			8,000		4,344
Development Finance Corporation of New Zealand			2,700		1,500
Fletcher Challenge Ltd			1		1
Housing Corporation of New Zealand					11,320
Petroleum Corporation of New Zealand Ltd			14,000		
Post Office Savings Bank					3,560
Reserve Bank of New Zealand			45,146		49,356
Rural Banking and Finance Corporation of New Zealand					4,488
Winstone—Samsung Industries Ltd			3,931		
				73,778	74,569
Departmental receipts—					
Administration—					
<i>General Administration—</i>					
Audit		2,765			1,484
Commission for the Environment		2			3
Customs		1,056			928
Inland Revenue		2,036			2,125
Internal Affairs		5,110			5,203
Legislative		4			4
Prime Minister's Department		2			11
State Services Commission		1,771			1,801
Statistics		212			159
Treasury		3,955			2,664
Valuation		4,826			4,902
			21,739		19,284
Law and Order—					
Crown Law		14			9
Justice		48,816			44,721
Police		4,419			1,852
			53,249		46,582
Government Services—					
Works and Development (Programmes I, II, IV, VI, VII, and VIII)			13,883		13,758
Stabilisation—					
Stabilisation					12
Carried forward			88,871	7,602,888	79,636

PAYMENTS	Note	Nine Months Ended 31 December 1984			Nine Months Ended 31 December 1983
		\$(000)	\$(000)	\$(000)	\$(000)
Permanent appropriations—					
Civil List			4,087		3,834
Debt services—					
Administration and management			24,159		22,786
Interest—					
In New Zealand		1,105,891			925,714
Overseas		652,021			462,713
			1,757,912		1,388,427
Superannuation			99,495		79,720
Miscellaneous	3		44,152		44,692
Total, Permanent Appropriations				1,929,805	1,539,459
Annual appropriations—					
Administration—					
General Administration—					
Accident Compensation			81		81
Audit		4,896			4,534
Broadcasting		136			150
Building Performance Guarantee Corporation		15			14
Commission for the Environment		901			835
Customs		25,123			23,953
Government Life Insurance Corporation	4	25			
Inland Revenue		52,897			51,576
Internal Affairs (Programmes I to III)		54,528			46,953
Legislative		9,058			9,314
Prime Minister's Department		1,524			1,348
Railways		53			85
State Services Commission		45,925			50,062
Statistics		12,389			12,594
Treasury		10,470			9,795
Valuation		10,593			10,483
			228,614		221,777
Law and Order—					
Crown Law		2,257			1,989
Justice		109,404			101,447
Police		140,873			135,011
Security Intelligence Service		2,954			3,240
			255,488		241,687
Government Services—					
Government Printing Office		7,645			4,532
Works and Development (Programmes I, II, IV, VI, VII, and VIII)		144,511			132,845
			152,156		137,377
Stabilisation—					
Stabilisation	5				12,294
Total, Administration			636,258		613,135
Carried forward			636,258	1,929,805	613,135

CONSOLIDATED

RECEIPTS	Note	Nine Months Ended 31 December 1984			Nine Months Ended 31 December 1983
		\$(000)	\$(000)	\$(000)	\$(000)
Brought forward			88,871	7,602,888	79,636
Departmental receipts— <i>continued</i>					
Foreign Relations—					
Defence—					
Defence			7,781		7,899
Foreign Affairs—					
Foreign Affairs			3,434		4,503
Development of Industry—					
Land Use—					
Agriculture and Fisheries		43,767			18,508
Forest Service		113,790			83,992
Lands and Survey		58,402			53,806
Maori Affairs (Programmes V to VII)		25,021			28,179
			240,980		184,485
Fuel and Power—					
Energy	6		6,966		80,556
Other Industrial Services—					
Labour		1,516			1,700
Scientific and Industrial Research		6,156			5,409
Tourist and Publicity		2,694			2,945
Trade and Industry		12,662			9,600
			23,028		19,654
Education—					
Education			13,864		11,833
Social Services—					
Social Services—					
Social Welfare			26,125		23,425
Other Social Services—					
Maori Affairs (Programmes I to IV)			6,522		2,037
Health—					
Health			1,362		1,912
Transport and Communications—					
Transport—					
Transport		53,509			46,723
Works and Development (Programmes III and V)		56			224
			53,565		46,947
Communications—					
Post Office			91		76
Total, Departmental Receipts				472,589	462,963
Total, Ordinary Receipts				8,075,477	7,306,547
Special Receipts—					
Auckland Harbour Board	7			750	
Capital gains on realisation of investments (net)				1,868	10,674
Christmas Island Phosphate Commission	7			1,415	
Government Printing Office—	7				
Surplus funds				11,970	
Notional tax payments				440	
Public Finance Act 1977, section 100—					
Adjustment of balances consequent on changes in exchange rates	7			163,279	Dr. 22,052
Repayment from Rural Banking and Finance Corporation	7			755	4,581
Reserve Bank—Surplus on agency transactions with I.M.F.				606	
TOTAL RECEIPTS				8,256,560	7,299,750
Excess of payments over receipts				2,658,559	2,804,706
				\$10,915,119	\$10,104,456
Balances at beginning of year—					
Cash			31,894		26,620
Imprests			76,794		77,493
				108,688	104,113
				\$108,688	\$104,113

ACCOUNT—continued

PAYMENTS	Note	Nine Months Ended 31 December 1984			Nine Months Ended 31 December 1983
		\$(000)	\$(000)	\$(000)	\$(000)
Brought forward			636,258	1,929,805	613,135
Annual appropriations—continued					
Foreign Relations—					
Defence—					
Defence			491,340		457,874
Foreign Affairs—					
Foreign Affairs			132,857		116,174
Development of Industry—					
Land Use—					
Agriculture and Fisheries		376,706			376,633
Forest Service		235,148			191,510
Lands and Survey		94,410			87,934
Maori Affairs (Programmes V to VII)		25,814			25,142
Rural Banking and Finance Corporation (Programmes I and II)		24,238			9,416
			756,316		690,635
Fuel and Power—					
Energy	6		79,113		168,616
Other Industrial Services—					
Labour		337,193			274,523
Scientific and Industrial Research		76,903			67,812
Tourist and Publicity		17,667			18,547
Trade and Industry		50,679			57,280
			482,442		418,162
Education—					
Education			1,395,430		1,370,563
Social Services—					
Social Services—					
Social Welfare			3,252,218		3,014,930
Other Social Services—					
Housing Corporation (Programmes I and II)		115,894			63,728
Internal Affairs (Programme IV)		2,649			4,092
Maori Affairs (Programmes I to IV)		23,098			23,274
			141,641		91,094
Health—					
Health			1,405,854		1,348,394
Transport and Communications—					
Transport—					
Transport		182,705			197,607
Works and Development (Programmes III and V)		1,928			94,999
			184,633		292,606
Communications—					
Post Office (part vote)			8,086		2,497
Total, Annual Appropriations				8,966,188	8,584,680
Total, Ordinary Payments				10,895,993	10,124,139
Special Payments—					
Public Finance Act 1977, section 100—					
Exchange differences on overseas transactions				19,126	Cr. 19,683
TOTAL PAYMENTS				\$10,915,119	\$10,104,456
Excess of payments over receipts				2,658,559	2,804,706
Balances at end of 9 months—					
Cash			Dr. 2,822,888		Dr. 2,896,551
Imprests			273,017		195,958
				Dr. 2,549,871	Dr. 2,700,593
				\$108,688	\$104,113

should be read in conjunction with the accounts.

RECEIPTS	Note	Nine Months Ended 31 December 1984		Nine Months Ended 31 December 1983
		\$(000)	\$(000)	\$(000)
Loans raised—				
In New Zealand—				
Inflation-adjusted savings bonds		116,879		51,539
Kiwi savings stock		31,516		1,508,682
Our New Zealand bonds		78,804		
Premium stock				205
Special issues		555,719		995,548
Tap issues				929,837
Tender stock		3,147,229		520,667
			3,930,147	4,006,478
Overseas—				
Cash loans		2,489,890		1,457,143
Capital equipment credit arrangements		35,181		72,973
			2,525,071	1,530,116
Loan receipts unallocated	8		13,000	194,175
Securities issued to Asian Development Bank—				
Non-negotiable, non-interest-bearing notes			2,083	1,475
Securities issued to I.B.R.D.—				
Non-negotiable, non-interest-bearing notes			4,830	3,663
Securities issued to International Monetary Fund—				
Non-negotiable, non-interest-bearing notes				198,445
			<u>\$6,475,131</u>	<u>\$5,934,352</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			5,784,498	4,995,201
			<u>\$5,861,119</u>	<u>\$5,063,232</u>

PAYMENTS	Note	Nine Months Ended 31 December 1984			Nine Months Ended 31 December 1983
		\$(000)	\$(000)	\$(000)	\$(000)
Permanent appropriations—					
Encashment of securities—Asian Development Bank			50		40
Encashment of securities—I.B.R.D.			60		100
Subscription to Asian Development Bank			1,401		1,040
Subscription to I.B.R.D.			539		412
Subscription to International Monetary Fund			..		45,376
Charges and expenses of raising loans—					
In New Zealand—					
Discounts on special issues		11,397			59,529
Discounts on tap issues					19,969
Discounts on tender stock		173,131			79,498
		<u>184,528</u>			<u>79,498</u>
Overseas—					
Commissions		40,760			17,544
Discounts		16,994			17,544
		<u>57,754</u>			<u>17,544</u>
			242,282		97,042
Total, Permanent Appropriations				244,332	144,010
Annual appropriations—					
Development of Industry—					
Fuel and Power—					
Energy	6		123,490		147,026
Social Services—					
Other Social Services—					
Housing Corporation (Programmes III and V)			14,000		13,000
Miscellaneous Investment and Financing Transactions—					
Miscellaneous Investment Transactions—					
Capital Participation—					
Bank of New Zealand					19,250
Petroleum Corporation of New Zealand Ltd.		57,616			23,002
Tourist Hotel Corporation of New Zealand					2,307
			<u>57,616</u>		<u>44,559</u>
Miscellaneous Financing Transactions—					
Housing Corporation (Programme IV)		48,000			114,000
Rural Banking and Finance Corporation (Programme III)		148,000			200,000
			<u>196,000</u>		<u>314,000</u>
Total, Annual Appropriations				391,106	518,585
Capital equipment purchased under credit arrangements—					
Defence			14,088		4,930
Energy: Electricity			7,904		7,857
Post Office			26,290		60,119
Transport			..		67
			<u>48,282</u>		<u>72,973</u>
Security in favour of Asian Development Bank				2,083	1,475
Security in favour of I.B.R.D.				4,830	3,663
Security in favour of International Monetary Fund				..	198,445
Excess of receipts over payments				5,784,498	4,995,201
				<u><u>5,861,119</u></u>	<u><u>5,063,232</u></u>
Balances at end of 9 months—					
Cash			5,159,583		4,348,538
Investments (nominal value \$702,032,427)			701,536		714,694
			<u>5,861,119</u>		<u>5,063,232</u>
				<u><u>5,861,119</u></u>	<u><u>5,063,232</u></u>

should be read in conjunction with the accounts.

LOANS REDEMPTION

RECEIPTS	Note	Nine Months		Nine Months
		Ended 31 December 1984	Ended 31 December 1983	Ended 31 December 1983
		\$(000)	\$(000)	\$(000)
Loans raised in conversion of maturing loans			273,429	129,130
Loans raised for the purpose of repaying loans—				
Overseas—				
Cash loans			1,414,867	
Treasury bills issued			4,482,121	1,715,815
Money received for repayment of loans and advances—				
Capital Equipment Credit Arrangements—				
Energy: Electricity		21,628		28,171
Energy: Mines		749		
New Zealand Railways Corporation		9,074		12,124
Post Office		7,942		1,543
Vote Defence		13,983		8,564
Vote Foreign Affairs		223		170
Vote Health		775		589
Vote State Services Commission		247		515
Vote Transport (Airport Development)		586		608
Wellington Hospital Board				163
		55,207		52,447
IBRD Loans—				
Energy: Electricity				3,479
Harbour Boards		414		160
New Zealand Railways Corporation		974		807
		1,388		4,446
Other Loans and Advances—				
Alliance Textiles Ltd.				1,000
Development Finance Corporation of New Zealand		417		2,750
Natural Gas Corporation of New Zealand Ltd.		4,671		
Winstone—Samsung Industries Ltd		10,000		
		15,088		3,750
			71,683	60,643
Other money received			14	14
Discount on Government stock purchased from the Reserve Bank of New Zealand				13,190
Excess of payments over receipts			650,910	2,624,007
			<u>\$6,893,024</u>	<u>\$4,542,799</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 997 form part of and

ACCOUNT

PAYMENTS	Note	Nine Months Ended 31 December 1984		Nine Months Ended 31 December 1983
		\$(000)	\$(000)	\$(000)
Loans converted				273,429
Loans repaid—				
In New Zealand—				
Inflation-adjusted savings bonds		90,237		155,569
Kiwi savings stock		231,914		590,304
Our New Zealand bonds		229		
Premium stock		24,102		5,756
Special issues		400,000		
Tap issues		6,368		407,856
Tender stock		129,000		
Other loans		557,877		637,788
			1,439,727	1,797,273
Overseas—				
Cash loans		1,764,614		792,866
Capital equipment credit arrangements		55,207		52,447
I.B.R.D. loans		1,388		4,446
			1,821,209	849,759
				3,260,936
Treasury bills redeemed				3,334,053
Premium on redemption, Inflation-adjusted savings bonds				21,508
Flexible financing facilities rollover expenses				3,098
				6,893,024
				4,542,799
Excess of payments over receipts				650,910
Balance at end of 9 months—				
Cash				453,199
				1,104,109
				Dr. 1,624,254
				\$999,753

should be read in conjunction with the accounts.

NATIONAL ROADS

RECEIPTS	Note	Nine Months Ended 31 December 1984		Nine Months Ended 31 December 1983
		\$(000)	\$(000)	\$(000)
Motor spirits duty		101,286		105,772
Less refunds		5,138		6,257
			96,148	99,515
Road user charges		123,304		79,697
Less refunds		11,724		5,229
			111,580	74,468
Mileage tax			11	5
Sales tax on compressed natural gas		5,858		3,368
Less refunds		139		91
			5,719	3,277
Sales tax on liquefied petroleum gas		2,352		1,938
Less refunds		595		393
			1,757	1,545
Total, Taxation			215,215	178,810
Contribution from Consolidated Account				93,000
Receipts from land and property			2,858	3,113
Miscellaneous			1,469	685
			\$219,542	\$275,608
Balance at beginning of year—				
Cash			14,741	8,464
Excess of receipts over payments			20,209	106,874
			\$34,950	\$115,338

RESERVE

		\$(000)	\$(000)	\$(000)
Interest on investments			23,143	12,260
Adjustment of value of investments consequent on changes in exchange rates	7		72,169	Dr. 4,291
			\$95,312	\$7,969
Balances at beginning of year—				
Cash		8,558		16,877
Investments (nominal value \$516,540,973)		509,787		489,137
			\$18,345	\$506,014
Excess of receipts over payments			95,312	7,969
			\$613,657	\$513,983

TRUST

		\$(000)	\$(000)	\$(000)
Receipts			1,109,555	1,906,707
Balances at beginning of year—				
Cash		11,899		8,291
Investments		35,915		26,981
			47,814	35,272
			\$1,157,369	\$1,941,979

The notes on page 997 form part of and

PAYMENTS	Note	Nine Months Ended 31 December 1984		Nine Months Ended 31 December 1983
		\$(000)	\$(000)	\$(000)
State highways construction		36,073		22,377
State highways maintenance		62,744		55,407
Local authorities subsidised works		85,718		75,584
Purchases of land and property		3,170		2,401
Administration		10,127		9,766
General		1,500		3,197
			199,332	168,732
Unauthorised expenditure under section 28A, National Roads Act 1953			1	2
Excess of receipts over payments			20,209	106,874
			\$219,542	\$275,608
Balance at end of 9 months—				
Cash			34,950	115,338
			\$34,950	\$115,338

ACCOUNT

	\$(000)	\$(000)	\$(000)
Excess of receipts over payments		95,312	7,969
		\$95,312	\$7,969
Balances at end of 9 months—			
Cash	314,164		291,918
Investments (nominal value \$301,744,933)	299,493		222,065
		613,657	513,983
		\$613,657	\$513,983

ACCOUNT

	\$(000)	\$(000)	\$(000)
Payments		1,129,835	1,896,919
Balances at end of 9 months—			
Cash	21,619		39,045
Investments	5,915		6,015
		27,534	45,060
		\$1,157,369	\$1,941,979

should be read in conjunction with the accounts.

SUMMARY OF BALANCES

	Note	At 31 December 1984	At 31 December 1983
		\$(000)	\$(000)
Consolidated Account		<i>Dr.</i> 2,549,871	<i>Dr.</i> 2,700,593
Loans Account		5,861,119	5,063,232
Loans Redemption Account		453,199	<i>Dr.</i> 1,624,254
National Roads Fund		34,950	115,338
Reserve Account		613,657	513,983
Suspense Account	9	142,515	96,462
Trust Account		27,534	45,060
		<u>\$4,583,103</u>	<u>\$1,509,228</u>

COMPOSITION OF BALANCES

	Note	At 31 December 1984	At 31 December 1983
		\$(000)	\$(000)
Cash		3,303,142	370,496
Imprests		273,017	195,958
Investments—			
In New Zealand		5,915	6,015
Overseas		1,001,029	936,759
		<u>\$4,583,103</u>	<u>\$1,509,228</u>

The notes on page 997 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 \$143,087,886 for the nine months ended 31 December 1984 and \$155,715,712 for the corresponding period in 1983.

Advance payments to Accident Corporation Compensation were \$12,091,452 during the quarter ended 31 December 1984 and \$13,459,336 for the corresponding period in 1983.

2. Revolving fund—Interest on capital liability.

The initial capital liability of all revolving funds are determined under section 99 of the Public Finance Act 1977.

The amount shown is the interest on the capital liability of the Computer Services Division and this is transferred from the Trust Account.

3. 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.

4. 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.

5. 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.

6. 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.

7. 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.

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.

8. 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.

9. 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.
30 January 1985

C. F. SPROULE,
Director, Financial Management, Treasury.
30 January 1985

THE NEW ZEALAND GAZETTE NO. 51

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 nine months ended 31 December 1984. In terms of section 67 of that Act, the Audit Office is of the opinion that the summary on pages 984 to 997 properly reflects, in accordance with the accounting policies set out on page 984, the financial transactions of the Public Account for the nine months.

J. T. CHAPMAN,
Deputy Controller and Auditor-General.
13 February 1985.