

Provided that the interest charge is assessed on the reducing balance as repayments are made, and there are no other charges covered within the definition of 'cost of credit' in the Act.

NOTE—That this method will not agree exactly with finance rates produced under section 6 (1) (a) of the Act.

K. M. PRISK, F.I.A. F.I.A.A., Government Actuary.

24 May 1982.

7937

CREDIT CONTRACTS ACT 1981

REVOLVING CREDIT CONTRACTS

CALCULATION OF FINANCE RATE FOR REQUEST DISCLOSURE

THE following formula for calculating the Finance rate is hereby approved in terms of sections 6 (1) (b) and 46 of the Act:

$$r = \frac{C}{\text{AV BAL}} \times \frac{(365 \times 100)}{N}$$

where r = finance rate (percent per annum).

C = total cost of credit (as defined in the Act) for the billing period.

N = number of days in billing period.

AV BAL = average daily debt balance in billing period (i.e. the sum of the daily debit balances outstanding divided by 'N').

Provided however that where credit charges have been calculated up to the date of the statement including following non-business day(s) the determination of 'AV BAL' and 'N' shall recognise the inclusion of such following non-business day(s).

K. M. PRISK, F.I.A. F.I.A.A., Government Actuary.

24 May 1982.

7938

CREDIT CONTRACTS ACT 1981

CALCULATION OF FINANCE RATE FOR CREDIT CONTRACTS WHERE REPAYMENT IS MADE BY EQUAL INSTALMENTS DUE AT THE END OF EQUAL PERIODS

THE following formula for calculating the finance rate under credit contracts where—

(a) a single advance of credit is to be made, and

(b) the sum of the credit and the cost of credit (as defined in the Act) is to be repaid by equal instalments due at the end of equal periods.

is hereby approved in terms of sections 6 (1) (b) and 46 of the Act. The finance rate is the value of 'r' which satisfies the formula.

$$\frac{I}{C} = \frac{\frac{r}{100 \times n}}{1 - \frac{1}{\left(1 + \frac{r}{100 \times n}\right)^N}}$$

where I = repayment instalment.

C = Credit.

n = number of repayment instalments per annum (subject to clauses 1 (3) and 2 (a) of the First Schedule to the Act).

N = total number of repayment instalments.

r = Finance rate (percent per annum).

NOTE—That sufficient decimal places must be retained in intermediate steps of the calculation so that the accuracy required by the Act is attained.

K. M. PRISK, F.I.A. F.I.A.A., Government Actuary.

4 June 1982.

7939

THE NEW ZEALAND GAZETTE

The *New Zealand Gazette* is published on Thursday evening of each week, and notices for insertion must be received by the Government Printer before 12 o'clock of the day preceding publication.

Advertisements are charged at the rate of 20c per line.

All advertisements should be written on *one* side of the paper, and signatures, etc., should be written in a legible hand.

ELECTORAL ROLLS

Government Bookshops no longer handle the sale of Electoral Rolls. Inquiries should be directed to the Director-General, Post Office, Electoral Roll Control Centre, P.O.H.Q., Wellington.

GENERAL PUBLICATIONS

THE GEOLOGY OF NEW ZEALAND

Edited by R. P. Suggate, et al.

820 p. 1978. \$92.50 plus \$4.80 p & p

The definitive work on New Zealand geology, this superbly produced 820-page 2-volume set has been written by some 38 specialists, under the editorship of three of New Zealand's most eminent geologists. The *Geology of New Zealand* is illustrated with over 370 photographs in colour and monochrome, and with more than 200 maps and line diagrams. A comprehensive supplement is included, incorporating all available new information up to the time of printing, together with five indexes.

GOVERNMENT ACCOUNTING IN NEW ZEALAND

By David A. Preston

108 p. 1980. \$9.75 plus 85c p & p

This book will be of particular interest to those whose daily occupations bring them into contact with the Government financial system; notably Government officials, journalists, members of Parliament, accountants in business, and the general commercial community, as well as academics and students. The text has, however, also been written with the general reader in mind.

GROWING, SHARING, LEARNING

J. G. JOHNSON, Chairman

120 p. 1977. \$3.95 plus 55c p & p

The Report of the Committee on Health and Social Education which was set up in 1976 to:

- Identify the conditions under which healthy growth and development may be fostered in schools.
- To make recommendations on the studies and activities that should constitute school programmes, organisation, and relationships.

Department of Education.

LIVING LETTERS

STATE SERVICES COMMISSION

36 p. 1980 reprint. \$1.75 plus 55c p & p

One of the aims in letter writing is to get ideas across to the reader clearly and briefly. But do letters always say what is meant? Even if they are clear to the writer, will the reader understand them easily? If you are still using the old clichés of "acknowledging receipt of", "according to our records", and "enclosed please find" it is almost certainly time to change your attitude to writing living letters.

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By Elsdon Best

NATIONAL MUSEUM BULLETIN No. 9

315 p. 1976. \$13.50 plus \$1.50 p & p

The only comprehensive study of Maori agriculture available, this bulletin adds a further volume to the series of Elsdon Best's works which the Government Printer undertook to reprint preserving the original text and bulletin numbers. I recommend this book and the series as a whole; to collectors, archaeologists, and to those studying the prehistoric economy of the Maori people. (Government Printer.)