

	Note	1988 \$000	1987 \$000
Other expenses	4(a)	2,094	1,728
Total expenditure		282,848	284,827
Net profit		190,333	140,588

Profit and Loss Appropriation Account

	Note	1988 \$000	1987 \$000
Balance at beginning of year		32,588	—
Balance from profit and loss account		190,333	140,588
Total available for appropriation		222,921	140,588
Less:			
Payments to New Zealand Government in terms of section 40 of the Reserve Bank of New Zealand Act 1964 in respect of:			
(a) Previous year's profit		32,588	—
(b) Current year's profit		135,000	60,000
Transfer to general reserve		5,333	48,000
Total appropriations		172,921	108,000
Balance at end of year		50,000	32,588

The above financial statement is to be read in conjunction with the notes on the following pages.

Balance Sheet as at 31 March 1988

	Note	1988 \$000	1987 \$000	Note	1988 \$000	1987 \$000
Current liabilities—				Current Assets—		
Denominated in overseas currencies—	1(a)			Denominated in overseas currencies—	1(a)	
Held overseas	278,936	113,952		Held overseas	1,252,157	5,838,153
Held domestically	3(a)	530,361	5,042,896	Advances—		
		809,297	5,156,848	Government	—	163
Deposits—				Marketing organisations	—	4,136
Government—				Banks	1,768	3,237
Public account	123,440	126,236		Other	570	599
Other	406,525	804,108			2,338	8,135
Marketing organisations	4,352	482		Other assets—		
Stabilisation accounts	131,631	112,172		Interest accrued	11,316	27,047
Banks	111,842	4,709		Accounts receivable	13,220	11,412
Other	23,316	44,194		New Zealand coin held	9,066	5,587
		801,106	1,091,901	Other	798	6,488
Notes in circulation	3(b)	1,036,422	1,059,320		34,400	50,534
Other liabilities—				Total current assets	1,288,895	5,896,822
Interest accrued	32,548	53,777		Investments—	1(b)	
Accounts payable	4,567	4,593		Domestic—		
Other	2,714	523		Government stock—		
		39,829	58,893	Short term	423,528	73,077
Total current liabilities		2,686,654	7,366,962	Long term	175,322	181,863
Term liabilities—				Held under sellback arrangements	581,000	1,292,400
Denominated in overseas currencies	1(a)	102,982	321,528	Treasury bills	875,764	547,301
International monetary fund—				Transferable certificates of deposit	996	225,193
Allocation of special drawing rights	1(a)	300,047	321,113	Commercial bills	12,777	4,861
Other	50,271	50,321		Local authority stock	—	9
		350,318	371,434	Term loan	50,000	50,000
Investment Fluctuation Account	3(c)	55,642	16,641	Staff mortgage advances	22,665	17,538
Reserves—					2,142,052	2,392,242
Profit and loss appropriation account	50,000	32,588		Overseas—		
General reserves	3(d)	280,448	275,115	Denominated in overseas currencies	1(a)	14,463
Properties revaluation reserve	3(e)	42,966	10,129	Denominated in New Zealand currency		2,532
		373,414	317,832	Holdings of IMF special drawing rights		15,853
					31,585	32,422
				Gold	3(g)	15,719
						16,630
				Total investments	2,189,356	2,441,294
				Fixed assets—	1(c)	
				Land	32,006	4,456
				Buildings	42,424	35,644
				Plant, equipment, vehicles	16,329	16,181
					90,759	56,281
					3,569,010	8,394,397
		3,569,010	8,394,397			

The above financial statement is to be read in conjunction with the notes following.

G. K. FROGGATT, Chief Manager, Corporate Services Department.

S. T. RUSSELL, Governor.

R. L. KNIGHT, Deputy Governor.

Reserve Bank of New Zealand Annual Accounts

Notes:

1. *Statement of Accounting Policies*—The accounts have been prepared in accordance with the following accounting policies. These policies have been applied on a basis consistent with last year except as otherwise noted.