

[AS REPORTED FROM THE COMMITTEE OF THE WHOLE]

House of Representatives, 13 October 1971

Words inserted are shown in roman underlined with a double rule.

Hon. Mr Walker

TOURIST HOTEL CORPORATION AMENDMENT

ANALYSIS

Title	4. Dividends on capital
1. Short Title and commencement	5. Oral contracts on behalf of the Corporation
2. Capital of Corporation	6. Financial adjustments
3. Unauthorised expenditure	Schedule

A BILL INTITULED

An Act to amend the Tourist Hotel Corporation Act 1955

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of
5 the same, as follows:

1. Short Title and commencement—(1) This Act may be cited as the Tourist Hotel Corporation Amendment Act 1971, and shall be read together with and deemed part of the Tourist Hotel Corporation Act 1955* (hereinafter
10 referred to as the principal Act).

(2) This Act shall be deemed to have come into force on the 30th day of September 1971.

2. Capital of Corporation—(1) The principal Act is hereby amended by inserting, after section 7, the following section:
15 “7A. The capital of the Corporation shall be \$4,000,000.”

*1957 Reprint, Vol. 15, p. 663
Amendments: 1961, No. 104; 1968, No. 20

No. 81—2

Price 5c

(2) Of the amount of \$12,630,840 shown in the accounts of the Corporation for the year ended 30 September 1970, as owing to the Crown by the Corporation, the sum of \$4,000,000 shall be deemed to be the capital of the Corporation and to have been paid to the Corporation by the Minister of Finance. 5

(3) The Corporation's liability to repay the balance of the amount of \$12,630,840 so shown as owing to the Crown by the Corporation is hereby extinguished.

3. Unauthorised expenditure—Section 20 of the principal Act (as amended by section 7 (1) of the Decimal Currency Act 1964) is hereby amended by omitting the words “two hundred dollars”, and substituting the expression “\$400”. 10

4. Dividends on capital—The principal Act is hereby amended by repealing section 25, and substituting the following section: 15

“25. (1) After allowing for transfers to reserves pursuant to this Act and making provision in relation to any accumulated losses and for the payment of rates and taxes, the Corporation may in any financial year declare a dividend on the capital of the Corporation of such amount as it thinks fit. 20

“(2) The amount of any dividend declared by the Corporation shall be paid into the Consolidated Revenue Account.”

5. Oral contracts on behalf of the Corporation—Section 25 26 of the principal Act (as amended by section 7 (1) of the Decimal Currency Act 1964) is hereby amended by omitting from subsection (3) the words “one hundred dollars”, and substituting the expression “\$400”.

6. Financial adjustments—(1) The assets of the Corporation which are shown in the Schedule to this Act and which are shown in that Schedule and in the accounts of the Corporation for the year ended 30 September 1970 as having an aggregate value of \$9,108,992 are hereby declared, for the purposes of the accounts of the Corporation and for no other purpose, to have an aggregate value at that date of \$2,600,000. 35

(2) The apportionment of the value of \$2,600,000 between the two types of assets listed in the Schedule to this Act and the value that is to be attributable to any asset of either type in the accounts of the Corporation for the year ended 5 30 September 1971 shall be agreed between the Corporation and the Secretary to the Treasury and, failing such agreement, shall be determined by the Controller and Auditor-General.

(3) Of the amount of \$74,344 shown in the accounts of the Corporation for the year ended 30 September 1970 as 10 being the value of survey and architectural fees and salaries paid in respect of future works, \$44,987 shall be written off by the Corporation.

(4) The credit balance of \$681,169 in the Capital Reserve Account of the Corporation at 30 September 1970 15 shall be applied by the Corporation in reduction of the debit balance of \$2,758,030 in the Profit and Loss Appropriation Account of the Corporation as at that date and the balance of \$2,076,861 shall be written off by the Corporation.

SCHEDULE

Section 6

VALUES TO BE REDUCED

Assets	Value shown in accounts for year ended 30 September 1970 \$
Land, improvements to land, and services, including water, sewage, and power supply works	1,562,190
Buildings	7,546,802
	<u>\$9,108,992</u>