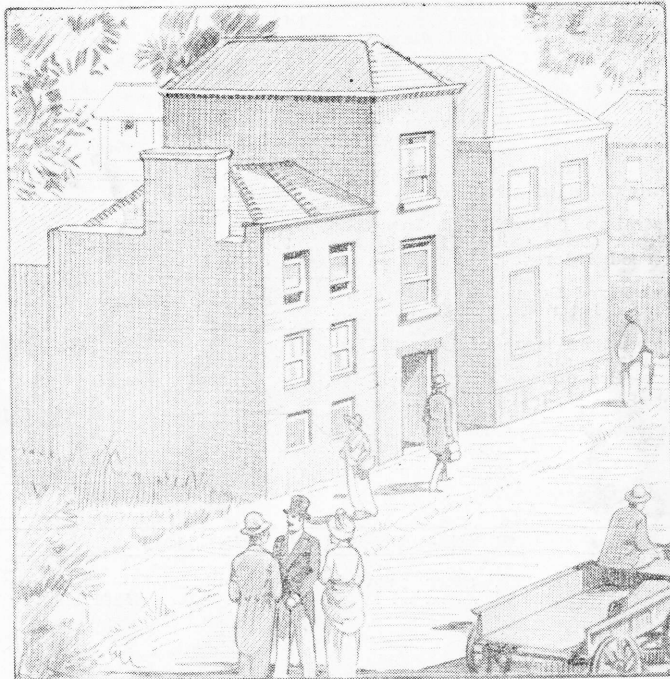


THE STATE SAVINGS BANK

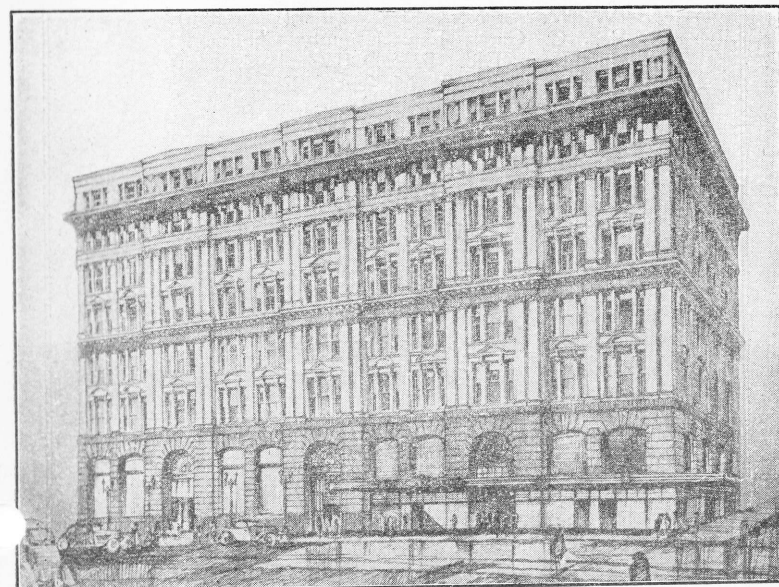
OF VICTORIA

Guaranteed by the Government of Victoria

ESTABLISHED 1841



The Bank was incorporated by Act of Parliament in September, 1841, and opened for business on 1st January, 1842, in a small room in the above building in Collins Street, Melbourne.



HEAD OFFICE : ELIZABETH STREET, MELBOURNE

ANNUAL REPORT

For Year Ended 30th June, 1942

THE STATE SAVINGS BANK OF VICTORIA

COMMISSIONERS:

W. Warren Kerr, C.M.G., C.B.E. (Chairman).
Jas. C. Gates, Esq. (Deputy Chairman).
Jno. Kean, Esq. Prof. D. B. Copland, C.M.G.
Hector T. McKenzie, Esq.

GENERAL MANAGER:

Norman R. Williams, O.B.E., B.Com.

ASSISTANT GENERAL MANAGER:

N. S. White.

CHIEF ACCOUNTANT:

L. D. Johnston.

ACTING SECRETARY:

G. Cartwright.

AT 30th JUNE, 1942.

Total Assets of the Bank.

Savings Bank Department	£85,465,907
Credit Foncier Department	£20,948,422

£106,414,329

Reserve Funds

Savings Bank Department	£5,900,000
Credit Foncier Department	£1,419,707

Accounts	1,562,397
Balances	£77,316,072

224 Branches.

383 Agencies.

ANNUAL REPORT

FOR YEAR ENDED 30th JUNE, 1942.

The Commissioners of the State Savings Bank of Victoria have pleasure in presenting the Bank's one hundred and first Annual Report. It will be noted with satisfaction that—

- (i) there has been a substantial increase in the business of the Savings Bank Department, the number of depositors' accounts (1,562,397) and the amount at their credit (£77,316,072) being the highest yet recorded; and
- (ii) strong support has been given by the Bank and its depositors to the Nation's war finance, the combined subscriptions during the year amounting to £14,345,868, exclusive of the amount withdrawn by depositors from their accounts for subscription through members of Stock Exchanges and other agents of the Commonwealth Treasury.

For convenience of reference, the report is divided into three parts:—

Part 1.—Savings Bank Department, paragraphs 1 to 18.

Part 2.—Credit Foncier Department, paragraphs 19 to 30.

Part 3.—General, paragraphs 31 to 33.

Part 1.—SAVINGS BANK DEPARTMENT.

1. **The net profit** for the year was £289,581/11/4. The balance of Profit and Loss Account, including the amount brought forward from last year, was £444,244/10/4, from which £280,000 was transferred to Reserve Fund and £164,244/10/4 was carried forward to next year.

2. **Reserve Funds** at 30th June, 1942, totalled £5,900,000, comprising General Reserve £4,600,000, and Reserves for Interest Fluctuation, Depreciation and Contingencies £1,300,000.

3. **Investment of Funds** at 30th June, 1942:—

Cash on hand and deposits with other banks	£26,394,324	2	4
Australian Consolidated Inscribed Stock, and Commonwealth Treasury Bills	38,326,908	2	3
Debentures of municipal and other public authorities	17,705,215	7	8
Mortgage loans, etc	2,224,459	16	0
Bank premises	815,000	0	0
	£85,465,907	8	3

*This sum includes funds of the Insurance Trust Account, which were deducted when calculating the percentage of liquid assets to depositors' balances shown in paragraph 4.

4. **Liquid Assets** (cash on hand and deposits with other banks) were 33.98 per cent. of depositors' balances at 30th June, 1942. A sum equal to an additional 33.77 per cent. of depositors' balances was invested for terms not exceeding five years in Government securities and these of municipal and other public authorities.

5. **Loans on Mortgage.** Loans on mortgage are granted and renewed for a maximum period of three years up to three-fifths of the Bank's valuation of a farm property and to two-thirds of valuation of other acceptable properties. From 1st October, 1941, the rate of interest on all loans was reduced from $4\frac{1}{2}$ to $4\frac{1}{4}$ per cent. per annum. New advances during the year were restricted to existing borrowers to pay prior charges, to make improvements or to carry on, the amount advanced being £3,915. At 30th June, 1942, the balance of principal advanced in respect of 1,871 current loans was £2,206,777.

6. **Bank Premises.** This asset, consisting of 256 properties, stands in the balance-sheet at £815,000, the capital expenditure of £74,300 during the year exceeding the amount written off by £50,000.

7. **The Amount at Credit of Depositors** at 30th June, 1942, was £77,316,072/7/1, as shown in the following statement, the increase of £5,569,332/5/11 for the year having been achieved despite substantial investments by depositors in Commonwealth loans and war savings certificates (see paragraph 14).

Depositors' balances at 30th June, 1941	£71,746,740	1	2
Deposits received during year	£63,232,379	15	7
Interest added to accounts	1,283,504	19	10
	64,515,884	15	5
Amount withdrawn during year	58,946,552	9	6
Increase during year	5,569,332	5	11
Depositors' balances at 30th June, 1942	£77,316,072	7	1

The amount of depositors' balances and the number of accounts (see paragraph 8) were the highest in the history of the Bank.

Depositors' balances included deposit stock inscribed in their names amounting to £2,689,594/18/4. A depositor, in addition to having a pass-book account, may invest in deposit stock in multiples of £10 up to a maximum of £1,000. This stock may be withdrawn on giving notice varying from one week for £10 to six months for £1,000. In the event of the death of a registered proprietor, his holding is payable at not more than one month's notice.

8. Depositors' Accounts.

Number at 30th June, 1941	1,515,835
Accounts opened during year	194,950
Accounts closed during year	148,388
Increase in number of accounts	46,562
Number at 30th June, 1942	1,562,397

There were also 203,878 depositors in school banks. After deducting 443,379 inoperative accounts under £1, the average amount at credit of depositors was £68/17/-, compared with £65/15/11 the previous year.

9. **Interest on Depositors' Accounts.** The rates of interest paid during the year on deposits in current accounts and on deposit stock were as follows:—

Accounts of depositors other than friendly societies, charitable societies and trade unions—

1st July, 1941, to 31st March, 1942	2 per cent. per annum on sums from £1 to £1,000.
1st April, 1942, to 30th June, 1942	2 per cent. per annum on sums from £1 to £500.
	$1\frac{1}{2}$ per cent. per annum on the excess to £1,000.

Accounts of friendly societies, charitable societies and trade unions—

From 1st July, 1941 2 per cent. per annum on the balance. Deposit stock accounts—On sums from £10 to £1,000—

On stock sold prior to 14th March, 1942 $2\frac{1}{2}$ per cent. per annum. (From 1st November, 1942, the interest on this stock will be reduced to $1\frac{1}{2}$ per cent. per annum.)

On stock sold on & after 14th March, 1942 $1\frac{1}{2}$ per cent. per annum.

The reductions in interest rates were made pursuant to an order issued by the Commonwealth Bank of Australia on 13th March, 1942, under the National Security (Economic Organization) Regulations.

Interest on depositors' accounts was calculated to 31st May last and added to accounts on that date, instead of 30th June, in accordance with a National Security Regulation made on 27th April, 1942; the computation, checking and crediting of interest to accounts was thus dissociated from the arduous work entailed in the annual balance.

10. **School Banks** were being conducted at 2,797 schools (428 in the metropolitan area and 2,369 in the country) at 30th June, 1942, compared with 2,889 at 30th June, 1941; 203,878 scholars were depositors with £256,299 at their credit—an average of £1/5/2 each.

Depositors' balances exceeded £2,000 at each of 2 schools, and exceeded £1,000 at each of 22 others.

11. **The Service Department.** During the first half of the financial year deposits totalling £290,933 were collected from members of 733 Group Savings Clubs established in factories and business houses. Because of the rapid extension of other services provided by the Bank and the large number of officers on defence duties, it was found impracticable to continue the collection of deposits at the places of employment. In January last 43,562 accounts with balances totalling £157,633 were transferred to branches selected by the depositors. It is intended to resume this service after the war for it consistently advertises the virtue and advantages of thrift and affords wage-earners, who are unable to visit the Bank during business hours, special facilities to save regularly.

During the year 9,348,950 pay envelopes conveying thrift messages were supplied to 2,380 factories, firms, etc., and 51,085 safety money boxes were sold. An approximate average of the contents of money boxes opened at branches was £1/12/2.

12. **New Branches.** During the year branches were established at—

FOOTSCRAY SOUTH, 74 Charles Street, on 8th December, 1941;

SWANSTON STREET CENTRAL, 185 Swanston Street, Melbourne, on 2nd March, 1942; and

ASHBURTON, corner High Street and Ward Street, on 23rd March, 1942.

13. **The Progress of the Bank** since its opening on 1st January, 1842, is reflected in the following summary:—

Date	Branches	Agencies	Number of Depositors (not including School Banks)	Amount at Credit (including School Banks)
31st Dec., 1842	1	—	230	£ 4,227
30th June, 1862	10	—	13,309	634,884
" " 1882	18	—	59,245	1,970,854
" " 1902	52	323	410,126	10,131,604
" " 1922	151	348	970,431	46,726,918
" " 1942	224	383	1,562,397	77,316,072

At the principal metropolitan branch, in Elizabeth Street, the balances at credit of 197,026 depositors totalled £10,009,216. At eight other branches, depositors' balances exceeded £1,000,000—

45 Swanston Street, Melbourne	£2,085,494
Geelong	2,022,129
Ballarat	1,776,987
Footscray	1,407,006
Bendigo	1,313,381
Prahran	1,192,783
Brunswick	1,135,242
Moonee Ponds	1,008,021

14. **Commonwealth Loans and War Savings Certificates.** Recognizing the importance of encouraging citizens to save for the prosecution of the war, the Bank has afforded the public full facilities to subscribe to war loans and to purchase war savings certificates, and, as explained in paragraph 15, gives its depositors the right to lodge the bonds and certificates for safe custody.

The following are the particulars of cash subscribed to loans by and through the Bank, and of proceeds of certificates sold by it:—

		During year ended 30th June, 1942	Total since outbreak of war
Bank—			
War Loans—			
Savings Bank Dept. ..	£6,250,000		
Credit Foncier Dept. ..	1,000,000		
		£7,250,000	£9,250,000
Depositors—			
War Loans and National Savings			
Bonds	5,982,250		8,446,030
Gifts, interest free loans, etc.	16,526		101,240
War Savings Certificates	1,097,092		3,030,178
		£14,345,868	£20,827,448

The cash contributions by depositors involved 93,746 loan applications and 264,376 sales of war savings certificates during the year, and 112,646 applications and 618,637 sales since the outbreak of war.

In November last a Commonwealth Loan matured and 5,339 depositors converted through the Bank holdings amounting to £1,460,000.

15. **The Safe Deposit Department** holds free of charge on behalf of depositors, bonds or debentures issued or guaranteed by the Commonwealth or Victorian State Governments, and war savings certificates. While the bonds, etc., are so held, interest and principal are collected when due and applied as directed by the depositor. The following figures, showing the holdings at 30th June, 1942, indicate the extent to which this service has been availed of:—

Bonds, etc.	No. of Depositors' Holdings	Face Value
Australian Consolidated Treasury Bonds and National Savings Bonds	112,278	£ 15,589,710
War Savings Certificates (numbering 864,221)	235,463	3,830,700
Credit Foncier and other Debentures ..	1,001	312,950
	348,742	£19,733,360

In addition, 16,980 depositors had lodged for safe custody parcels and boxes containing deeds, etc., for which (with the exception noted in paragraph 16) a small charge is made.

16. Facilities for Members of the Defence Forces.

In Victoria officers of the Bank attended regularly at military and air-force camps to provide Savings Bank services.

In Australia facilities enabling depositors in the forces stationed outside Victoria to operate upon their accounts have been provided by arrangement with the reciprocating Savings Banks, the Bank of New South Wales and the Queensland National Bank Limited.

Overseas, depositors who are members of the forces may withdraw sums by cable or mail at any branch of Barclays Bank Limited, or may operate on their accounts through the A.I.F. Paymasters. These facilities are provided at a minimum cost.

At 30th June, 1942, the Bank was collecting on behalf of 8,436 members of the forces fortnightly allotment money for the credit of their accounts or of the accounts of their nominees. Allotment money thus distributed during the year amounted to £777,351.

Valuable documents, securities, etc., are held for safe custody without charge during a depositor's period of service.

17. **Banking by Post.** Depositors, residing in sparsely populated parts of the State some distance from a branch or agency, may deposit or withdraw money through the post free of cost, postage stamps and stationery being provided by the Bank. At 30th June, 1942, 1,399 depositors were availing themselves of this system.

18. **The Insurance Trust Fund Account**, established in March, 1921, amounted to £902,014/0/2 at 30th June, 1942. There were 37,440 current policies providing an aggregate insurance cover of £28,650,350.

Part 2.—CREDIT FONCIER DEPARTMENT.

19. **The Credit Foncier Department** was established in 1896, under Act No. 1481, for the purpose of granting long-term loans to assist persons employed in agricultural, horticultural, viticultural, or pastoral pursuits. In 1910, under Act No. 2280, the authority to make advances was extended to include loans for the purchase or erection of dwellings and shops, and in 1920 was again extended, under Act No. 3088, to include advances to persons of small means enabling them to purchase from the Bank homes erected or acquired by the Bank. Acts No. 3098 in 1920 and No. 3145 in 1921 authorized the Bank to make advances to country industries on the security of first mortgage over land, buildings, machinery and uncalled capital.

20. **Funds for the purpose of making Advances** are obtained from the flotation of Credit Foncier debenture loans and from repayments made by borrowers. Debenture loans current at 30th June, 1942, totalled £18,754,930; an amount of £1,000,000 was paid to the Savings Bank Department on 30th April last in reduction of the 3 per cent. debenture of £12,000,000 maturing 30th April, 1946.

21. **The Net Profit for the Year**, after making provision for doubtful debts, depreciation and contingencies, was £66,972/7/7, compared with £37,856/5/5 for the previous year. As required by the Act, the profit was transferred to the General Reserve.

22. **Reserve Funds** at 30th June, 1942, totalled £1,419,707, comprising General Reserve £944,707, and Reserves for Depreciation and Contingencies £475,000. After a comprehensive review of the accounts of borrowers in relation to valuations, an amount of £180,000 was transferred from the Reserve for Depreciation to the General Reserve.

23. **Various Classes of Loans.** The following statement shows, under each class of loan, the total sums advanced and repaid from the commencement of Credit Foncier loans in 1897 to 30th June, 1942, the number of current loans and the balance of principal:—

Class of Loan	Com- menced (Year)	Advanced	Repaid	No. of Current Loans	Balance of Principal
		£	£		£
Farms	1897	11,925,976	7,891,099	4,301	4,034,877
Dwellings and Shops	1911	31,375,055	21,019,055	22,857	10,356,000
Housing	1921	9,531,993	4,539,842	9,139	*4,992,151
Country Industries	1922	187,459	160,352	5	27,107
		53,020,483	33,610,348	36,302	†19,410,135

*Including land at Garden City, Port Melbourne, for future operations, £16,928.

†Towards the repayment of this amount, borrowers have lodged to their credit, in advance, £595,162, which earns interest at the rate paid on the loan account.

24. **The Average Balance of Loans** at 30th June, 1942, was as follows:—

Farms	£938	2	6
Dwellings and Shops	453	1	6
Housing	546	4	11

25. **Repayments of Principal.** The amount of principal repaid by borrowers during each of the past five years is shown in the following statement:—

Class of Loan	1938	1939	1940	1941	1942
	£	£	£	£	£
Farms	303,944	216,576	255,093	250,257	225,910
Dwellings and Shops	833,621	880,988	994,385	1,023,018	1,053,129
Housing	314,181	296,150	314,596	326,509	355,358
Country Industries	9,592	11,460	8,100	4,595	4,323
	1,461,338	1,405,174	1,572,174	1,604,379	1,638,720

26. **Advances** since 15th December last have been granted for the following purposes only:—

(a) **Credit Foncier Mortgage Loans.**

Farms—Up to two-thirds of the Bank's valuation and not exceeding £1,000. To improve or develop the land, to purchase stock or implements and to carry on.

Dwellings and Shops—Further advances limited, except in special cases, to £100. To pay prior charges and to make improvements and necessary repairs. The total of any further advance granted and the balance of the existing advance must not exceed 75 per cent. of the Bank's valuation.

(b) **Credit Foncier Housing Advances.**

Further advances limited, except in special cases, to £100. To pay prior charges and to make improvements and necessary repairs. The total of any further advance granted and the balance of the existing advance must not exceed 90 per cent. of the Bank's valuation.

In December last the Bank was obliged to discontinue accepting applications for the erection of houses as it was practically impossible to obtain satisfactory tenders. In January the Commonwealth Government by a National Security Regulation virtually prohibited the erection of new buildings and in June stipulated that its specific consent must be obtained before an owner could commence structural work, renovations, etc., estimated to cost more than £25.

Advances made during the year amounted to £398,099 compared with £509,238 in the previous year. This amount includes housing advances made under a guarantee agreement with the Commonwealth Government dated 12th July, 1941, for the erection of homes for munition workers. At 30th June, 1942, 67 such homes had been completed or were under construction, and advances for an additional 41 homes had been approved.

27. **The Rate of Interest** charged all borrowers was reduced from $4\frac{1}{2}$ to $4\frac{1}{4}$ per cent. per annum from 1st October last.

28. **Borrowers who had Paid their Interest in Full.** The percentages, at 30th June, 1942, of those who had paid their interest to the end of the previous quarter (31st March) were as follows:—

Farms	86.61 per cent.
Dwellings and Shops	98.75 „ „
Housing	99.25 „ „

29. **The Percentage of Properties in Possession** at 30th June, 1942, was only .51 of the total number of securities.

30. **Garden City, Port Melbourne.** The erection of 278 houses had been completed by 30th June, 1942. The area will permit the erection of a further 44 houses.

Part 3.—GENERAL.

31. **Child Endowment.** At the request of the Commonwealth Government the Bank agreed to assist in the distribution of child endowment payments. Endowees are paid either by means of orders payable every four weeks at the specified bank or post office, or by having the endowment credited to a bank account at intervals of twelve weeks. The first payment was made on 28th July, 1941; at 30th June, 5,810 endowees were presenting endowment orders to the Bank for cash payment and 21,215 were having the amount due to them credited to accounts with this Bank. The amount disbursed during the year was £459,985 (orders cashed £118,739, accounts credited £341,246).

32. **War Damage Insurance.** The National Security (War Damage to Property) Regulations provide that where the value of the property (land and improvements) does not exceed £2,000 and the aggregate amount owing to mortgagees and/or unpaid vendors at the beginning of the contribution period exceeds one-third of the value of the property, all interested parties share equally in the contribution to the War Damage Fund. The owner pays the full amount and obtains a refund from the others.

As the owner's liability to insure against war damage commenced on 23rd February last, it is necessary for the Bank to obtain from its borrowers and examine approximately 39,300 War Damage Insurance Assessments to ensure that the improvements have been covered and to make necessary refunds. It is estimated that 30,300 borrowers will be entitled to partial refunds amounting to £22,900 (Savings Bank Department £1,300, Credit Foncier Department £21,600); and as the contribution period ends on 31st December next, one-half of each of these amounts has been charged against the income of the relative department.

33. **The Staff.** At the date of this report, 590 members of the staff had been enrolled in the navy, army or air force. It is recorded with sorrow that eight officers have lost their lives, four are prisoners of war and twelve have been reported as missing. Their names are recorded in the Roll of Honour accompanying this report.

The following honours have been bestowed on officers of the staff:—

Col. T. P. Cook—Commander of the Order of the British Empire.

Lt. Col. W. T. Owen—Distinguished Service Cross (America).
Brigdr. S. H. W. C. Porter—Companion of the Distinguished Service Order.

Lt. Col. T. G. Walker—Companion of the Distinguished Service Order.

Sgt. G. Wiburd—Air Force Medal.

The following officers have been mentioned in despatches:—

Warrant Officer D. C. Card.

Warrant Officer R. Hallam.

Brigdr. S. H. W. C. Porter, D.S.O.

Lieut. A. L. Proud.

Lt. Col. T. G. Walker, D.S.O.

The absence of so many experienced members of the staff on war duties and the increased business in the Savings Bank Department have imposed much additional work and responsibility on the remaining officers, who have been capably assisted by the female members appointed for the duration of the war. The efficiency of the Bank—an essential service—has been maintained by the willing co-operation of the staff and by the understanding displayed by its depositors.

W. WARREN KERR,	} Commissioners.
Chairman.	
JAS. C. GATES,	
Deputy Chairman.	
JNO. KEAN,	
D. B. COPLAND,	
HECTOR T. McKENZIE,	

N. R. WILLIAMS,
General Manager.

24th August, 1942.

ROLL OF HONOUR

DIED ON ACTIVE SERVICE

Sgt.-Observer F. E. ANDERSON	R.A.A.F.
Pilot-Officer J. BARRY	R.A.A.F.
A.B. W. F. DEACON	R.A.N.
Writer G. JOHNSTON	R.A.N.
Pte. W. H. McDONALD	A.M.F.
O.S. W. R. MCGREGOR	R.A.N.
Sgt.-Pilot J. W. C. MORRIS	R.A.A.F.
Sgt.-Pilot R. M. PLUMMER	R.A.A.F.

PRISONER OF WAR

Pte. W. D. HICKS	A.I.F.
Lieut. R. A. McPHERSON	A.I.F.
Lieut. A. G. MORRIS	A.I.F.
Lt.-Col. T. G. WALKER, D.S.O.	A.I.F.

MISSING

L/Cpl. H. E. ANDREW	A.I.F.
Cpl. C. M. BROOKER	A.I.F.
Capt. J. N. BROWN	A.I.F.
Cpl. V. D. CAMPION	A.I.F.
Sgt. K. C. GUTHRIE	R.A.A.F.
Sgt. F. W. KNIGHT	A.I.F.
Major J. LLOYD	A.I.F.
S/Sgt. D. H. PEART	A.I.F.
Pilot-Officer P. R. POLLOCK	R.A.A.F.
Cpl. T. A. PURVES	A.I.F.
Pte. I. G. RICHARDSON	A.I.F.
Lieut. C. E. SMITH	A.I.F.

THE STATE SAVINGS BANK OF VICTORIA

SAVINGS BANK DEPARTMENT

BALANCE SHEET, 30th JUNE, 1942

LIABILITIES

Depositors' Balances:—			
Current Accounts	£74,370,177	9	10
School Bank Accounts	256,299	18	11
Victorian Savings Bank Deposit			
Stock Accounts	2,689,594	18	4
	£77,316,072	7	1
Provision for accrued interest on Depositors' Balances	147,538	1	10
Balance due for Agents' Salaries, and School Bank Commission	13,324	3	8
Sundry Amounts held in Trust	60,963	3	5
Credit Foncier Department	1,226	4	7
Fidelity Guarantee Fund	10,000	0	0
Officers' Trust and Provident Funds	950,524	17	2
Insurance Trust Fund Account	902,014	0	2
Reserves for Interest Fluctuation, Depreciation and Contingencies	1,300,000	0	0
General Reserve	4,600,000	0	0
Profit and Loss Account	161,241	10	4
	£85,465,907	8	3

Melbourne, 24th August, 1942.

N. R. WILLIAMS,
General Manager.

We, the undersigned Auditors, in accordance with Section 49 of Act No. 3777, report that we have examined the books, accounts, and vouchers of the Commissioners, that we have satisfied ourselves as to the existence of the whole of the assets, and that the above Balance-Sheet is, in our opinion, a correct statement of their accounts, and agrees with their books.

The Balance-Sheets from the Branches have been accepted on the signatures of the respective Managers.

J. G. DAVIS Chartered Accountants (Aust.),
A. H. BARRACLOUGH Auditors.

Melbourne, 11th August, 1942.

THE STATE SAVINGS BANK OF VICTORIA

SAVINGS BANK DEPARTMENT

BALANCE SHEET, 30th JUNE, 1942

ASSETS

Cash on hand and at Bankers, Bank Fixed Deposits with accrued interest, and other liquid assets	£26,394,324	2	4
Australian Consolidated Inscribed Stock for the State of Victoria (Face Value, £28,144,980/4/8)	£28,144,980	4	8
Accrued Interest	324,803	18	5
	28,469,784	3	1
Australian Consolidated Inscribed Stock, and Commonwealth Treasury Bills (Face Value, £9,856,000)	9,810,056	12	0
Accrued Interest	47,067	7	2
	9,857,123	19	2
Credit Foncier Debentures and Stock (Face Value, £11,943,850)	11,943,850	0	0
Accrued Interest	60,903	3	5
	12,004,753	3	5
Melbourne and Metropolitan Board of Works Stock (Face Value, £1,709,500)	1,612,262	0	0
Accrued Interest	24,391	1	3
	1,636,653	1	3
Municipal and other Public Authorities Debentures and Stock (Face Value, £4,069,458/13/-)	4,019,442	6	4
Interest Accrued or Due	44,366	16	8
	4,063,809	3	0
Mortgage Securities	2,206,777	11	4
Properties in Possession	9,718	1	0
	2,216,495	12	4
Interest after provision	7,964	3	8
	2,224,459	16	0
Bank Premises	815,000	0	0
	£85,465,907	8	3

W. WARREN KERR
JAS. C. GATES
JNO. KEAN
D. B. COPLAND
HECTOR T. MCKENZIE

} Commissioners of
the State Savings
Bank of Victoria.

We, the undersigned Auditors appointed by the Governor in Council under Section 124 (2) of Act No. 3777, report that we have examined the above Balance-Sheet, and found it to agree with the books of the Commissioners of the State Savings Bank of Victoria, and have satisfied ourselves as to the existence of the assets.

A. A. FITZGERALD Chartered Accountants (Aust.),
STANLEY G. YOUNG Auditors.

Melbourne, 12th August, 1942.

THE STATE SAVINGS BANK OF VICTORIA

SAVINGS BANK DEPARTMENT

PROFIT AND LOSS ACCOUNT

For Year ended 30th June, 1942

Dr.

To Interest credited to Depositors—			
Current Accounts	£1,243,970	8	0
Victorian Savings Bank Deposit Stock Accounts	39,534	11	10
	£1,283,504	19	10
„ Provision for accrued interest on Depositors' Balances	147,538	1	10
„ Interest credited to Fidelity Guarantee Fund	500	0	0
„ Interest credited to Officers' Trust and Provident Funds	44,505	10	5
„ Expenses of Management	594,355	15	4
„ Expenditure on Bank Premises for Maintenance, Painting, Repairs, etc.	13,319	12	9
„ Writing down Bank Premises	24,300	0	0
„ Transfer to Officers' Provident Fund under General Order No. 36	9,879	0	0
„ Transfer to Reserve for Contingencies	15,000	0	0
„ Transfer to General Reserve	280,000	0	0
Balance—			
Forward from last year	£154,662	19	0
Profit for year	289,581	11	4
	£444,244	10	4
Less — Transfer to General Reserve	280,000	0	0
Forward to next year	164,244	10	4
	£2,577,147	10	6

THE STATE SAVINGS BANK OF VICTORIA

SAVINGS BANK DEPARTMENT

PROFIT AND LOSS ACCOUNT

For Year ended 30th June, 1942

Cr.

By Balance from last year	£154,662	19	0
„ Gross Income for year	2,422,484	11	6

£2,577,147 10 6

THE STATE SAVINGS BANK OF VICTORIA

CREDIT FONCIER DEPARTMENT

BALANCE SHEET, 30th JUNE, 1942

LIABILITIES			
Debentures and Debenture Stock—			
3%	£11,000,000	0	0
3½%	1,500,000	0	0
3½%	1,605,940	0	0
3½%	2,000,000	0	0
3½%	223,570	0	0
3½%	1,000,000	0	0
4½%	1,425,420	0	0
	£18,754,930	0	0
Accrued Interest	103,550	7	6
	£18,858,480	7	6
Interest on Debentures and Debenture Stock, due			
but not paid		1,889	9 7
Debentures matured but not yet paid		1,200	0 0
Borrowers' Payments in Advance			
on account of Principal, with			
interest added	£595,461	15	3
Other Payments in Advance not			
bearing interest	138	10	10
		595,300	6 1
		71,844	4 8
Sundry Amounts held in trust		475,000	0 0
Reserves for Depreciation and Contingencies		944,707	4 10
General Reserve			
		£20,948,421	12 8

PROFIT AND LOSS ACCOUNT

Dr.			
To Interest on Debentures and Debenture Stock	£646,301	7	1
.. Interest on Borrowers' Payments in Advance	22,979	11	7
.. Provision for extinction of Discount on Debentures and Stock		1,049	17 11
.. Expenses of Management	105,376	8	10
.. Valuators' and Architects' Salaries and Expenses	18,557	4	1
.. Profit for year—			
Transferred to General Reserve	66,972	7	7
	£861,236	17	1

Melbourne, 24th August, 1942.

N. R. WILLIAMS,
General Manager.

We, the undersigned Auditors, in accordance with Section 49 of Act No. 3777, report that we have examined the books, accounts, and vouchers of the Credit Foncier Department, and that the above Balance-Sheet is, in our opinion, a correct statement of its accounts, and agrees with its books.

We have satisfied ourselves that all securities are in the possession or in the control of the Commissioners, and that the cash at Bankers is correct.

J. G. DAVIS } Chartered Accountants (Aust.),
A. H. BARRACLOUGH } Auditors.
Melbourne, 11th August, 1942.

THE STATE SAVINGS BANK OF VICTORIA

CREDIT FONCIER DEPARTMENT

BALANCE SHEET, 30th JUNE, 1942

ASSETS			
Mortgage Securities—			
Farm Loans	£3,491,518	19	7
Farm Loans—Returned Soldiers	270,890	18	11
Loans on Dwellings and Shops			
(including progress payments			
on houses in course of erection)	8,739,100	17	3
Loans on Dwellings and Shops—			
Returned Soldiers	1,609,102	12	5
Housing Loans (including land			
acquired for building purposes			
and progress payments on			
houses in course of erection)	4,989,822	1	2
Properties Let or Leased	265,659	8	0
Properties in Possession	16,933	15	6
Loans to Country Industries	27,106	10	8
	£19,410,135	3	6
Interest after provision	22,858	1	1
		£19,432,993	4 7
Australian Consolidated Inscribed			
Stock (Face value, £1,000,000) ..	997,500	0	0
Accrued Interest	3,859	11	9
		1,001,359	11 9
Bank Fixed Deposit Receipts			
Accrued Interest	205,000	6	0
	1,513	7	1
		206,513	7 1
Discount on issue of Current Debentures and Stock			
Less—Proportion written off to			
date	10,771	13	10
	4,586	7	11
		6,185	5 11
Savings Bank Department		1,226	4 7
Sundry Debtors		270	8 3
Cash at Bankers		299,873	10 6
		£20,948,421	12 8

FOR YEAR ENDED 30th JUNE, 1942

Cr.			
By Gross Income, after provision for doubtful			
debts	£861,236	17	1
		£861,236	17 1

W. WARREN KERR
JAS. C. GATES
JNO. KEAN
D. B. COPLAND
HECTOR T. MCKENZIE

} Commissioners of
the State Savings
Bank of Victoria.

We, the undersigned Auditors appointed by the Governor in Council under Section 124 (2) of Act No. 3777, report that we have examined the above Balance-Sheet, and found it to agree with the books of the Credit Foncier Department. We further report that in accordance with Section 122 (2) of the above-mentioned Act, and so far as we are able to form an opinion, the net profits are as stated.

A. A. FITZGERALD } Chartered Accountants (Aust.),
STANLEY G. YOUNG } Auditors.
Melbourne, 12th August, 1942.