

STATE BANK STATE BANK

Thomas Cook TRAVEL SERVICE

STATE BANK 

State Savings Bank of Victoria

ANNUAL REPORT 1977

Commissioners:

Chairman:

Professor Donald Cochrane, C.B.E., Ph.D., B.Com.

Deputy Chairman:

R. G. Hoban, O.B.E., LL.B.

Sir Ernest Coates, C.M.G., B.Com.

Sir John Anderson, C.M.G.

I. K. Morton, B.Com.

J. Arnold Hancock, O.B.E., B.Com., F.C.A.

D. Ross

Administration:

General Manager: H. E. Torrens

Deputy General Manager (Administration): M. Souter

Deputy General Manager (Finance): A. P. Atkinson

Chief Manager, Branch Banking: W. A. Jones

Chief Accountant: J. M. Crofts

Chief Manager, Personnel: L. Cooper

Solicitor: A. J. Ellwood

Chief Manager, Marketing: T. S. Craddock

Chief Manager, E. D. P.: R. R. Strang

Chief Valuer: J. W. Taylor

Chief Architect: G. F. O'D. Danne

Deputy Chief Manager, Branch Banking: J. A. Pretty

Assistant Chief Accountant: S. J. Mason

Deputy Chief Manager, Personnel: F. T. Meyers

Secretary: G. S. Walters

Principal, Staff College: A. M. McNaught

Manager, Mortgage Loans: J. J. Ward

Manager, Personal Loans: B. J. Kincade

Manager, Overseas: P. G. Murray

Project Manager: J. L. Horsley

Manager, Premises: W. M. S. McKernan

Chief Economist: F. J. Garlick

Senior District Manager: E. T. Wood

Manager, Branch Mechanization: W. M. Bolton

Manager, Insurance: R. H. Brooks

Manager, Internal Audit: R. J. Thompson

Manager, Services Division: R. Thomas

Manager, Bankcard: J. A. Greed

Manager, Current Loans: R. G. Lancashire

Manager, Custody: K. M. Gellatly

Manager, Securities: A. W. Adams

COVER photograph shows the central Flinders Street skyline where a new State Bank building houses a new branch with attached travel bureau.



Office Copy

**The One Hundred
and Thirty Sixth**

ANNUAL REPORT

**of the State Savings Bank of Victoria
— presented to both Houses of Parliament
pursuant to Section 109 of Act No. 6379.**



**STATE
BANK**

Head Office:
233 Collins Street,
Melbourne.

Main Banking Office:
Elizabeth Street Branch
Manager: N. H. Warden

London Office:
Bush House, Strand,
London WC2B 4RA.
Manager: R. M. Carr

The Bank and the Economy

It was apparent at the beginning of the year that fiscal and monetary restraints would result in a smaller growth in savings bank deposits for the year 1976/77 compared with those that took place in the immediately preceding fiscal years.

With the Federal Government's aim to reduce the domestic deficit in 1976/77 by over \$1,000 million compared to 1975/76, and the Reserve Bank committed to a firm hold on the level of bank lending, there could be little room for any presumptions other than that the increase in deposits would be moderate. It was intended that monetary policy would ensure that private sector liquidity and lending would be kept at levels consistent with a reasonable rate of recovery in economic activity. The controls used were early calls to Statutory Reserve Deposits and requests to the trading banks, savings banks and building societies for moderation in the growth of their lending.

Within this broad objective of monetary policy, there was also concern that the expected large seasonal swing in private sector liquidity should not produce disruptive fluctuations in economic and financial activity. The money supply (on the broad definition, M3) was allowed to expand flexibly with the excess of Government expenditures in the first half of the year, but there were counsellings by the monetary authorities that there would be a severe contraction in liquidity in the latter part of the second half of the year, when

large provisional and company tax liabilities would fall due for payment.

As it subsequently transpired, there was more to the year's experience than easy liquidity conditions in the first half, followed by a reversal of that trend with the seasonal run-down and end of year tightness. Other significant influences arose which, although comparatively short in duration, were important enough to disturb the trend and create uncertainties which made the task of maintaining a reasonably stable and balanced lending programme very difficult. These were sharp overseas capital movements both preceding and succeeding the November 1976 devaluation of the Australian dollar, an unexpectedly high level of private sector subscriptions to the May 1977 Commonwealth Loan, and a steady drain of deposits into Australian Savings Bonds in the last quarter of 1976/77. These events were sufficient in themselves to create even tighter liquidity conditions than had been previously expected, indeed, the supply of money in June 1977 rose by only 10.6 per cent over June 1976. In the circumstances, the increase in the level of deposits achieved by the Bank for the year was satisfactory, not only in terms of magnitude but also because it represented an improvement in the Bank's share of the overall increase in Victorian savings bank deposits.

This result is not only a tangible measure of the confidence and support which the Bank continues to hold within the community but is also a reflection of its long standing commitment to the general welfare of Victorians, and its belief that a high and stable level of housing and related finance is necessary to avoid damaging fluctuations in the housing sector. Since loanable funds come not only from the annual increase in deposits but also from repayments of previously granted loans, the very extent of the Bank's substantial investment in mortgage securities is itself creative of funds for further lending. As a result of these circumstances, the Bank was once again able to achieve a record level of housing loans during the year.

However, while the Bank remains firm in its commitment to housing and, given the continuing propensity of Victorians to save for this purpose, fully expects to provide substantial funds in the coming year, it feels that it is necessary to point out that its ability to do so must be very much dependent upon the constraints imposed by monetary policy including Australian Savings Bonds.



The Year in Brief

	1977	1976
Depositors' Balances at 30th June	\$2,850,196,414	\$2,575,292,342
Accounts at 30th June	3,588,453	3,497,403
Assets at 30th June	\$3,217,086,723	\$2,860,095,786
Reserves at 30th June	\$ 89,438,144	\$ 74,536,614
New Loans for the Year	\$ 750,161,196	\$ 695,465,701
including Housing Loans,	\$ 330,021,157	\$ 301,648,016
Loans to Public Authorities	\$ 88,585,000	\$ 102,442,700
and Personal Loans	\$ 263,117,422	\$ 212,260,627
Gross Income for the year	\$ 265,736,093	\$ 222,644,401
Interest paid to Depositors	\$ 147,109,100	\$ 131,279,371
Profit for the year	\$ 27,710,569	\$ 10,886,839



Sources and Applications of Funds for

Funds for Investment and Expenditure were received from:

1. Income —

	\$	\$
Mortgage Loans	113,459,118	
Semi-Government, Municipal and Other Public Authorities Loans	55,274,522	
Commonwealth Government Inscribed Stock	20,376,967	
Personal and Other Loans	71,692,456	
Rents, Fees, etc.	6,918,845	267,721,908

2. Repayments of Principal —

Mortgage Loans	128,594,028	
Semi-Government, Municipal and Other Public Authorities Loans	26,830,487	
Sales of Commonwealth Government Inscribed Stock	4,990,944	
Personal and Other Loans	220,090,291	380,505,750

3. Increases in Liabilities —

Increase in Depositors' Balances (after deducting interest credited accounts)	132,666,226	
Increase in Other Liabilities	9,610,488	142,276,714

4. Reduction of Net Cash Resources —

Decrease in Liquid Assets	45,104,891	
Increase in Other Current Liabilities	45,972,355	
	91,077,246	
less Increase in Current Assets	21,485,061	69,592,185
		<u>\$860,096,557</u>



the Year 1976-77

These Funds were applied to:

1. New Investments in —

	\$	\$
Mortgage Loans	339,501,032	
Semi-Government, Municipal and Other Public Authorities Loans	88,585,000	
Personal and Other Loans	<u>322,075,164</u>	750,161,196

2. Expenses of Management and Other Payments

93,741,493

3. Net Capital Expenditure on Premises

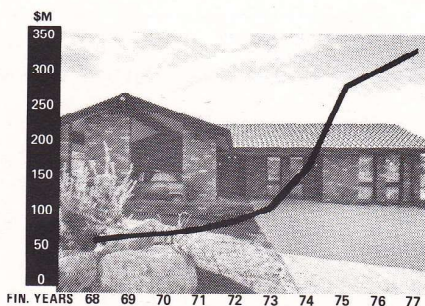
16,193,868

\$860,096,557



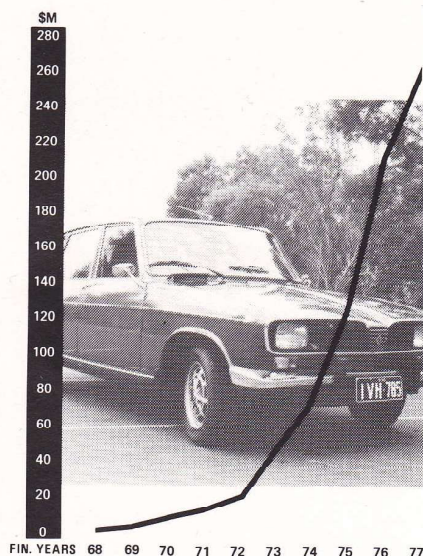
Decade in Graphs and Figures

Housing Loans Advanced



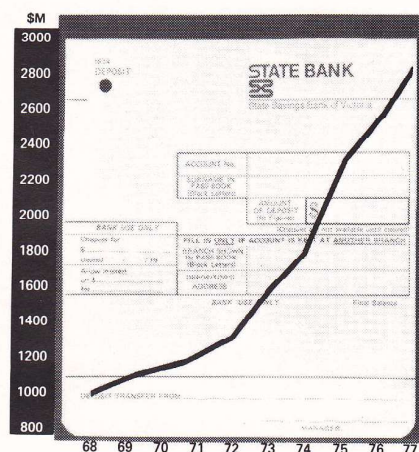
	\$
1968	64,026,264
1969	69,949,968
1970	74,364,133
1971	80,724,377
1972	90,067,643
1973	114,915,562
1974	169,049,049
1975	276,656,028
1976	301,648,016
1977	330,021,157

Personal Loans



	\$
1968	2,830,003
1969	6,500,688
1970	11,745,710
1971	15,637,626
1972	23,321,555
1973	49,013,244
1974	75,978,663
1975	129,776,126
1976	212,260,627
1977	263,117,422

Depositors' Balances



	\$
1968	1,033,823,146
1969	1,104,253,263
1970	1,163,596,025
1971	1,235,614,020
1972	1,344,716,017
1973	1,615,431,059
1974	1,862,302,383
1975	2,303,770,596
1976	2,575,292,342
1977	2,850,196,414



Number of Branches

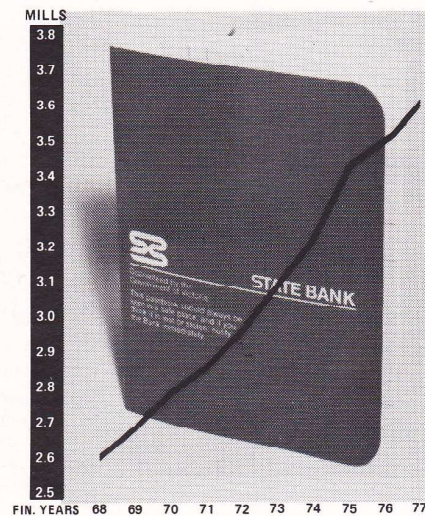
including sub-branches



1968	508
1969	506
1970	507
1971	511
1972	515
1973	519
1974	521
1975	523
1976	524
1977	527

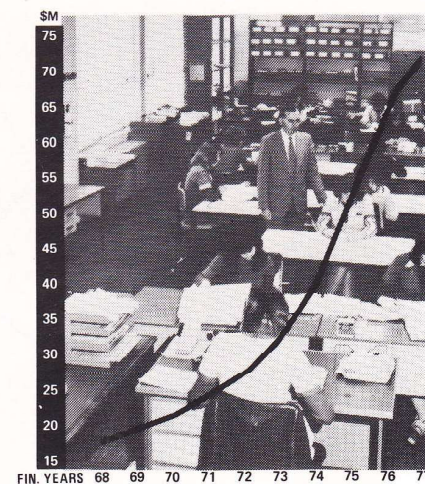
Number of Accounts

excluding small inoperative accounts



1968	2,601,104
1969	2,694,684
1970	2,788,110
1971	2,865,797
1972	2,961,078
1973	3,089,617
1974	3,209,355
1975	3,406,509
1976	3,497,403
1977	3,588,453

Expenses of Management



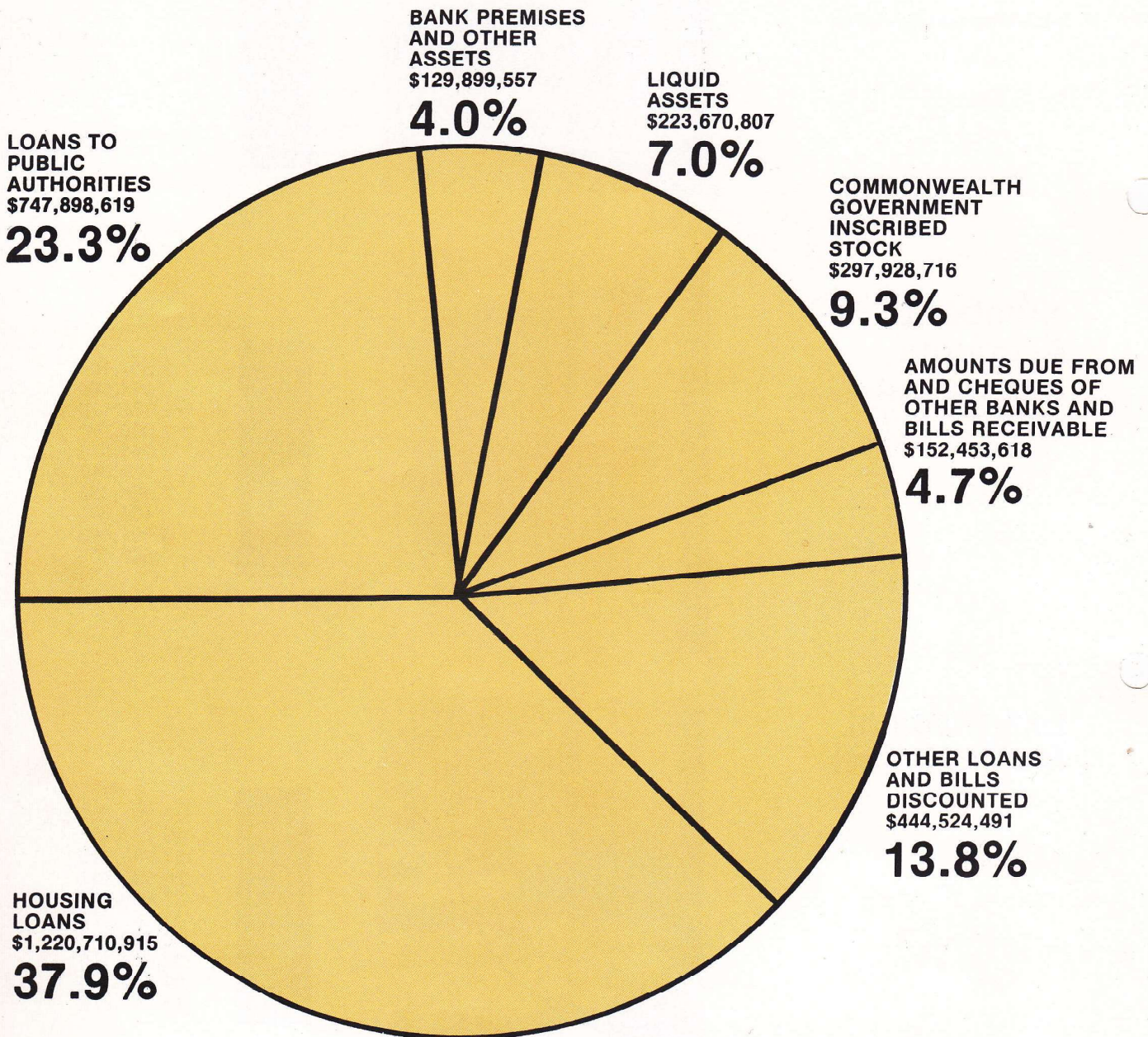
	\$
1968	18,161,101
1969	19,783,030
1970	21,848,710
1971	24,593,717
1972	27,869,818
1973	32,307,297
1974	40,369,647
1975	52,017,175
1976	64,885,198
1977	71,256,722



Distribution of Assets

as at June 30th 1977

Total Assets: \$3,217,086,723



Depositors' Accounts and Balances

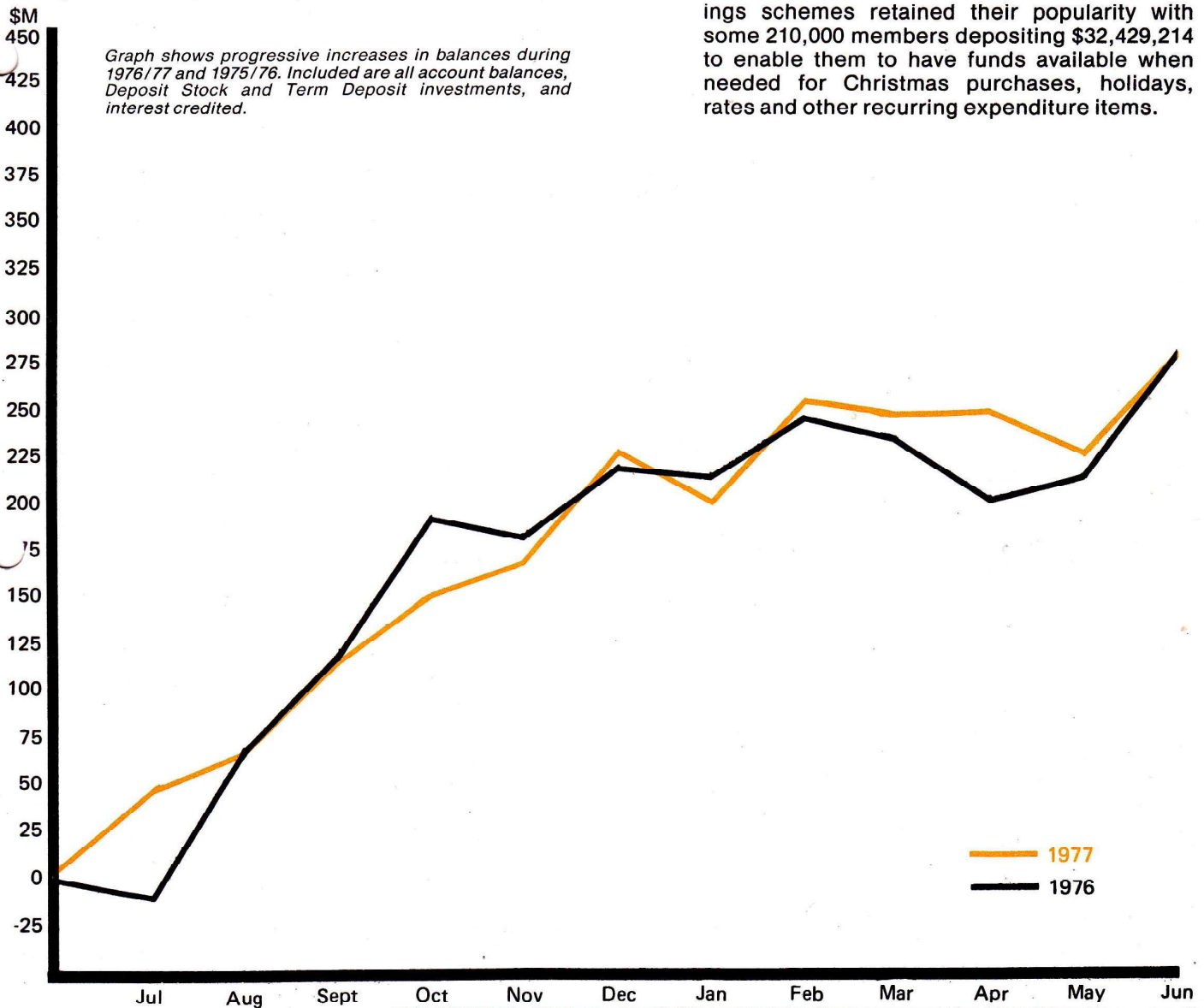
Reflecting the influence of official monetary restraints during the latter half of the 1975/76 financial year, and throughout the 1976/77 year, depositors' balances increased at a slower rate than those of the years immediately preceding 1976. Despite this, the Bank continued to receive strong support from Victorians and the total balances at credit of depositors increased by \$274,904,072 to \$2,850,196,414, representing almost half of the total Victorian savings bank balances.

Fixed Deposit Stock, redeemable at one month's notice, and Term Deposits again proved popular and the increase for the year in these investments represented a substantial proportion of the total growth in balances.

Interest added to depositors' accounts and paid to deposit stock and term deposit holders totalled \$147,109,100.

The number of operative accounts of all types increased by 91,050 to 3,588,453.

The Bank's Christmas and Calendar Club savings schemes retained their popularity with some 210,000 members depositing \$32,429,214 to enable them to have funds available when needed for Christmas purchases, holidays, rates and other recurring expenditure items.



Branches and Agencies

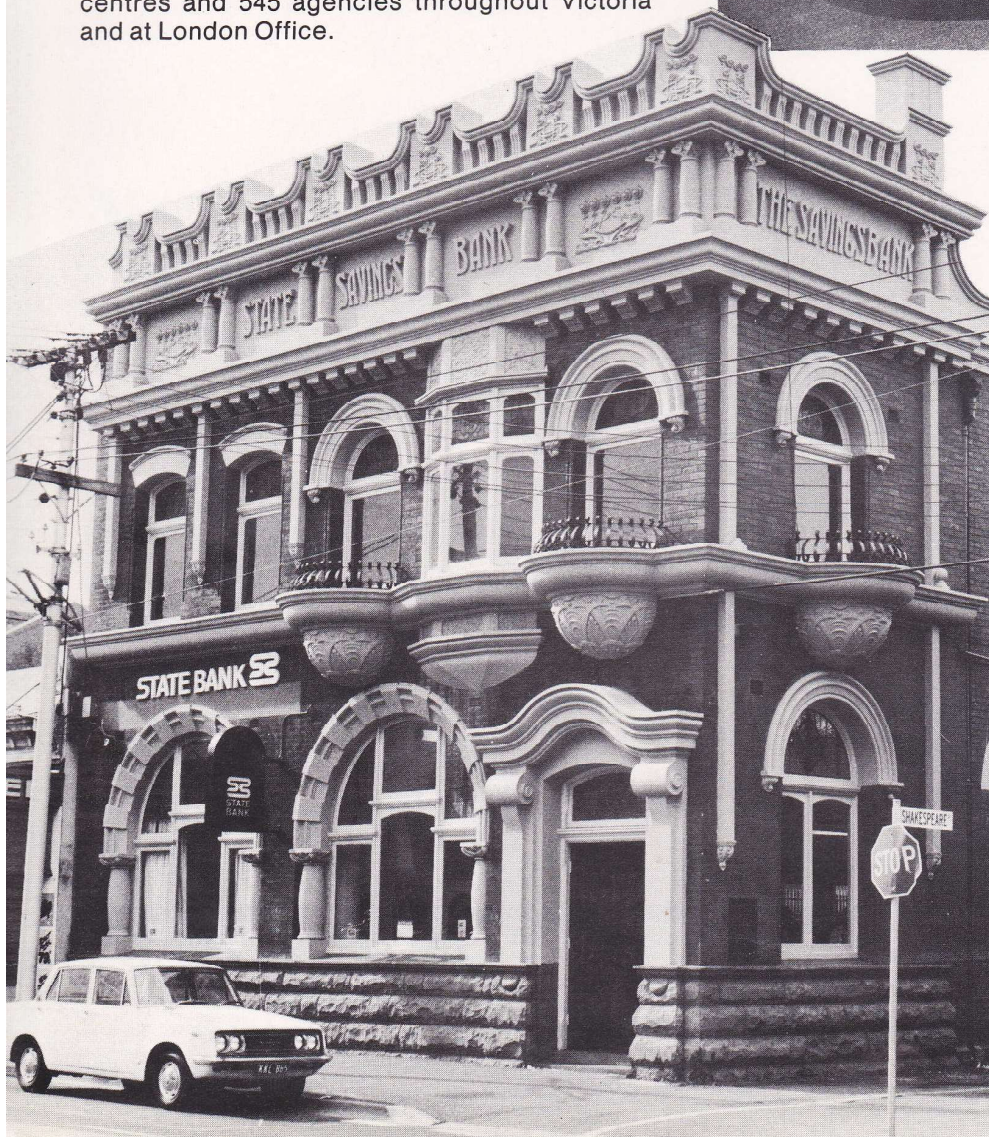
The Bank's development project at 270 Flinders Street was completed during the year and a new branch opened on the ground floor of the building. Other new branches were opened at Boronia (Dorset Road), Epping, Waverley Gardens and Mildura (Langtree Avenue).

The programme of upgrading branch premises continued and new premises were completed for Cohuna, St. Arnaud, Coburg South, Ferntree Gully (Mountain Gate), Wendouree, Sunshine West, Avondale Heights and Queenscliff branches. In addition, alterations and improvements were carried out at many other branches. Considerable attention was paid to the installation of additional security devices and equipment with a view to reducing the risk of armed attack.

Banking facilities are now provided at 502 branches, 24 sub-branches, 3 migrant advisory centres and 545 agencies throughout Victoria and at London Office.



Above: Modern interior fittings and decor of reconstructed Richmond South branch contrast with (below left) the building's Edwardian exterior.



Below (right): The Bank's new branch at Boronia incorporates an office of Thomas Cook — State Bank Travel.



Housing Loans

Despite the slower growth of deposits, the allocation of funds for housing loans, adopted early in the financial year, was increased in February 1977 to reflect the increasing number of acceptable applications being received. As a result, a record amount of \$330,021,157 was advanced to borrowers, enabling the Bank to maintain its position as the major provider of long-term housing finance in Victoria. In addition, the Bank provided short-term finance for housing purposes by granting personal loans to assist borrowers purchase homes and vacant land and carry out home improvements.

The proportion of housing loans advanced for the purchase of existing dwellings again increased and was almost double that advanced for the erection of new houses and strata units. Reflecting the continued increase in the cost of land and buildings, loans approved to purchase or erect dwellings averaged \$21,478 each compared with \$19,378 in 1975/76.

At 30th June 1977, the balances of outstanding loans totalled \$1,220,710,915 (42.8 per cent of depositors' balances) and it is estimated that the Bank has now assisted over 300,000 Victorian families to purchase or erect their own homes.

Farm Loans

The Bank accepts loan applications from farmers to assist in the purchase of properties, machinery and livestock and to effect property improvements. The viability of the farming operation, the extent to which the applicant has supported the Bank in the past with deposit

business and his future banking prospects are important factors taken into consideration when farm loan applications are being assessed.

During the year under review, rural borrowers were advanced \$3,237,260 and, at 30th June 1977, outstanding loans totalled \$28,733,619.

Loans to Public Authorities

Semi-governmental, municipal and other local authorities responsible for providing the State with water, power, sewerage, roads and other important community services again received strong support from the Bank during the year.

New loans totalling \$80,445,000 were advanced to semi-governmental authorities, the major borrowers being the Melbourne and Metropolitan Board of Works (\$23,245,000), State Electricity Commission of Victoria (\$19,294,000), Melbourne Underground Rail Loop Authority (\$12,000,000), Gas and Fuel Corporation of Victoria (\$8,000,000) and West Gate Bridge Authority (\$7,000,000).

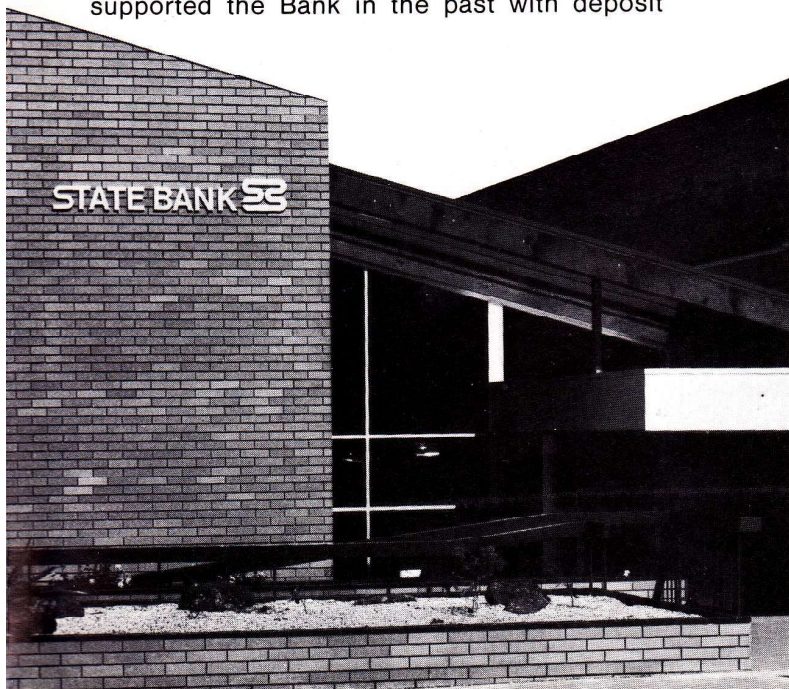
Municipalities and other local authorities received new loans totalling \$8,140,000 as well as overdraft accommodation in the case of a number of these authorities for which the Bank is the sole or principal banker.

Loans totalling \$1,500,615 were also made to schools, churches and other community welfare organizations.

Personal Loans

Personal loan advances reached a record level of \$263,117,422, an increase of 24 per cent on the level attained in 1975/76. However, during the latter part of the year, the demand for loans exceeded funds available and it became necessary to reduce the rate of lending. This was achieved by introducing a minimum average balance qualification for applicants for loans. At 30th June 1977, the net balances of outstanding loans amounted to \$319,843,392.

Personal loans provide depositors with short-term finance for a wide variety of purposes including home improvements, purchase of property, motor vehicles and consumer durables and meeting essential personal expenses. Over 50 per cent of total personal loan advances were made for housing purposes such as property purchase (including vacant land) and home improvements.



Liquid Assets

At 30th June 1977, the liquid assets of the Savings Bank Department, comprising cash on hand, at bankers and in transit, fixed deposits with the Reserve Bank of Australia and other banks, certificates of deposits of other banks and short-term money market deposits amounted to \$223,670,807. This represented 7.8 per cent of depositors' balances.

Insurance Trust Account

The Bank is authorized to insure against fire and other prescribed risks any property which it owns or holds as security for loans. Competitive premium rates are offered to borrowers.

After allowing for claims paid and admitted, and administration costs, the surplus for the year was \$414,939, of which \$200,000 was transferred to the General Reserve of the Savings Bank Department. At 30th June 1977, the balance at credit of the Insurance Trust Account was \$1,485,356.

Commonwealth Government Inscribed Stock

The Bank's portfolio of Commonwealth Government Inscribed Stock at 30th June totalled \$297,928,716 with substantial holdings maturing in almost every financial year up to 1994. The Bank's holdings of Commonwealth Government Inscribed Stock are normally held to, or close to, maturity when they are redeemable or convertible at face value.

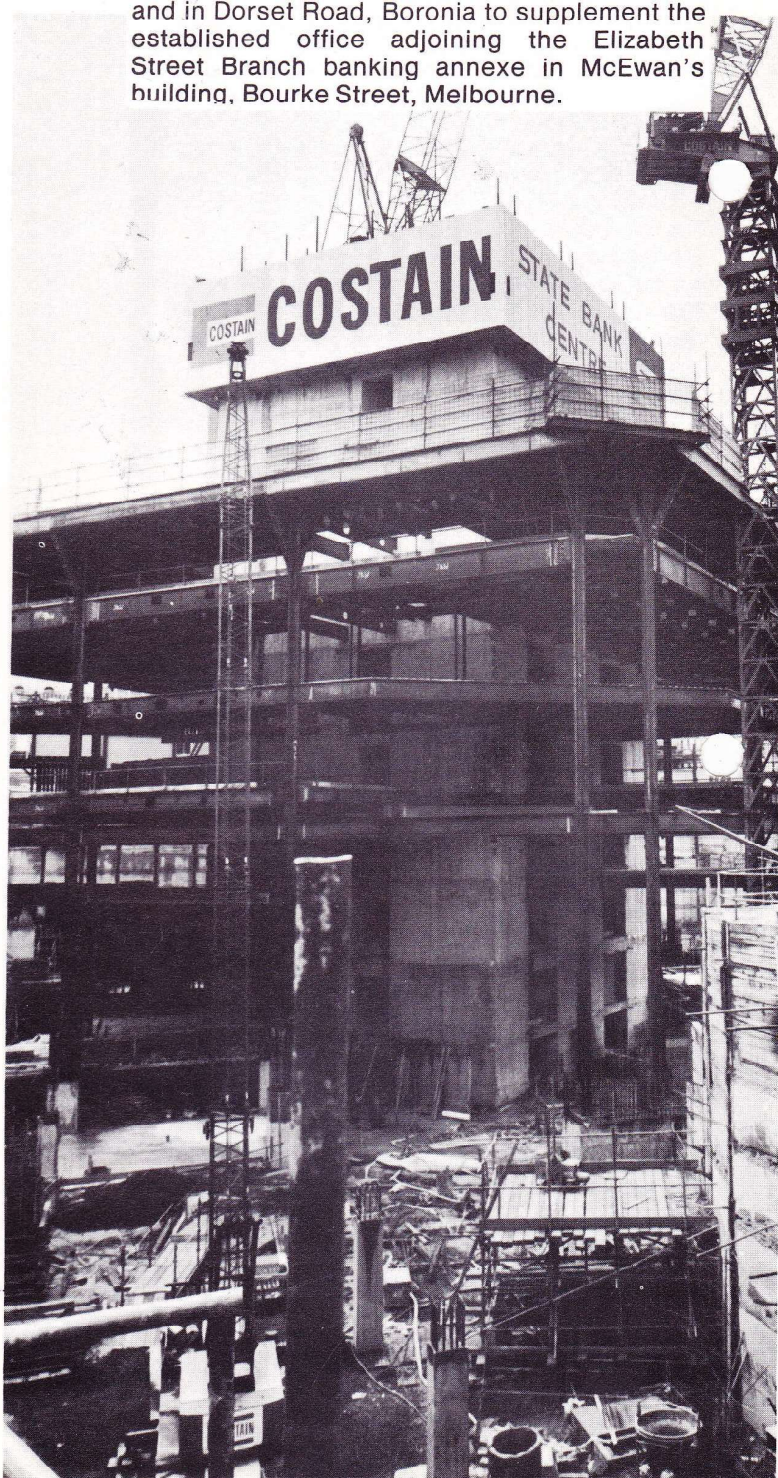
Bankcard

The Bankcard scheme has now been extended to all states of Australia. The rapid growth in the number of cardholders, together with the increase in retail and service merchant outlets, has ensured the continued success of the scheme.

A steady increase in the volume of State Bankcard activity indicates the wide acceptance of this facility by our depositors.

Travel Service

The Thomas Cook — State Bank Travel Service continued to provide an important adjunct to the many services available to the Bank's depositors. During the year, additional offices were opened at 270 Flinders Street, Melbourne and in Dorset Road, Boronia to supplement the established office adjoining the Elizabeth Street Branch banking annexe in McEwan's building, Bourke Street, Melbourne.



Viewed from Little Collins Street in late June, the tower of State Bank Centre head-office complex was approaching the height of a Melbourne landmark — the GPO clock tower.

State Bank Centre & Staff College

Construction of the Bank's new Head Office complex continued at a reasonably satisfactory rate although unfavourable weather and industrial unrest in the building industry caused some disruption during the second half of the financial year.

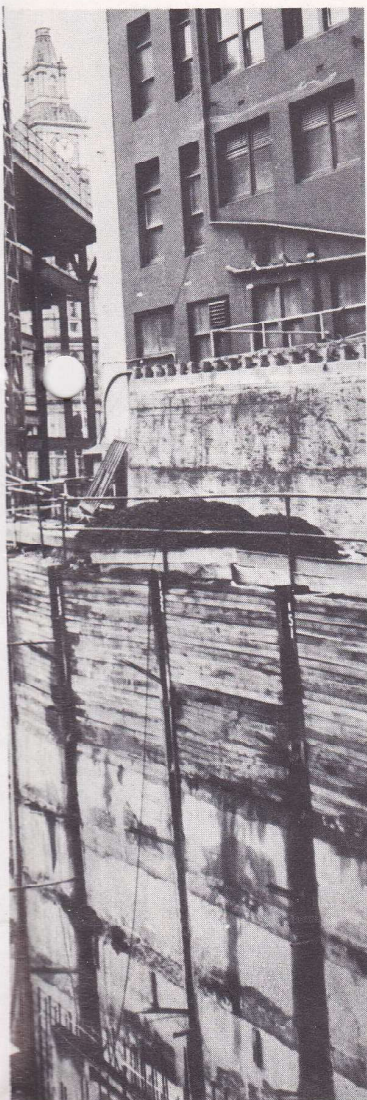
Excavation work and foundation preparation had advanced sufficiently to enable the major task of pouring approximately 1300 cubic metres of concrete for the tower foundation to be undertaken during the night of 28th September 1976. Steady progress was then made on construction of the main services core, which reached street level by December 1976. By June 1977, the core was six floors above street level, the ground works necessary for construction of the basement floors and walls were well advanced and work had commenced on forming the lower floors of the tower.

Construction of the State Bank Staff College in Stotts Lane, Baxter, just south of Frankston, was completed during the year.

The College is set in natural bush surroundings and provides residential accommodation for forty people. It contains conference rooms, syndicate rooms, a library and tutorial area.

Courses of three weeks duration are to commence in August 1977 and will concentrate on training Managers and Accountants in management techniques and human relations as well as banking subjects.

State Bank Staff College, completed during the year, was designed to blend with its natural environment at Baxter, near Frankston.



Staff and Agents

At 30th June 1977, clerical, professional and technical staff numbered 6134 of whom 2690 were women. During the year, 676 new officers were appointed to replace those who resigned or retired and to provide for the increased volume of work at branches and Head Office.

The continued progress of the Bank provided over 700 opportunities for advancement and, for the first time in the Bank's history, female officers were appointed to positions of managerial status.

Continued emphasis was placed on staff training and over 1400 officers attended

courses at the centrally located Staff Training Centre during the year. This centre will continue to be used for general clerical training when advanced courses are introduced for senior officers at the new residential Staff College.

The Commissioners and Executive acknowledge with appreciation the courtesy and efficiency displayed by staff in maintaining a high standard of service to customers. We also record our appreciation of the valuable contribution by our 545 Agents, many of whom serve our depositors in remote areas of Victoria.

The Bank's first female branch manager, Miss Frances Smith, was photographed with the staff at her first managerial posting: Spotswood branch.



Profit

Savings Bank Department

Interest paid for the year increased by 12.6 per cent because of higher depositors' balances, and administrative expenses were 12.2 per cent higher. These increases were more than offset by the 19.4 per cent increase in gross income which resulted from the higher level of investments and the reinvestment of lower interest bearing loans which matured during the year. As a result, profit for the year was \$27,618,078, a more adequate margin of 91 cents per \$100 of average funds than that of 40 cents last year in which the profit was \$10,818,854.

Pursuant to Section 49A of the State Savings Bank Act No. 6379, an amount of \$13,809,039 being half of the net profit of the Savings Bank Department, was paid to the Consolidated Fund of the State of Victoria.

Credit Foncier Department

Profit in the Credit Foncier Department was \$92,491 compared with \$67,985 in the previous year. As required by the State Savings Bank Act, the profit was transferred to the General Reserve of the Department.



Reserves and Provisions

Savings Bank Department

The General Reserve was increased from \$56,294,683 at 30th June 1976 to \$70,303,722 at 30th June 1977 by transfer of \$13,809,039, being one-half of the current year's profit, and \$200,000 from the Insurance Trust Account. The provision for Long Service Leave amounted to \$11,770,000 after providing a further \$800,000 during the year.

Credit Foncier Department

At 30th June 1977, the General Reserve was \$7,364,422.

Commissioners

Mr R.G. Hoban, O.B.E., LL.B., was elected Deputy Chairman for the year 1977.

On the occasion of his retirement on 28th February last, the Commissioners acknowledged the contribution to the progress of the Bank made by Mr D. Ross, who had been General Manager since 1972. Mr Ross was appointed a Commissioner in April.

Signed at Melbourne 8th September 1977.

Commissioners of the
State Savings Bank of Victoria

D. Cochrane
R.G. Hoban
E.W. Coates
J.M. Anderson
I.K. Morton
J.A. Hancock
D. Ross

H.E. Torrens, General Manager.



State Savings Bank of Victoria

Balance Sheet as

LIABILITIES

	1977	1976
	\$	\$
Depositors' Balances and Accrued Interest	2,891,551,227	2,611,035,657
Amounts due to Other Banks	77,274,001	44,664,871
Bills Payable	85,787,470	72,424,244
Officers' Provident and Trust Funds	59,782,440	50,544,345
Other Liabilities	12,827,337	8,685,626
Provision for Long Service Leave	11,770,000	10,970,000
General Reserve	70,303,722	56,294,683
	<u>\$3,209,296,197</u>	<u>\$2,854,619,426</u>
Contingent Liabilities on Bills Endorsed	<u>\$26,189,877</u>	<u>\$27,687,264</u>

Statement of Profit and Loss

	1977	1976
	\$	\$
Interest on Depositors' Accounts Credited or Provided	152,720,599	134,670,654
Interest on Australian Government Housing Advances	—	995,793
Administrative Expenses	84,969,386	75,731,136
Net Profit for year carried down	27,618,078	10,818,854
	<u>\$265,308,063</u>	<u>\$222,216,437</u>

Appropriations

	1977	1976
	\$	\$
Payment of one-half of Net Profit for the year to Consolidated Fund, State of Victoria pursuant to Section 49A of Act No. 6379	13,809,039	5,409,427
Transfer to General Reserve	13,809,039	5,409,427
	<u>\$27,618,078</u>	<u>\$10,818,854</u>

H.E. Torrens, General Manager
Melbourne, 25th August 1977.

We, the undersigned Auditors, appointed under Section 20(1) of Act No. 6379, report that we have examined the Head Office accounts of the Commissioners of the State Savings Bank of Victoria, incorporating Balance Sheets from the Branches of the Bank which we have accepted on the signatures of the respective Managers. In our opinion the above Balance Sheet and Statement of Profit and Loss are properly drawn up so as to give a true and fair view of the state of the affairs of the Savings Bank Department, according to the best of our information, and the explanations given to us.

R.A. Seymour Chartered Accountants
D. Fisher Auditors
Melbourne, 24th August 1977

The Savings Bank Department

at 30th June 1977

ASSETS

	1977 \$	1976 \$
Cash on hand, at Bankers and in transit	25,272,331	27,004,558
Bank Fixed and Short Term Money Market Deposits	198,398,476	234,165,106
Amounts due from and Cheques of other Banks	72,032,297	86,038,750
Commonwealth Government Inscribed Stock and Bonds	297,928,716	303,422,074
Credit Foncier Debentures	54,000,000	69,500,000
Municipal and Other Public Authorities' Securities	747,898,619	686,864,405
Loans Advances and Bills Discounted	1,603,413,558	1,284,571,307
Bank Premises and Equipment (at cost less amounts written off)	66,669,143	53,660,006
Bills receivable	80,421,321	55,604,806
Other Assets	63,261,736	53,788,414
	<u>\$3,209,296,197</u>	<u>\$2,854,619,426</u>
Contingent Assets, being Liabilities to the Bank in respect of Bills Endorsed	\$26,189,877	\$27,687,264

for year ended 30th June 1977

	1977 \$	1976 \$
Gross Income for Year	265,308,063	222,216,437
	<u>\$265,308,063</u>	<u>\$222,216,437</u>

of Profit

	1977 \$	1976 \$
Net Profit for year brought down	27,618,078	10,818,854
	<u>\$27,618,078</u>	<u>\$10,818,854</u>

D. Cochrane
R.G. Hoban
E.W. Coates
J.M. Anderson
I.K. Morton
J.A. Hancock
D. Ross
Melbourne, 25th August 1977

Commissioners of
the State Savings Bank
of Victoria

We, the undersigned Auditors, appointed by the Governor in Council under Section 110(2) of Act No.6379, report that, in respect of the Savings Bank Department, we have obtained all the information and explanations we have required in the course of our examination of the accounts of the Commissioners of the State Savings Bank of Victoria. In our opinion the foregoing Balance Sheet exhibits a true and fair view of the state of the affairs of the Savings Bank Department as at 30th June 1977 according to the information and explanations given to us.

J.R. Ballantyne
B.R. Jamison
Melbourne, 26th August 1977

Chartered Accountants
Auditors



State Savings Bank of Victoria

Balance Sheet as

LIABILITIES

	1977	1976
	\$	\$
Debentures	54,000,000	69,500,000
Other Liabilities	782,616	733,265
General Reserve	7,364,422	7,271,931
	<u>\$62,147,038</u>	<u>\$77,505,196</u>

Statement of Profit and Loss

	1977	1976
	\$	\$
Interest on Debentures	3,263,542	4,048,333
Expenses of Management	335,539	359,979
Profit for year —		
Transferred to General Reserve	92,491	67,985
	<u>\$3,691,572</u>	<u>\$4,476,297</u>

H.E. Torrens, General Manager
Melbourne, 25th August 1977.

We, the undersigned Auditors, appointed under Section 20(1) of Act No. 6379, report that we have examined the accounts of the Credit Foncier Department of the State Savings Bank of Victoria. In our opinion the above Balance Sheet and Statement of Profit and Loss are properly drawn up so as to give a true and fair view of the state of the affairs of the Department, according to the best of our information and the explanations given to us.

R.A. Seymour Chartered Accountants
D. Fisher Auditors

Melbourne. 24th August 1977



The Credit Foncier Department

at 30th June 1977

ASSETS

	1977	1976
	\$	\$
Loans and Advances	61,821,848	75,356,574
Other Assets	325,190	2,148,622
	<u>\$62,147,038</u>	<u>\$77,505,196</u>

for year ended 30th June 1977

	1977	1976
	\$	\$
Gross Income	3,691,572	4,476,297
	<u>\$3,691,572</u>	<u>\$4,476,297</u>

D. Cochrane
R.G. Hoban
E.W. Coates
J.M. Anderson
I.K. Morton
J.A. Hancock
D. Ross

Commissioners of
the State Savings Bank
of Victoria

Melbourne, 25th August 1977

We, the undersigned Auditors, appointed by the Governor in Council under Section 110(2) of Act No.6379, report that, in respect of the Credit Foncier Department, we have obtained all the information and explanations we have required in the course of our examination of the accounts of the Commissioners of the State Savings Bank of Victoria. In our opinion the foregoing Balance Sheet exhibits a true and fair view of the state of the affairs of the Credit Foncier Department as at 30th June 1977, according to the information and explanations given to us.

J.R. Ballantyne Chartered Accountants
B.R. Jamison Auditors

Melbourne, 26th August 1977



THE STATE SAVINGS BANK OF VICTORIA

STATEMENTS, RETURNS, ETC. SAVINGS BANK DEPARTMENT.

SUMMARY STATEMENTS OF ASSETS, LIABILITIES, AND SURPLUS FUNDS FOR SIX YEARS FROM 1972 to 1977.

	30th June 1972	30th June 1973	30th June 1974	30th June 1975	30th June 1976	30th June 1977
ASSETS						
Cash on hand, at Bankers and in Transit	\$ 10,540,982	\$ 11,615,481	\$ 17,164,391	\$ 20,170,969	\$ 27,004,558	\$ 25,272,331
Bank Fixed and Short Term Money	147,467,675	224,214,220	219,502,667	319,568,841	234,165,106	198,398,476
Market Deposits	15,535,066	21,165,887	31,723,632	47,666,699	86,038,750	72,032,297
Amounts due from and Cheques of	4,974,402	6,728,600	9,462,318	—	—	—
Other Banks	243,609,626	338,259,367	336,789,231	318,147,426	303,422,074	297,928,716
Commonwealth Government Inscribed Stock	139,000,000	119,000,000	99,000,000	85,000,000	69,500,000	54,000,000
and Bonds	439,333,624	470,799,343	517,546,895	589,363,736	686,864,405	747,898,619
Credit Foncier Debentures	411,910,233	507,608,534	736,483,117	1,035,467,237	1,284,371,307	1,603,413,558
Municipal and Other Public Authorities' Securities	24,500,000	28,200,000	34,172,000	44,622,000	53,660,006	66,669,143
Loans, Advances and Bills Discounted	17,674,111	21,516,287	26,686,829	113,199,084	55,604,806	80,421,321
Bank Premises and Equipment	1,454,545,719	1,749,107,819	2,028,531,080	44,319,024	53,788,414	63,261,736
Bills Receivable	—	—	—	—	—	—
Other Assets	—	—	—	—	—	—
Total Funds	121,326,092	294,562,100	279,423,261	588,993,936	237,094,410	354,676,771
Contingent Asset being Liabilities to Customers	—	—	2,555,000	16,552,253	27,687,264	26,189,877
and others for Bills Endorsed	—	—	—	—	—	—
Increase of Total Funds for year	—	—	—	—	—	—
LIABILITIES						
Depositors' Balances and Accrued Interest	1,352,046,162	1,625,334,657	1,879,467,682	2,335,732,670	2,611,035,657	2,891,551,227
Amounts due to Other Banks	10,687,354	16,791,898	24,066,867	88,438,965	44,664,871	77,274,001
Bills Payable	12,075,220	17,440,371	27,489,498	59,000,224	72,424,244	85,787,470
Australian Government Housing Loan Advances	—	—	—	25,959,889	—	—
Officers' Provident and Trust Funds	29,197,575	32,310,215	36,071,825	41,915,900	50,544,345	59,782,440
Other Liabilities	4,627,443	4,559,127	4,807,628	6,472,112	8,685,626	12,827,337
SURPLUS FUNDS						
Provision for Interest Fluctuation and Long Service	—	—	—	—	—	—
Leave	5,200,000	5,800,000	7,900,000	9,120,000	10,970,000	11,770,000
General Reserve	39,400,000	45,700,000	48,727,580	50,885,256	56,294,683	70,303,722
Balance of Profit and Loss Account Carried	1,311,965	1,171,551	—	—	—	—
Forward	—	—	—	—	—	—
Total Liabilities and Surplus Funds	1,454,545,719	1,749,107,819	2,028,531,080	2,617,525,016	2,854,619,426	3,209,296,197
Contingent Liabilities re Bills Endorsed	—	—	2,555,000	16,552,253	27,687,264	26,189,877

THE STATE SAVINGS BANK OF VICTORIA

SAVINGS BANK DEPARTMENT

ACCOUNTS MADE UP TO 30TH JUNE 1977 IN ACCORDANCE WITH SECTION 109 OF ACT No. 6379

For information required by Sub-section 1(b), (c) and (d), see Balance Sheets.

Sub-section 1(a)—The Commissioners of the State Savings Bank of Victoria in account current with the various Branches for the year ended 30th day of June 1977

Dr.			Cr.
To Balance at credit of Branches at 1st July 1976	\$	By Drafts on Commissioners, Transfers to Branches (incl. London revaluation)	\$
" Sums remitted or transferred from Branches	1,171,247,862		12,578,404,473
" Interest allowed to Depositors	12,572,499,214		
	48,194,413	" Balance at credit of Branches at 30th June 1977	1,213,537,016
	<u>\$13,791,941,489</u>		<u>\$13,791,941,489</u>

INVESTMENTS UNDER THE PRINCIPAL ACT

Sub-section 1 (e and f)—Amount invested in current mortgages (excluding personal loan securities)—

Upon metropolitan, city and town properties	\$	\$
Rate of interest thereon (average) 9.78 per cent.		1,159,269,029
Amount of interest received thereon	97,116,708	
Amount of interest received on loans paid off in full during the year	4,036,451	
Upon pastoral and agricultural lands		28,356,473
Rate of interest thereon (average) 10.34 per cent.		
Amount of interest received thereon	2,905,266	
Amount of interest received on loans paid off in full during the year	119,223	
		<u>\$1,187,625,502</u>

Amount invested in properties in possession but not foreclosed—	Upon metropolitan, city and town properties (excluding \$25,530 for property accepted as security for personal loan)	\$13,164
	Upon pastoral and agricultural lands	Nil

Amount invested in freeholds acquired by foreclosure

THE NUMBER OF MORTGAGES, showing the total amount of those under \$4,000, and those at and over that sum up to \$8,000 and thence to \$12,000, and thus increasing by steps of \$4,000:—

No. of Mortgages	Classification	Total Amount	Amount invested during year	Amount paid off during year
9,867	Under \$4,000	\$ 21,581,428	\$ 4,434,496	\$ 13,771,795
17,070	\$ 4,000 and under \$ 8,000	117,240,647	8,171,498	15,628,562
18,981	8,000 " " 12,000	202,938,318	19,799,382	13,581,493
12,558	12,000 " " 16,000	192,445,761	33,726,911	8,588,705
9,731	16,000 " " 20,000	196,586,054	50,434,022	6,387,015
7,745	20,000 " " 24,000	183,400,202	66,744,862	4,137,750
4,578	24,000 " " 28,000	128,194,197	56,849,573	2,140,899
2,433	28,000 " " 32,000	79,106,111	42,480,305	1,098,862
571	32,000 " " 36,000	21,213,700	11,059,850	390,516
365	36,000 " " 40,000	15,148,519	7,373,050	351,530
171	40,000 " " 44,000	7,766,617	4,171,293	128,645
116	44,000 " " 48,000	5,759,159	2,819,600	90,701
110	48,000 " " 52,000	5,951,776	2,673,280	—
37	52,000 " " 56,000	2,164,055	928,565	108,132
41	56,000 " " 60,000	2,610,389	1,259,800	—
98	Over \$60,000	9,011,576	2,625,700	349,035
		1,191,118,509		
	Less interest due but not paid	788,367		
	Amounts increasing existing Mortgages		315,552,187	66,753,640
	Various amounts in reduction of existing Mortgages and Other Loans		49,624,040	
84,472	Co-operative Housing Society Mortgages	1,190,330,142	365,176,227	143,115,319
83	Other Loans under Section 50, Sub-section (g)	2,173,607	—	—
696	Personal Loans Secured under Section 50, Sub-section (g) (97,956 loans)	64,589,400	12,834,055	7,117,125
	Personal Loans Unsecured (including outstanding Bankcard balances) under Section 50, Sub-section (h) (125,933 loans)	315,793,878	258,279,455	172,358,286
	Shares in Companies under Section 50, Sub-section (ea)	29,536,573	58,640,151	46,092,560
	Properties in Possession	1,490,030		
		38,694	21,472	4,081
		<u>\$1,603,952,324</u>	<u>694,951,360</u>	<u>368,687,371</u>
	Six hundred and seventy-two properties for Bank Premises	\$66,669,143		

The number of borrowers in arrears with payment of interest, and gross amount of such arrears:—
Number of borrowers, 2,415; Amount of arrears, \$795,479.

Sub-section 1(f).

AMOUNT INVESTED IN STOCK, DEBENTURES, BONDS, ETC.

Item	Face Value \$	Book Value \$	Rate of Interest	Year when Repayable	Market Value per cent. at 30.6.77	Amount Invested during year excluding re-investments (Nominal Value)
Commonwealth Government Inscribed Stock and Special Bonds	1,240,140	1,171,221	4.5	1986	69.65	
	300,000	282,770	4.5	1987	67.95	
	6,080,000	6,005,247	5.0	1985	73.85	
	8,360,000	8,360,000	5.25	1978	95.00	
	4,910,000	4,898,058	5.3	1980	87.26	
	9,010,900	8,903,856	5.4	1983	80.95	
	14,550,000	14,531,309	5.4	1987	70.20	
	5,840,000	5,794,228	5.4	1990	65.30	
	2,000,000	2,000,000	5.7	1982	85.90	
	10,667,000	10,672,334	5.75	1982	83.15	
	18,954,000	19,007,323	5.8	1981	85.58	
	25,516,000	25,322,622	6.0	1991	68.45	
	42,105,000	42,105,000	6.0	1992	67.45	
	450,000	462,816	6.4	1982	85.90	
	8,770,000	9,122,903	6.7	1991	75.65	
	8,670,000	8,824,534	6.8	1978	99.58	
	10,495,000	10,778,282	6.8	1979	96.64	
	6,350,000	6,572,530	6.8	1980	91.64	
	1,147,300	1,225,108	7.0	1986	83.70	
	32,603,400	34,436,038	7.0	1989	77.75	
	28,520,000	29,667,886	7.0	1991	77.95	
	15,764,000	15,764,000	8.5	1993	86.40	
	3,500	3,625	9.2	1984		
	6,000	6,057	9.2	1984		
	8,740	8,876	9.5	1983		
	1,000	1,005	9.5	1984		
	15,450,000	15,450,000	10.0	1985		
	16,771,000	16,771,000	10.2	1994		
	500	521	10.5	1983		
Credit Foncier Debentures	14,000,000	14,000,000	4.5	1977		14,000,000
	11,500,000	11,500,000	4.5	1978		11,500,000
	12,500,000	12,500,000	4.5	1978		12,500,000
	16,000,000	16,000,000	5.5	1978		16,000,000
	995,530	995,530	5.0	1978		
	9,228	9,228	5.125	1986		
	24,260,518	24,260,518	5.5	1985		
	4,110	4,110	5.5625	1977		
	3,268	3,268	5.625	1980		
	21,125	21,125	5.7	1979		
Municipal & Other Public Authorities	47,642,909	47,642,909	5.75	1983		
	84,716,934	84,716,934	5.875	2012		
	1,300,879	1,300,879	6.0	1982		
	50,750	50,750	6.15	1979		
	577,190	577,190	6.2	1987		
	2,199,276	2,199,276	6.25	1981		
	4,853,973	4,840,677	6.3	1992		
	112,506,447	112,506,447	6.4	2003		
	1,312,061	1,312,061	6.5	1991		
	516,904	516,904	6.6	1987		
Municipal & Other Public Authorities	7,251	7,251	6.7	1981		
	818,300	818,300	6.8	1980		
	4,376,807	4,376,807	6.9	1993		
	959,752	959,752	7.0	1992		
	8,674,241	8,674,241	7.1	1992		
	45,631	45,631	7.15	1980		
	5,047,500	5,047,500	7.2	1981		
	670,103	670,103	7.3	1993		
	127,371,663	127,371,663	7.4	2002		
	1,760,658	1,760,658	7.75	1984		
Municipal & Other Public Authorities	4,766	4,766	8.5	1978		
	16,423	16,423	8.6	1983		
	1,494,565	1,494,565	8.7	1984		
	904,324	904,324	8.8	1993		
	30,724,565	30,724,565	8.9	2004		
	5,637	5,637	9.5	1981		
	2,550,000	2,550,000	9.75	1987		300,000
	1,105,559	1,105,559	9.8	1985		15,000
	4,033,253	4,033,253	9.85	1995		
	6,450,895	6,450,895	9.9	1990		
Municipal & Other Public Authorities	30,000	30,000	10.1	1982		30,000
	688,500	688,500	10.2	1981		
	60,576,820	60,576,820	10.3	1983		
	12,825,515	12,825,515	10.35	1999		
	3,388,700	3,388,700	10.4	1986		735,000
	107,986,816	107,986,816	10.5	2001		3,055,000
	2,444,000	2,444,000	10.6	1992		2,444,000
	55,922,569	55,922,569	10.7	1997		55,950,000
	1,030,500	1,030,500	10.9	1991		1,030,500
	25,025,500	25,025,500	11.0	1997		25,025,500

Sub-section 1(g)

MODE AND AMOUNTS IN WHICH THE BALANCE OF FUNDS IS INVESTED OR HELD.

Cash Available at Call	\$ 25,272,331
Cheques in Course of Collection	72,032,297
Short Term Money Market Deposits	15,073,379
Bank Fixed Deposits	178,080,000
Other Banks' Certificates of Deposit	5,245,098
Bills of Exchange	951,264
Bills Receivable	80,421,321
Interest due or accrued at 30th June 1977:-	\$
On Short Term Money Market Deposits	66,494
On Bank Fixed Deposits	3,264,600
On Commonwealth Government Inscribed Stock	5,239,060
On Other Banks' Certificates of Deposit	112,953
On Credit Foncier Debentures	414,375
On Municipal and Other Public Authorities' Securities	16,565,807
On Loans, Advances and Bills Discounted	14,766,481
On Sundry Tenants	
Customers' Liabilities to the Bank for Bills Accepted	20,475,000
Sundry Debtors	646,502
	<u>\$438,626,962</u>

SUMMARY STATEMENTS FROM 30TH JUNE 1958 TO 30TH JUNE 1977

DEPOSITORS' BALANCES.

Year ended 30th June	Ordinary Accounts	Deposit Stock and Term Deposit Accounts†	Total	Increase	Average Balance per Depositor*
	\$	\$	\$	\$	\$
1958	541,594,948	4,019,760	545,614,708	13,062,556	342.93
1959	554,262,272	8,330,200	562,592,472	16,977,764	341.07
1960	577,951,972	18,319,520	596,271,492	33,679,020	349.58
1961	586,706,210	29,905,690	616,611,900	20,340,408	350.36
1962	620,754,880	42,914,920	663,669,800	47,057,900	358.23
1963	656,262,808	37,421,930	713,684,738	50,014,238	378.21
1964	711,225,786	68,643,570	779,869,356	66,184,618	403.61
1965	750,068,674	89,506,360	839,575,034	59,705,678	418.52
1966	783,865,484	109,736,470	893,601,954	54,026,920	432.38
1967	833,120,288	133,186,710	966,306,998	72,705,044	447.10
1968	878,042,226	155,780,920	1,033,823,146	67,516,148	458.91
1969	927,824,713	176,428,550	1,104,253,263	70,430,117	474.74
1970	980,779,185	182,816,840	1,163,596,025	59,342,762	484.39
1971	1,051,485,320	184,155,700	1,235,641,020	72,044,995	502.40
1972	1,121,065,117	223,650,900	1,344,716,017	109,074,997	521.25
1973	1,275,315,799	340,115,260	1,615,431,059	270,715,042	572.39
1974	1,327,879,058	534,423,325	1,862,302,383	246,871,324	563.99
1975	1,371,023,186	932,747,410	2,303,770,596	414,384,260	545.53
1976	1,468,435,633	1,106,856,710	2,575,292,343	271,521,747	573.18
1977	1,613,576,064	1,236,620,350	2,850,196,414	274,904,071	621.89

*Prior to 1962: Omitting small inoperative accounts and School Bank Accounts, but including Deposit Stock.

From 1962: Pass Book Accounts only, but omitting small inoperative accounts.

†Term Deposits accepted from 7.7.1969.

OFFICES AND DEPOSITORS' ACCOUNTS.

Year ended 30th June	NUMBER OF OFFICES		DEPOSITORS			
	*Branches and Sub- branches	Agencies	New Accounts Opened	Accounts Closed	Increase	Total Number of Accounts open at 30th June
1958	315	579	235,466	185,255	50,211	2,216,545
1959	353	597	260,784	191,867	68,917	2,285,462
1960	371	622	264,060	199,516	64,544	2,350,006
1961	401	619	273,085	214,183	58,902	2,408,908
1962	439	631	265,278	224,512	40,766	2,449,674
1963	452	651	262,423	236,505	25,918	2,475,592
1964	462	664	264,889	224,352	40,537	2,516,129
1965	485	694	325,657	232,594	93,063	2,609,192
1966	492	700	359,066	279,981	79,085	2,688,277
1967	502	705	405,032	317,231	87,801	2,776,078
1968	509	687	440,573	361,786	78,787	2,854,865
1969	507	677	475,598	400,112	75,486	2,930,351
1970	508	668	541,451	437,040	104,411	3,034,762
1971	512	667	575,514	461,901	113,613	3,148,375
1972	516	657	586,873	499,460	87,413	3,235,788
1973	520	654	622,781	519,608	103,173	3,338,961
1974	522	648	612,291	542,005	70,286	3,409,247
1975	523	635	627,563	541,815	85,748	3,494,995
1976	524	594	584,751	514,525	70,226	3,565,221
1977	527	540	568,195	502,336	65,859	3,631,080

*Including London Office.

DEPOSITS AND REPAYMENTS (Excluding Deposit Stock and Term Deposit Transactions.)

Year ended 30th June	Received from Depositors	Paid to Depositors
	\$	\$
1958	515,129,602	516,535,900
1959	634,967,424	636,667,346
1960	764,591,754	756,462,296
1961	816,217,440	824,087,588
1962	740,923,872*	726,208,054*
1963	844,291,330	828,958,558
1964	957,530,336	921,264,262
1965	1,123,394,494	1,106,559,818
1966	1,304,495,378	1,295,085,385
1967	1,327,690,482	1,304,068,983
1968	1,510,194,307	1,492,680,209
1969	1,728,765,303	1,709,462,310
1970	1,971,250,561	1,950,837,431
1971	2,294,068,974	2,258,243,504
1972	2,624,509,703	2,589,745,641
1973	3,357,838,564	3,242,115,026
1974	4,574,734,714	4,565,635,847
1975	7,322,124,857	7,398,355,775
1976	9,638,308,049	9,505,732,223
1977	12,537,767,347	12,446,813,613

*From 1962, excludes transfers between branches.

SUMMARY STATEMENTS -- continued
INTEREST.

Year ended 30th June	Current Accounts		Deposit Stock and Term Deposit Accounts		Total
	Rates per cent.	* Amount	Deposit Stock Rates per cent. (Term Deposit Int. Rates see below)	Amount (including Accrued Interest)	
		\$		\$	\$
1967	3½ to \$6,000 to 28.2.67; thence 3½ to \$10,000	25,786,725	4¼	5,233,360	31,020,085
1968	3½ to \$10,000	27,529,389	4¼	6,233,639	33,763,028
1969	3½ to \$10,000 to 31.7.68; thence 3¼ to \$10,000	30,776,223	4¼ to 31.10.68 thence 4½	7,423,960	38,200,183
1970	3¾ to \$10,000 to 31.3.70; thence 3¼ to \$4,000; 4¼ \$4,001 to \$20,000	32,723,631	4½	8,315,428	41,039,059
1971	3¾ to \$4,000; thence 4¼ \$4,001 - \$20,000	35,081,591	4½ to 2.6.71 thence 5	8,560,150	43,641,741
1972	3¾ to \$4,000; thence 4¼ \$4,001 - \$20,000	37,491,968	5	10,611,466	48,103,434
1973	3¾ to \$4,000; thence 4¼ \$4,001 - \$20,000	40,894,910	5	15,376,131	56,271,041
1974	3¾ to \$4,000; thence 4¼ \$4,001 - \$20,000 to 30.9.73 3¾ to \$4,000; thence 6 \$4,001 - \$20,000 to 31.3.74 3¾ to \$4,000; thence 6 without limit.	46,110,972	5 to 30.9.73 thence 7	30,055,219	76,166,191
1975	3¾ to \$4,000; thence 6 without limit. 3¾ to \$4,000; thence 6 without limit	43,202,051	7 to 9.7.74 thence 9 to 7.3.75 thence 8	71,054,028	114,256,079
1976	3¾ to \$4,000; thence 6 without limit	46,989,867	8	87,680,788	134,670,654
1977	3¾ to \$4,000; thence 6 without limit	52,016,228	8	100,704,371	152,720,599

*Includes provision for accrued interest.

TERM DEPOSIT INTEREST RATES

Under \$50,000

	From 7.7.69	From 7.8.69	From 9.3.70	From 9.11.70	From 11.12.70	From 21.2.72	From 3.8.73	From 21.9.73	From 14.1.74	From 9.7.74	From 8.3.75
	%	%	%	%	%	%	%	%	%	%	%
3 to less than 6 mths.										9.0	8.25
3 to less than 12 mths.			4.8	4.8				6.75	6.75		
3 to less than 18 mths.					5.0						
6 to less than 24 mths.										9.5	8.5
12 to less than 18 mths.		4.7	5.0	5.0							
12 to less than 24 mths.								7.0			
12 to 48 mths.									7.5		
18 to 24 mths.	4.75	5.0	5.3	5.3	5.3						
Over 24 to less than 36 mths.				5.6	5.6						
24 to less than 48 mths.						5.0	5.5	7.25		9.0	9.0
24 to 48 mths.											
36 to less than 48 mths.				6.0	6.0						
48 mths.				6.5	6.5	5.5	6.0	7.5			

Exceeding \$50,000

	3 months to 24 months	30 days to 24 months	Over 24 months to less than 36 months	Over 24 months to less than 48 months	Over 36 months to less than 48 months	48 months
	%	%	%	%	%	%
From 7. 8.69	5.0					
From 9. 3.70	5.5					
From 13. 3.70		5.5				
From 9.11.70		5.5	5.6	6.0		6.5
From 11.12.70		5.5			6.0	6.5
From 21. 2.72	Terms and rates on application.					

CREDIT FONCIER DEPARTMENT

ACCOUNTS MADE UP TO 30TH JUNE 1977, IN ACCORDANCE WITH SECTION 109 OF ACT No. 6379

For information required by Sub-section 1(b), (c) and (d), see Balance Sheets.

Sub-section 1(h).

GROSS ASSETS AND LIABILITIES of the Commissioners under Part III of Act No. 6379, and their Receipts and Payments under such Part during the Year.

Gross Assets	Gross Liabilities	Gross Receipts	Gross Payments
\$62,147,038	\$54,782,616	\$76,180,888	\$74,018,873

Sub section 1(i).

MORTGAGE BONDS, DEBENTURES, AND INSCRIBED STOCK

	Issued				Amount received from Sale	
	For year ended 30th June 1977		Total		For year ended 30th June 1977	Total
	No.	Amount	No.	Amount		
Mortgage Bonds	..	..	43,344	2,167,200	..	2,167,300
Debentures	4	●54,000,000	52,282	*2,960,975,800	●54,000,000	2,996,049,554
Inscribed Stock	..	..	..	†35,695,510		
	..	\$54,000,000	..	\$2,998,838,510	\$54,000,000	\$2,998,216,854

● Inclusive of Debentures converted during the year, \$54,000,000.

* Exclusive of Debentures issued in exchange for Mortgage Bonds, \$243,100.

† Exclusive of Stock inscribed in exchange for Debentures, \$5,274,600.

Sub-section 1(j)

MORTGAGE BONDS, DEBENTURES, AND INSCRIBED STOCK

	Redeemed	
	During year ended 30th June 1977	Total
Mortgage Bonds	..	1,924,100
Mortgage Bonds cancelled by issue of Debentures	..	243,100
Debentures	69,500,000	2,876,944,300
Debentures cancelled by inscription of Stock	..	5,274,600
Stock Redeemed	..	40,970,110
	\$69,500,000	\$2,925,356,210

GROSS AMOUNT ADVANCED TO BORROWERS

Sub-section 1(k)

(including advances under Housing Conditions.)

	Freehold Securities including Dwelling and Shop Properties, and Housing Loans	Leasehold Securities	Mixed Securities Freehold and Leasehold	Total	† Instalments in Arrear		
					No. of B'wers.	Interest	Principal
For year ended 30th June 1977	57,455	..	..	57,455			
Total	*\$509,564,063	\$4,059,970	\$656,428	\$514,280,461	273	11,874	18,295

* Exclusive of \$390,968 advanced to assist Country Industries.

† Full provision has been made for these.

Sub-section 1(l).

	\$
The nominal value of mortgage bonds sold	2,167,200
The price obtained therefor (premium \$100.38)	2,167,300
The nominal value of bonds outstanding	Nil
The nominal value of debentures issued in exchange for bonds	243,100
The nominal value of debentures and stock sold	2,996,671,310
The price obtained for debentures and stock	2,996,049,554
The nominal value of debentures outstanding	54,000,000
Balance at credit of stock holders	Nil
Total amount of principal money advanced to farmers and unpaid	377,146
Total amount of principal money advanced to farmers and unpaid (Soldiers' Loans)	Nil
Total amount of principal money advanced on dwellings and shops and unpaid	61,440,988
Total amount of principal money advanced on dwellings and shops and unpaid (Soldiers' Loans)	Nil
Total amount of principal money advanced under Housing conditions and unpaid	898
Total amount of principal money advanced to Country Industries and unpaid	Nil
Amount received in advance from mortgagors and purchasers on account of principal	91

Sub-section 1(m).

Amount paid to the Commissioners by the Treasurer (under Part III of Act)	Nil
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Sub-section 1(n).

Amount payable by the Government of Victoria to the Commissioners (under Part III of Act)	Nil
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Sub-section 1(o).

	\$
The amount of Profits	92,492
Net amount transferred to General Reserve from Reserve for Depreciation	1,130,290
The total amount of such Profits (under Part III of Act)	6,237,056
How such Profits have been disposed of—	\$
Written off against the balance of preliminary expenses	2,924
Carried to General Reserve	<u>7,364,422</u>
	7,367,346

Sub-section 1(p).

The amount of the credit of General Reserve	7,364,422
Advanced on mortgage or available therefor	7,364,422
The amount placed to the credit of General Reserve during year (under Part III of Act)	92,492

CREDIT FONCIER DEPARTMENT -- COMPARATIVE STATEMENTS

Year ended 30th June	Interest Rate on New Loans		Advances made during year	Repayments of Principal during year	Balance of Loans Current at end of Year	
	Rate	From	Amount	Amount	Number	Amount
	%		\$	\$		\$
LOANS ON FARMS						
1958	5.25		156,050	135,496	560	934,474
1959	5.25		119,130	128,830	515	924,774
1960	5.25		157,240	138,170	481	943,844
1961	5.25		98,620	115,684	447	926,780
1962	5.25		123,560	129,714	413	920,626
1963	4.75	1st May 1963	345,730	116,466	432	1,149,890
1964	4.75		466,970	172,490	451	1,444,370
1965	5	30th March 1965	301,666	170,902	457	1,575,334
1966	5		336,770	206,359	460	1,705,545
1967	5		294,886	230,341	459	1,770,090
1968	5		258,667	265,727	366	1,763,030
1969	5.5	6th August 1968	91,733	223,610	402	1,631,153
1970	6.25	8th April 1970	1,929	188,449	369	1,444,633
1971	6.25		855	184,080	333	1,261,408
1972	6.25		—	176,652	300	1,084,756
1973	6.25		—	234,515	248	850,241
1974	—		—	180,442	208	669,799
1975	—		—	101,411	190	568,388
1976	—		—	82,663	169	485,725
1977	—		—	108,579	161	377,146

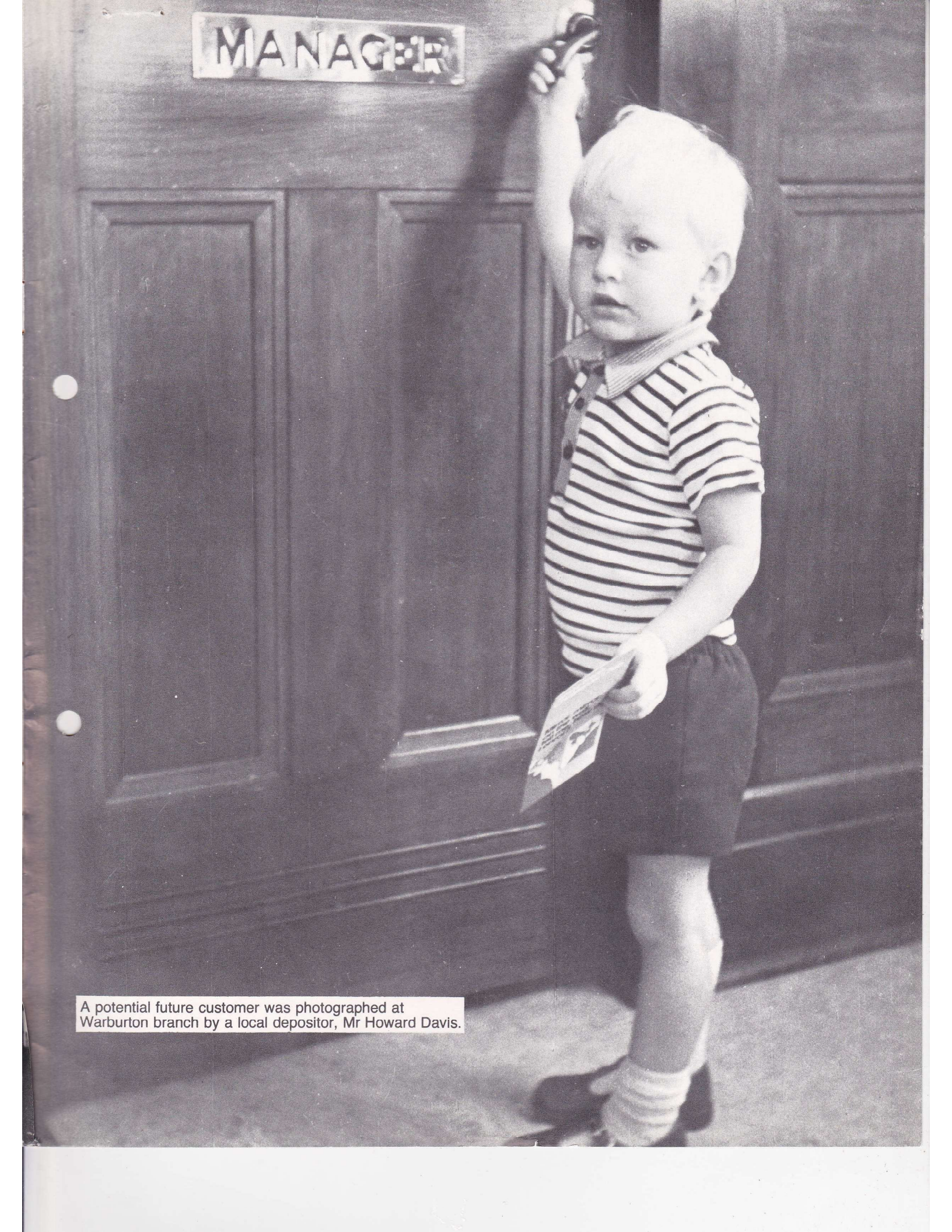
LOANS ON DWELLINGS AND SHOPS.

1958	5.25		14,169,102	7,527,124	27,863	82,309,260
1959	5.25		22,911,802	8,552,276	30,632	96,668,786
1960	5.25		30,559,450	9,729,992	34,258	117,498,244
1961	5.25		23,453,012	9,701,776	36,740	131,249,480
1962	5.25		14,602,372	9,684,910	37,683	136,166,942
1963	4.75	1st May 1963	25,953,182	11,162,514	40,021	150,957,610
1964	4.75		31,838,494	14,877,154	42,005	167,918,950
1965	5	30th March 1965	30,750,812	16,582,884	44,139	182,086,878
1966	5		26,122,087	17,184,568	45,225	191,024,397
1967	5		19,287,178	18,749,437	45,084	191,562,138
1968	5		11,645,908	20,087,272	43,186	183,120,774
1969	5.5	6th August 1968	12,900,098	21,233,906	42,209	174,786,966
1970	6.25	8th April 1970	14,790,558	21,228,598	40,840	168,348,926
1971	6.25		11,772,362	20,684,734	39,077	159,236,554
1972	6.25		7,964,876	21,856,568	36,086	145,344,862
1973	6.25		3,668,195	23,164,727	32,759	125,848,330
1974	7.25	2nd October 1973	1,497,656	21,048,784	28,903	106,297,122
1975	9.25	18th July 1974	373,690	16,002,142	23,345	90,668,669
1976	9.25		419,127	16,222,192	22,783	74,865,604
1977	9.25		57,455	13,482,071	20,319	61,440,988

HOUSING LOANS

1958	5.25		22	138,424	934	551,862
1959	5.25		..	117,612	781	434,250
1960	5.25		..	96,480	643	337,770
1961	5.25		170	73,750	538	264,190
1962	5.25		..	61,472	429	202,718
1963	4.75	1st May 1963	..	54,398	315	148,320
1964	4.75		..	41,696	233	106,624
1965	5	1st April 1965	..	26,828	154	79,796
1966	5		..	21,875	117	57,921
1967	5		..	14,086	76	43,835
1968	5		..	12,049	50	31,786
1969	5.5	6th August, 1968	..	6,110	33	25,676
1970	6.25	8th April 1970	..	5,583	31	20,093
1971	6.25		..	6,066	26	14,027
1972	6.25		..	4,372	20	9,655
1973	6.25		..	5,023	10	4,633
1974	—		..	1,111	7	3,522
1975	—		..	1,063	5	2,459
1976	—		..	599	5	1,860
1977	—		..	962	2	898

MANAGER



A potential future customer was photographed at Warburton branch by a local depositor, Mr Howard Davis.



STATE BANK 

State Savings Bank of Victoria

ANNUAL REPORT 1977