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TERMINATING BUILDING SOCIETIES ASSETS, LIABILITIES, INCOME AND EXPENDITURE, AUSTRALIA 1980-81

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EXPLANATORY NOTES

Introduction

This publication continues the series of statistics on the financial accounts of terminating building societies first published for 1976-77. Similar statistics are available for credit unions and permanent building societies. Financial account statistics are also available for finance companies although they are not completely comparable with those for terminating building societies, credit unions and permanent building societies.

Terminating building society definition

2. For the purposes of statistics in this publication a *terminating building society* is defined as an organisation that:

(a) is registered under relevant State or Territory legislation;

(b) has rules or regulations that specify that it is to terminate on a specific date or when a specific objective is achieved; and

(c) provides finance to its members in the form of housing loans.

This definition includes building societies that operate solely on *Starr Bowkett* principles and meet the above criteria.

3. Terminating building societies normally operate on either an *actuarial* or *credit foncier* basis. The primary difference between actuarial and credit foncier societies is that in the former, the repayments of an advance are made by subscriptions which are not normally offset against the advance until the sum of total subscriptions plus interest on these subscriptions equals the advance, whereas credit foncier societies use an increasing proportion of regular payments to progressively reduce the amount owing on the loan to zero. The actuarial society equivalent to the credit foncier *amount owing on loans* is obtained by deducting such subscriptions (and interest) from gross advances.

Presentation

4. *Accounting period.* While the statistics in this publication are presented in terms of financial years ended 30 June, they were obtained by aggregating data from the accounts of the various organisations in respect of accounting periods ending within the period 1 July to 30 June. The contribution to total assets of those building societies with balance dates in each of the quarters of 1980-81 was:

Balance dates in quarter ending	*Contribution to total assets*
30 September	2.8%
31 December	7.8%
31 March	17.0%
30 June	72.4%

5. *Accounting bases.* In compiling data for these statistics, assets and liabilities have been presented to reflect full balance day adjustments of accruals and pre-payments, and valuations have been made on a book value basis.

Revisions

6. This publication incorporates revisions made to previous statistics in this series.

Related publications

7. Users may also wish to refer to the following publications which are available on request:

Housing Finance for Owner Occupation, Australia (5609.0) — *issued monthly*
Permanent Building Societies, Assets, Liabilities, Income and Expenditure, Australia 1980-81 (5632.0)

Credit Unions, Assets, Liabilities, Income and Expenditure, Australia 1980-81 (5618.0)

Finance Companies, Assets, Liabilities, Income and Expenditure, Australia 1980-81 (5616.0)

8. Current publications produced by the ABS are listed in the *Catalogue of Publications, Australia* (1101.0). The ABS also issues on Tuesdays and Fridays, a *Publications Advice* (1105.0) which lists publications to be released in the next few days. The Catalogue and Publications Advice are available from any ABS office.

Symbols and other usages

— nil or rounded to zero.

9. Where figures have been rounded, discrepancies may occur between sums of the component items and totals.

R. J. CAMERON
Australian Statistician

TABLE 1. LIABILITIES AND ASSETS, AUSTRALIA
$' 000

Liabilities	*1978-79*	*1979-80*	*1980-81*	*Assets*	*1978-79*	*1979-80*	*1980-81*
Amounts paid on ordinary shares(a)	2,011	1,926	1,656	Amounts owing on loans (d)	1,344,360	1,431,890	1,481,793
Accumulated funds(b)	26,725	27,375	26,775	Cash on hand and current accounts at banks	11,992	12,188	11,759
Loans from—				Deposits with—			
Banks	250,805	250,383	237,555	Banks	3,491	4,387	4,871
Commonwealth/State Home Builders' Fund(c)	815,771	875,745	919,099	Others	11,908	12,904	16,326
Others	271,885	300,477	323,885	Physical assets	173	157	155
Sundry creditors	5,176	5,981	6,180	Other assets	1,991	1,774	1,934
Provision for income tax	70	73	83				
Other liabilities	1,472	1,341	1,606				
Total liabilities	**1,373,914**	**1,463,300**	**1,516,838**	**Total assets**	**1,373,914**	**1,463,300**	**1,516,838**

(a) For actuarial terminating building societies, borrowing members' subscriptions have been offset against *Amount owing on loans* (see paragraph 3 of the Explanatory notes). (b) Includes accumulated surpluses and deficits. (c) Refers to loans made to societies through the Commonwealth/State Housing Agreement. (d) Net of borrowing members' subscriptions for actuarial societies (see paragraph 3 of the Explanatory notes).

TABLE 2. INCOME AND EXPENDITURE, AUSTRALIA
$' 000

Expenditure	*1978-79*	*1979-80*	*1980-81*	*Income*	*1978-79*	*1979-80*	*1980-81*
Interest paid on borrowing members' subscriptions(a)	4,242	3,812	3,682	Interest on—			
Interest on loans from—				Loans to members	90,901	97,636	106,989
Banks	22,631	22,565	24,130	Other	963	1,055	1,346
Other(b)	61,857	69,220	77,790	Management fees	10,228	10,995	11,328
Salaries and secretarial fees	9,173	9,680	10,033	Insurance commission	918	977	1,027
Directors' fees	765	801	834	Other income (c)	1,467	1,464	1,877
Computer service fees	105	130	138				
Other expenditure	2,716	2,937	3,322				
Total expenditure	**101,489**	**109,145**	**119,929**	**Total income**	**104,477**	**112,127**	**122,568**
Net excess of income over expenditure	2,988	2,983	2,639				

(a) For actuarial societies (see paragraph 3 of the Explanatory notes). (b) Includes interest on loans from Commonwealth/State Home Builders' Funds. (c) Includes entrance, transfer and withdrawal fees, fines, and income from investment of surpluses.

TABLE 3. NUMBER OF TERMINATING BUILDING SOCIETIES, STATES AND AUSTRALIA
1975-76 TO 1980-81

	N.S.W	*Vic.*	*Qld*	*S.A.*	*W.A.*	*Tas.*	*N.T.*	*A.C.T.*	*Aust.*
1975-76	3,117	1,786	863	17	521	120	—	27	6,451
1976-77	3,151	1,797	910	15	593	124	—	27	6,617
1977-78	3,213	1,806	972	14	550	126	—	27	6,708
1978-79	3,222	1,956	838	13	534	135	—	27	6,725
1979-80	3,274	1,922	734	12	500	143	—	27	6,612
1980-81	3,257	1,928	736	10	484	108	—	9	6,532

TABLE 4. LIABILITIES, STATES AND AUSTRALIA, 1980-81
$' 000

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	N.T.	A.C.T.	Aust.
Amounts paid on ordinary shares(a)	189	49	382	1,002	17	17		—	1,656
Accumulated funds(b)	5,107	14,262	4,451	98	2,348	350	—	159	26,775
Loans from—									
Banks	116,327	74,545	14,290	—	30,739	1,644		9	237,555
Commonwealth/State Home Builders' Fund(c)	369,103	361,675	78,287	—	94,070	15,784	—	181	919,099
Others	274,329	12,389	17,615	—	19,442	111	—	—	323,885
Sundry creditors	2,072	2,547	916	1	598	30	—	17	6,180
Provision for income tax	18	16	35	—	12	—	—	1	83
Other liabilities	343	564	619	6	63	10	—	1	1,606
Total liabilities	**767,488**	**466,047**	**116,594**	**1,107**	**147,290**	**17,946**	**—**	**367**	**1,516,838**

(a) For actuarial terminating building societies, borrowing members' subscriptions have been offset against *Amount owing on loans* (see paragraph 3 of the Explanatory notes). (b) Includes accumulated surpluses and deficits. (c) Refers to loans made to societies through the Commonwealth/State Housing Agreement.

TABLE 5. ASSETS, STATES AND AUSTRALIA, 1980-81
$' 000

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	N.T.	A.C.T.	Aust.
Amount owing on loans(a)	762,786	459,964	110,366	1,020	129,721	17,628	—	309	1,481,793
Cash on hand and current accounts at banks	3,285	4,196	1,973	49	2,165	65	—	26	11,759
Deposits with—									
Banks	408	560	2,669	1	1,207	21	—	7	4,871
Others	391	397	1,276	35	13,976	227	—	24	16,326
Physical assets	14	99	21	1	19	—	—	—	155
Other assets	605	831	289	2	202	5	—	—	1,934
Total assets	**767,488**	**466,047**	**116,594**	**1,107**	**147,290**	**17,946**	**—**	**367**	**1,516,838**

(a) Net of borrowing members' subscriptions for actuarial societies (see paragraph 3 of the Explanatory notes).

TABLE 6. EXPENDITURE, STATES AND AUSTRALIA, 1980-81
$' 000

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	N.T.	A.C.T.	Aust.
Interest paid on borrowing members' subscriptions(a)	179	2,044	1,249	—	106	78	—	26	3,682
Interest on loans from—									
Banks	11,988	7,458	1,428	—	3,085	170	—	1	24,130
Other(b)	44,248	20,674	5,611	—	6,380	861	—	15	77,790
Salaries and secretarial fees	3,711	4,289	864	14	1,030	121	—	4	10,033
Directors' fees	517	196	80	3	30	8	—	1	834
Computer service fees	96	41	2	—	—	—	—	—	138
Other expenditure	1,940	1,077	167	12	86	37	—	3	3,322
Total expenditure	**62,679**	**35,779**	**9,401**	**29**	**10,717**	**1,275**	**—**	**50**	**119,929**
Net excess of income over expenditure	667	1,066	505	-6	349	57	—	—	2,639

(a) For actuarial societies (see paragraph 3 of the Explanatory notes). (b) Includes interest on loans from Commonwealth/State Home Builders' Fund.

TABLE 7. INCOME, STATES AND AUSTRALIA, 1980-81
$' 000

	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	N.T.	A.C.T.	Aust.
Interest on—									
Loans to members	57,096	31,415	8,489	—	8,837	1,110	—	42	106,989
Other	17	62	186	—	1,074	4	—	2	1,346
Management fees	5,031	4,196	925	10	1,012	150	—	5	11,328
Insurance commission	366	581	39	—	22	19	—	—	1,027
Other income(a)	837	590	266	14	122	49	—	—	1,877
Total income	**63,346**	**36,845**	**9,906**	**23**	**11,067**	**1,332**	**—**	**50**	**122,568**

(a) Includes entrance, transfer and withdrawal fees, fines, and income from investment of surpluses.

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