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TERMINATING BUILDING SOCIETIES
ASSETS, LIABILITIES, INCOME AND EXPENDITURE, AUSTRALIA
1977-78

INQUIRIES

If you want to know more about these statistics ring Mr Wojciech Horky on Canberra 525384 or our State office, or write to Information Services, ABS, P.O. Box 10, Belconnen, A.C.T. 2616

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EXPLANATORY NOTES

Introduction

This bulletin 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 bulletin 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.

Building societies that operate solely on *Starr Bowkett* principles and meet the above definition are included.

3. Terminating building societies normally operate on either a *credit foncier* or *actuarial* 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.* The statistics in this bulletin are described as being for the financial year ended 30 June. The information used to derive aggregates, however, is based on individual building society 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 1977-78 was :

Balance dates in quarter ending	*Contribution to total assets*
30 September	2.1%
31 December	9.6%
31 March	16.0%
30 June	72.3%

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

6. *Revisions.* Because of extensive revisions to 1976-77 figures, State tables for that year have been presented again in this bulletin.

Related publications

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

Permanent Building Societies, Assets, Liabilities, Income and Expenditure, Australia (5632.0) (annual)

Credit Unions, Assets, Liabilities, Income and Expenditure, Australia (5618.0) (annual)

Finance Companies, Assets, Liabilities, Income and Expenditure, Australia (5616.0) (annual)

Housing Finance for Owner Occupation, Australia (5609.0) (monthly)

All publications produced by the ABS are listed in *Catalogue of Publications* (1101.0) which is available free of charge from any ABS office.

Symbols and other usages

– nil, or less than half the final digit shown.

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

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Australian Statistician

TABLE 1. LIABILITIES, STATES AND AUSTRALIA ($'000)

	N.S.W.	*Vic.*	*Qld*	*S.A.*	*W.A.*	*Tas.*	*N.T.*	*A.C.T.*	*Aust.*
					1976-77				
Amounts paid on ordinary shares (a)	196	56	97	1,926	14	–	–	1	2,289
Accumulated funds (b)	5,925	14,381	2,833	251	1,619	375	–	372	25,757
Loans from :									
Banks	134,575	74,617	17,537	–	23,715	1,939	–	182	252,564
Commonwealth/State Home Builders' Fund (c)	276,929	234,396	67,360	–	56,292	12,934	–	894	648,805
Others	136,202	13,301	18,300	–	12,073	311	–	472	180,658
Sundry creditors	1,586	1,304	582	1	389	27	–	27	3,916
Provision for income tax	53	20	20	–	11	–	–	1	106
Other liabilities	481	680	668	28	917	68	–	13	2,856
Total Liabilities	**555,947**	**338,756**	**107,397**	**2,206**	**95,029**	**15,654**	**–**	**1,963**	**1,116,951**
					1977-78				
Amounts paid on ordinary shares (a)	243	120	82	1,915	13	–	–	1	2,373
Accumulated funds (b)	5,611	14,398	3,179	250	1,812	424	–	213	25,887
Loans from :									
Banks	132,322	72,653	16,186	–	26,510	1,728	–	126	249,524
Commonwealth/State Home Builders' Fund (c)	308,752	263,129	75,866	–	68,749	13,684	–	716	730,895
Others	177,251	13,768	18,822	–	16,332	268	–	390	226,831
Sundry creditors	1 839	1,674	702	1	546	39	–	28	4,829
Provision for income tax	22	17	30	–	7	–	–	1	78
Other liabilities	312	540	765	30	132	–	–	11	1,789
Total Liabilities	**626,353**	**366,298**	**115,630**	**2,195**	**114,101**	**16,143**	**–**	**1,486**	**1,242,206**

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

TABLE 2. ASSETS, STATES AND AUSTRALIA ($'000)

	N.S.W.	*Vic.*	*Qld*	*S.A.*	*W.A.*	*Tas.*	*N.T.*	*A.C.T.*	*Aust.*
					1976-77				
Amount owing on loans (a)	551,420	331,539	103,018	1,928	84,534	15,238	–	1,915	1,089,591
Cash on hand and current accounts at banks	2,753	4,655	1,840	68	2,430	143	–	15	11,906
Deposits with :									
Banks	593	275	426	195	583	1	–	–	2,073
Others	193	101	1,326	11	7,138	191	–	24	8,985
Physical assets	22	97	14	1	11	4	–	–	149
Other assets	965	2,088	772	2	334	77	–	8	4,246
Total Assets	**555,947**	**338,756**	**107,397**	**2,206**	**95,029**	**15,654**	**–**	**1,963**	**1,116,951**
					1977-78				
Amount owing on loans (a)	621,632	360,697	110,569	1,931	102,537	15,715	–	1,440	1,214,520
Cash on hand and current accounts at banks	3,141	3,732	2,285	104	2,176	139	–	20	11,595
Deposits with :									
Banks	306	502	1,214	153	200	–	–	7	2,381
Others	460	293	1,321	4	9,022	206	–	18	11,324
Physical assets	14	79	10	1	25	4	–	–	134
Other assets	801	995	232	2	142	80	–	1	2,253
Total Assets	**626,353**	**366,298**	**115,630**	**2,195**	**114,101**	**16,143**	**–**	**1,486**	**1,242,206**

(a) Net of borrowing members' subscriptions for actuarial societies. See paragraph 3 of explanatory notes.

TABLE 3. EXPENDITURE, STATES AND AUSTRALIA ($'000)

	N.S.W.	*Vic.*	*Qld*	*S.A.*	*W.A.*	*Tas.*	*N.T.*	*A.C.T.*	*Aust.*
					1976-77				
Interest paid on borrowing members' subscriptions (a)	1,624	3,160	939	–	79	146	–	45	5,993
Interest on loans from :									
Banks	12,540	7,003	1,586	–	2,013	173	–	21	23,336
Other (b)	25,403	11,752	4,536	–	3,429	682	–	93	45,895
Salaries and secretarial fees	2,632	3,024	728	20	596	101	–	15	7,117
Directors' fees	383	179	74	4	29	9	–	6	684
Computer service fees	32	86	1	–	–	–	–	–	119
Other expenditure	1,341	708	140	48	70	32	–	5	2,344
Total Expenditure	**43,955**	**25,912**	**8,004**	**72**	**6,217**	**1,143**	–	**185**	**85,488**
Net Excess of Income over Expenditure	534	1,308	335	–25	323	52	–	22	2,548
					1977-78				
Interest paid on borrowing members' subscriptions (a)	1,010	2,773	1,024	–	12	154	–	32	5,005
Interest on loans from :									
Banks	12,158	6,824	1,509	–	2,336	165	–	13	23,003
Other (b)	29,620	13,172	5,150	–	4,228	716	–	104	52,990
Salaries and secretarial fees	3,192	3,306	768	19	670	105	–	15	8,095
Directors' fees	412	179	77	4	31	10	–	6	718
Computer service fees	45	29	1	–	–	–	–	–	75
Other expenditure	1,510	842	160	19	141	32	–	5	2,709
Total Expenditure	**47,946**	**27,124**	**8,709**	**42**	**7,418**	**1,182**	–	**175**	**92,595**
Net Excess of Income over Expenditure	773	1,184	296	–	325	54	–	15	2,647

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

TABLE 4. INCOME, STATES AND AUSTRALIA ($'000)

	N.S.W.	*Vic.*	*Qld*	*S.A.*	*W.A.*	*Tas.*	*N.T.*	*A.C.T.*	*Aust.*
					1976-77				
Interest on :									
Loans to members	39,799	22,944	7,245	–	5,246	994	–	176	76,403
Other	91	146	75	–	558	16	–	2	888
Management fees	3,671	2,944	803	23	609	131	–	28	8,210
Insurance commission	289	445	32	–	15	13	–	–	795
Other income (a)	638	740	184	24	113	41	–	–	1,741
Total Income	**44,489**	**27,220**	**8,339**	**47**	**6,540**	**1,195**	–	**207**	**88,037**
					1977-78				
Interest on :									
Loans to members	43,276	24,059	7,818	–	6,205	1,061	–	161	82,580
Other	160	134	101	–	668	17	–	2	1,081
Management fees	4,280	3,129	859	22	722	137	–	26	9,174
Insurance commission	286	471	35	–	19	12	–	–	824
Other income (a)	717	517	192	19	128	10	–	–	1,584
Total Income	**48,719**	**28,308**	**9,004**	**42**	**7,743**	**1,236**	–	**190**	**95,242**

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

TABLE 5. NUMBER OF TERMINATING BUILDING SOCIETIES, STATES AND AUSTRALIA 1972-73 TO 1977-78

	N.S.W.	*Vic.*	*Qld*	*S.A.*	*W.A.*	*Tas.*	*N.T.*	*A.C.T.*	*Aust.*
1972-73	2,985	1,454	714	19	416	103	–	27	5,718
1973-74	3,021	1,616	771	18	472	112	–	27	6,037
1974-75	3,058	1,649	836	17	533	116	–	27	6,236
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	(a)550	126	–	27	6,708

(a) Number of societies affected by amalgamations.