
S T A T U T O R Y I N S T R U M E N T S

1981 No. 1497

BUILDING SOCIETIES**The Building Societies (Accounts and Annual Return)
Regulations 1981***Made - - - - 21st October 1981**Laid before Parliament 4th November 1981**Coming into Operation 31st December 1981*

The Chief Registrar of Friendly Societies, with the consent of the Treasury, in exercise of the powers conferred upon him by sections 78(2), 88(3) and 91(2) of the Building Societies Act 1962(a), and of all other powers enabling him in that behalf, hereby makes the following Regulations:—

Citation and Commencement

1. These Regulations may be cited as the Building Societies (Accounts and Annual Return) Regulations 1981, and shall come into operation on 31st December 1981.

Interpretation

2.—(1) For the purposes of these Regulations unless the context otherwise requires—

“listed investment” means an investment as respects which there has been granted a listing on The Stock Exchange, or bonds issued by a local authority in whole or in part to a bank, discount house, issuing house or broker in the City of London and “unlisted investment” shall be construed accordingly;

“long lease” means a lease in the case of which the portion of the term for which it was granted remaining unexpired at the end of the financial year is not less than 50 years;

“short lease” means a lease which is not a long lease;

“lease” includes any agreement for a lease;

“provision” means, subject to paragraph (2) below, any amount written off or retained by way of providing for depreciation, renewals or diminution in value of assets or retained by way of providing for any known liability (including any liability in respect of expenditure contracted for, and any disputed or contingent liability) of which the amount cannot be determined with substantial accuracy;

“reserve” does not, subject to paragraph (2) below, include any amount written off or retained by way of providing for depreciation, renewals or diminution in value of assets or retained by way of providing for any known liability (including any liability in respect of expenditure contracted for, and

(a) 1962 c. 37.

any disputed or contingent liability) or any sum set aside for the purpose of its being used to prevent any undue fluctuations in charges for taxation;

“Mortgages” under the heading “Balance Sheet” in Schedule 1 to these Regulations means the amount due or outstanding in respect of advances secured on mortgage less any provision for anticipated losses thereon;

“deferred shares” has the meaning given by Schedule 3 to these Regulations.

(2) Where—

(a) any amount written off or retained by way of providing for depreciation, renewals or diminution in value of assets, or

(b) any amount retained by way of providing for any known liability (including any liability in respect of expenditure contracted for, and any disputed or contingent liability)

is in excess of that which in the opinion of the board of directors is reasonably necessary for the purpose, the excess shall be treated for the purposes of these Regulations as a reserve and not as a provision.

(3) In the application of these Regulations to Scotland—

“land of freehold tenure” means land in respect of which the building society is the proprietor of the dominium utile or, in the case of land not held on feudal tenure, is the owner;

“land of leasehold tenure” means land of which the building society is the tenant under a lease.

Revenue and Appropriation Account and Balance Sheet

3. The revenue and appropriation account and the balance sheet of a building society as respects a financial year of the society ending on or after 31st December 1981 shall, with such adaptations, additions or omissions as may be necessary to comply with section 78(1) of the Building Societies Act 1962, be in the forms set out in Schedule 1 to these Regulations and shall contain the particulars therein set out (except that any heading therein may be omitted if the entries in respect of such heading would be “Nil”) and the particulars specified in regulations 4 to 10 of these Regulations.

4.—(1) The accounting policies adopted by the society in determining the amounts to be included in respect of items shown in the balance sheet and in determining the income and expenditure for the year shall be stated by way of separate note on the balance sheet.

(2) The date on which the revenue and appropriation account and balance sheet are approved by the board of directors shall be stated on the balance sheet.

5. The following particulars shall be shown separately in the revenue and appropriation account—

(a) the amounts respectively charged to revenue by way of provision for depreciation, renewals or diminution in value of fixed assets;

(b) the amount, if material, of any surplus or deficit on realisation of investments;

(c) the amount transferred from general reserve; and

(d) the amount transferred to or from any reserve set aside for a particular purpose.

6.—(1) The following particulars shall be stated by way of note on the revenue and appropriation account, if not otherwise shown—

- (a) the amount of the remuneration of auditors, including any sums paid to the auditors in respect of their expenses;
- (b) of the amount shown in respect of the item “Management expenses” how much consists of—
 - (i) remuneration and expenses of staff (excluding any amounts required to be stated under regulation 7 below)
 - (ii) office accommodation and office expenses
 - (iii) advertising
 - (iv) commission and agency fees
 - (v) other expenses

and in relation to the amount of remuneration and expenses of staff there shall also be stated as at the end of the financial year the numbers of staff employed by the society at chief and administrative offices and at branch offices respectively, distinguishing between full-time staff and part-time staff;

- (c) if the amount charged to revenue by way of provision for depreciation or diminution in value of assets has been determined otherwise than by reference to the amount of those assets as determined for making up the balance sheet, that fact shall be stated;
- (d) if depreciation or replacement of fixed assets is provided for by some method other than a depreciation charge or provision for renewals, or is not provided for, the method by which it is provided for or the fact that it is not provided for, as the case may be;
- (e) the financial year of the society, or the part of such year, in which the interest accrued in respect of which the amount shown in relation to the heading “Income tax on interest” is computed;
- (f) the basis on which the charge for corporation tax is computed;
- (g) where, pursuant to regulation 5(b) above any surplus or deficit on realisation of investments is shown, the amount of any corporation tax relating thereto;
- (h) the amount of any interest on bank loans and overdrafts;
- (i) the amount, if material, of any transaction of an exceptional or non-recurrent nature;
- (j) any material respects in which any items shown in the revenue and appropriation account are affected—
 - (i) by transactions of a sort not usually undertaken by the society or otherwise by circumstances of an exceptional or non-recurrent nature; or
 - (ii) by any change in the basis of accounting;
- (k) any special circumstances which affect liability in respect of taxation of surplus, income or capital gains for the financial year or liability in respect of taxation of surplus, income or capital gains for succeeding financial years; and
- (l) any amount applied in writing up or down the amount at which investments are determined for making up the balance sheet.

(2) The corresponding amounts for the immediately preceding financial year shall be stated for all items shown in the revenue and appropriation account.

7.—(1) Subject to and in accordance with the provisions of this regulation there shall be stated by way of note on the revenue and appropriation account—

- (a) the aggregate amount of the directors' emoluments;
- (b) the aggregate amount of directors' or past directors' pensions; and
- (c) the aggregate amount of any compensation to directors or past directors in respect of loss of office.

(2) The amount to be stated under paragraph (1)(a) of this regulation—

- (a) shall include any emoluments paid to or receivable by any person in respect of his services as director of the society or in respect of his services, while director of the society, in connection with the management of the affairs of the society; and
- (b) shall distinguish between the emoluments in respect of services as director of the society and other emoluments;

and for the purposes of this regulation the expression "emoluments" in relation to a director includes fees and percentages, any sums paid by way of expenses allowance in so far as those sums are charged to United Kingdom income tax, any contribution paid in respect of him under any pension scheme and the estimated money value of any other benefits received by him otherwise than in cash.

(3) The amount to be stated under paragraph (1)(b) of this regulation—

- (a) shall not include any pension paid or receivable under a pension scheme if the scheme is such that the contributions thereunder are substantially adequate for the maintenance of the scheme, but save as aforesaid shall include any pension paid or receivable in respect of any such services of a director or past director of the society as are mentioned in the preceding paragraph of this regulation, whether to or by him or, on his nomination or by virtue of dependence on or other connection with him, to or by any other person; and
- (b) shall distinguish between pensions in respect of services as director of the society and other pensions;

and for the purposes of this regulation the expression "pension", "pension scheme" and "contribution" have the same meanings as in section 196(3) of the Companies Act 1948(a).

(4) The amount to be stated under paragraph (1)(c) of this regulation—

- (a) shall include any sums paid to or receivable by a director or past director by way of compensation for the loss of office as director of the society, or for the loss, while director of the society or on or in connection with his ceasing to be a director of the society, of any other office in connection with the management of the society's affairs; and
- (b) shall distinguish between compensation in respect of the office of director of the society and compensation in respect of other offices;

and for the purposes of this regulation references to compensation for loss of office shall include sums paid as consideration for or in connection with a person's retirement from office.

(5) The amounts to be stated under paragraph (1)(a), (b) and (c) of this regulation—

- (a) shall include all relevant sums paid by or receivable from the society or any other person except sums to be accounted for to the society; and

- (b) shall distinguish in the case of the amount to be shown under paragraph (1)(c) of this regulation between the sums respectively paid by or receivable from the society and persons other than the society.

(6) The amounts to be stated under this regulation for any financial year shall be the sums receivable in respect of that year, whenever paid, or in the case of sums not receivable in respect of a period, the sums paid during the year, so, however, that where—

- (a) any sums are not included in the amounts to be stated by way of note to the revenue and appropriation account for the relevant financial year on the ground that the person receiving them is liable to account for them to the society, but the liability is thereafter wholly or partly released or is not enforced within a period of two years; or
- (b) any sums paid by way of expenses allowance are charged to United Kingdom income tax after the end of the relevant financial year;

those sums shall, to the extent to which the liability is released or not enforced or they are charged as aforesaid, as the case may be, be included in the amounts to be stated by way of note to the first revenue and appropriation account in which it is practicable so to include them and shall be distinguished from the sums to be stated therein apart from the provisions of this paragraph.

8.—(1) Where the amount stated by way of note on the revenue and appropriation account under paragraph (1)(a) of regulation 7 above exceeds the sum of £40,000, there shall also be so stated—

- (a) the amount of the Chairman's emoluments, or, if more than one person has been Chairman during the financial year, the amount with respect to each such person of his emoluments so far as attributable to the period during which he was Chairman;
- (b) the emoluments of the director (if any) whose emoluments exceeded the amount or the aggregate of the amounts stated under (a) above; or, if the emoluments of each of two or more of the directors exceeded the said amount or said aggregate, the emoluments of him (or them, in the case of equality) who had the greater, or, as the case may be, the greatest;
- (c) the number (if any) of directors who had no emoluments or whose several emoluments amounted to not more than £5,000 and, by reference to each pair of adjacent points on a scale on which the lowest point is £5,000 and the succeeding ones are successive integral multiples of £5,000, the number (if any) of directors whose several emoluments exceeded the lower point but not the higher;
- (d) the number of directors who waived rights to receive emoluments which, but for the waiver, would have fallen to be included in the amounts to be stated under paragraph (1)(a) of regulation 7 above and the aggregate amount of the emoluments so waived.

(2) For the purpose of paragraph (1)(a), (b) and (c) of this regulation there shall be brought into account as emoluments of any person all such amounts, other than contributions paid in respect of him under any pension scheme, as in his case are by virtue of regulation 7 above required to be included in the amount stated under paragraph (1)(a) of that regulation.

(3) For the purpose of paragraph (1)(d) of this regulation—

- (a) it shall be assumed that a sum not receivable in respect of a period would have been paid at the time at which it was due to be paid;

- (b) a sum not so receivable that was payable only on demand, being a sum the right to receive which has been waived, shall be deemed to have been due for payment at the time of the waiver.

9.—(1) By way of note on the revenue and appropriation account there shall be stated by reference to each pair of adjacent points on a scale on which the lowest point is £20,000 and the succeeding ones are successive integral multiples of £5,000 beginning with that in the case of which the multiplier is 5, the number (if any) of persons in the society's employment (other than directors of the society) whose several emoluments exceeded the lower point but did not exceed the higher.

(2) For the purposes of this regulation a person's emoluments shall include any paid to or receivable by him from the society and any other person in respect of his services as a person in the employment of the society (except sums to be accounted for to the society) and "emoluments", in relation to a person, includes fees and percentages, any sums paid by way of expenses allowance in so far as those sums are charged to United Kingdom income tax and the estimated money value of any other benefits received by him otherwise than in cash.

(3) The amounts to be brought into account for the purposes of complying with paragraph (1) of this regulation as respects a financial year shall be the sums receivable in respect of that year, whenever paid, or, in the case of sums not receivable in respect of a period, the sums paid during that year, so, however, that where—

- (a) any sums are not brought into account for the relevant financial year on the ground that the person receiving them is liable to account therefor as mentioned in paragraph (2) of this regulation, but the liability is wholly or partly released or is not enforced within a period of two years; or
- (b) any sums paid to a person by way of expenses allowance are charged to United Kingdom income tax after the end of the relevant financial year;

these sums shall, to the extent to which the liability is released or not enforced or they are charged as aforesaid, as the case may be, be brought into account for the purpose of complying with paragraph (1) of this regulation on the first occasion on which it is practicable to do so.

10.—(1) The following particulars shall be stated by way of note on the balance sheet, if not otherwise shown—

- (a) in respect of each of the items "Shares", "Deposits and loans (other than from banks)" and "Loans and overdrafts from banks" the amounts repayable from the date of the balance sheet in the ordinary course of business and whether by virtue of the giving of a period of notice or otherwise—
- (i) in not more than one month
- (ii) in more than one month but not more than 12 months
- (iii) in more than 12 months;
- (b) the amount owing by the society in respect of deposits, loans and overdrafts which are secured on the assets of the society;
- (c) the general nature of any contingent liability not provided for, and, where practicable, the amount or estimated amount, if material, of that contingent liability;

- (d) where practicable, the aggregate amount or estimated amount, if material, of—
 - (i) contracts for capital expenditure, so far as not provided for, and
 - (ii) capital expenditure authorised by the directors which has not been contracted for;
 - (e) the amount of any reserve or provision and where the amount compared with the amount at the end of the immediately preceding financial year shows an increase or decrease, the source from which the increase has been derived or how the amount derived from any decrease has been applied;
 - (f) the year or years of assessment for which any amount included in the balance sheet represents income tax and, if any amount so included representing income tax for the current year of assessment is less than the amount of the society's liability for income tax for the year, the proportion of such liability represented by the amount;
 - (g) the basis upon which the amount, if any, set aside for corporation tax is computed;
 - (h) the nature and amount of the major elements of which any amount of deferred taxation shown in the balance sheet is composed and a description of the method of calculation adopted;
 - (i) the amount due or outstanding in respect of advances secured on mortgage and the amount of any provision for anticipated losses thereon;
 - (j) of the amounts shown in respect of the item "Investments and cash" in the balance sheet how much consists of—
 - (i) listed investments
 - (ii) unlisted investments
 - (iii) cash at bank and in hand
 - (iv) interest accrued
- and there shall also be shown in respect of listed investments how much consists of investments in the case of which the final redemption date is not more than 5 years from the date of the balance sheet, and in respect of unlisted investments and cash at bank how much consists in each case of amounts which are repayable in not more than 6 months from the date of the balance sheet;
- (k) the aggregate market value of the society's listed investments;
 - (l) of the amounts shown in the respect of the item "Fixed assets" in the balance sheet how much consists of—
 - (i) office premises
 - (ii) office and computer equipment
 - (iii) other fixed assets;
 - (m) in respect of each of the categories of fixed assets stated in accordance with sub-paragraph (l) above—
 - (i) the aggregate of the costs of the assets contained in the category, (except that where an asset stands in the society's books at a valuation, the amount of the valuation shall be taken for this purpose instead of its cost)
 - (ii) the aggregate of the amounts provided or written off since the date of acquisition or valuation, as the case may be, for depreciation or diminution in value;

- (n) the method of arriving at the amount at which any fixed assets are shown;
- (o) where the replacement of fixed assets has been provided for wholly or partly—
 - (i) by making provision for renewals and charging the cost of replacement against the provision so made, or
 - (ii) by charging the cost of replacement direct to revenue,the means by which their replacement is provided for and the aggregate amount of the provision (if any) made for renewals and not used;
- (p) where the amount of fixed assets is arrived at by reference to a valuation, the years (so far as they are known to the directors) in which the assets were severally valued and the several values, and in the case of assets that have been valued during the financial year, the names of the persons who valued them or particulars of their qualifications for doing so and (whichever is stated) the bases of valuation used by them;
- (q) of the amount of fixed assets consisting of land how much is ascribable to land of freehold tenure and how much to land of leasehold tenure and, of the latter, how much is held on long lease and how much on short lease; and
- (r) if there are included as fixed assets any assets that have been acquired during the financial year ending with the date of the balance sheet, the aggregate amount of the assets acquired as determined for the purpose of making up the balance sheet, and if during that year any fixed assets included in the balance sheet made up with respect to the immediately preceding financial year have been disposed of, the aggregate amount thereof as determined for the purpose of making up that balance sheet.

(2) The corresponding amounts at the end of the immediately preceding year shall be stated for all items shown in the balance sheet.

Annual Return

11. The annual return of a building society as respects a financial year of the society ending on or after 31st December 1981 shall contain the information and be in the form set out in Schedule 2 to these Regulations.

12. The auditors of a building society shall not be required to deal in their report on the annual return with the particulars contained in Part 1, item 4 of Part 4, sections D and F of Part 5, sections A and B of Part 6 and section A of Part 8.

Revocation

13. The Building Societies (Accounts and Annual Return) Regulations 1976(a) and the Building Societies (Accounts and Annual Return) (Amendment) Regulations 1980(b) are hereby revoked, but not so as to affect their operation in relation to the revenue and appropriation account, the balance sheet or the annual return of a building society as respects a financial year ending before 31st December 1981.

K. Brading,

Chief Registrar of Friendly Societies.

Dated: 12th October 1981.

(a) S.I. 1976/1935.

(b) S.I. 1980/1472.

We consent to these Regulations

J. A. Cope,
Tony Newton,
Two of the Lords Commissioners of
Her Majesty's Treasury.

21st October 1981.

Regulation 3

SCHEDULE 1

REVENUE AND APPROPRIATION ACCOUNT

INCOME		£
Interest on mortgages		
Interest on investments and bank deposits		
<i>Other income</i>		
.....		
.....		
EXPENDITURE		£
Interest on shares, deposits and loans		
Income tax on interest		
Management expenses		
Depreciation of fixed assets		
Mortgage losses		
<i>Other expenditure</i>		
.....		
.....		
EXCESS OF INCOME OVER EXPENDITURE		
deduct CORPORATION TAX		
SURPLUS		
Add:		
.....		
Deduct:		
.....		
NET SURPLUS TRANSFERRED TO GENERAL RESERVE		
GENERAL RESERVE AT BEGINNING OF YEAR		
GENERAL RESERVE AT END OF YEAR AS SHOWN		
IN THE BALANCE SHEET		

BALANCE SHEET

INVESTORS' BALANCES, LIABILITIES AND RESERVES

	£
Shares	
Deposits and loans (other than from banks)	
Loans and overdrafts from banks	
Taxation and other liabilities	
Deferred taxation	
Special reserves	
General reserve	

ASSETS

Mortgages	
Investments and cash	
Fixed assets	
Other assets	

SCHEDULE 2

To be submitted in duplicate

Register Number _____

Register Number _____

Annual Return for _____ Building Society

Registered Chief Office _____

Financial year ended _____

Date on which Annual General Meeting *was/will be held _____ *Delete as appropriate

Part 1

Part I
Section A[illegible]

Section B

The following details should be as at the end of the financial year:

Number of Investing Shareholders _____

Number of Borrowers _____

Number of Creditors for Deposits and Loans _____

Number of Staff employed by the Society:

	Full Time	Part Time
Chief and Administrative Offices		
Branch Offices		
Total		

Numbers of Branch Offices staffed by employees of the Society:

Open full time	
Open part time	
Total	

Number of appointed agencies _____

Part 3

Section A Investors' Balances, Liabilities and Reserves

		£
Shares (for analysis see Part 5)		
Deposits and Loans (other than from Banks) (for analysis see Part 5)		
Loans (including overdrafts) from Banks (for analysis see Part 5)		
Taxation and other liabilities:		
Liabilities falling due within the six months immediately following the end of the financial year		£
Taxation	Corporation tax for period ended _____ payable _____	
	Income tax for _____	
Other	_____	
Total within 6 Months		
Other Liabilities		
Taxation	Corporation tax for period ended _____ payable _____	
	Income tax for _____	
Other	_____	
Deferred Taxation		
Special Reserves:		
	_____ Reserve	
	_____ Reserve	
General Reserve		
Total		

Section B Assets

		£	£
Mortgage Assets:			
Balance due or outstanding on _____ mortgages (for analysis see Part 6B)			
Less provision for anticipated losses on mortgages			
Investments and Cash (for analysis see Part 10)			
Fixed Assets (for analysis see Part 4)		Chief and Admin Offices	Branch Offices
Office Premises			Total
Freehold			
Leasehold (50 or more years unexpired)			
Leasehold (less than 50 years unexpired)			
		Total	
Office and Computer Equipment			
Other fixed assets			
Other Assets:			
Total			

Part 3 continued

Section C Ratios of Reserves and Deferred Shares and of Investments and Cash at end of year

1. Assets (total from Part 3 Section B)		£	
Less: advances from H.M. Government under the House Purchase and Housing Act 1959	£		
amount by which the book value of the society's investments exceeds their market value			
Assets (as adjusted)	A		
Less: amount of any reserve set aside for a particular purpose			
Assets (as adjusted)	B		
2. Reserves (General Reserve from Part 3 Section A)			
Add: amount of any provision against depreciation of or losses on investments			
Less: amount by which the book value of the society's investments exceeds their market value			
amount (if any) recommended for distribution as interest, dividend or bonus, in respect of any part of the period covered by the annual return and not charged as expenditure			Proportion of Reserves (as adjusted) and/or Deferred Shares to Assets (as adjusted)
Reserves (as adjusted)	C		C:B %
Deferred Shares (if any)	D		D:B %
Total Reserves (as adjusted) and Deferred Shares	E		E:B %
3. Investments and Cash (from Part 3 Section B)			
Less: amount by which the book value of the society's investments exceeds their market value			Proportion of Liquid Funds to Assets (as adjusted)
loans from, and overdrafts with, the society's bankers			
taxation and other liabilities payable within 6 months			
Liquid Funds	F		F:A %

Part 4 Analysis of Fixed Assets

	Office Premises			Office and Computer Equipment	Other Fixed Assets		
	Freehold	Leasehold					
		50 or more years unexpired £	Less than 50 years unexpired £				
	£			£	£		
1. Cost or Valuation:							
At beginning of year							
Add Additions during year							
Less Disposals during year							
At end of year							
2. Depreciation:							
At beginning of year							
Add Charged in year							
Less Adjustments on disposals							
At end of year							
3. Book Amount at end of year:							
At cost or valuation							
At cost							
At valuation (state year)							
Total (as at 1 above)							
Less Depreciation at end of year (as at 2 above)							
Net Book Amount of Fixed Assets							
4 Where the market value of office premises is substantially different from the net book amount disclosed at item 3 state							
a. where office premises have been valued during the year:							
i The net book amount of the premises so valued				£			
ii The value attributed to the premises				£			
iii The bases of valuation used							
iv The names of the valuers or particulars of their qualifications							
or b. where office premises have not been valued during the year:							
i The value attributed by the directors to the premises				£			
ii The bases on which the value has been arrived at							

Part 5 Shares, Deposits and Loans

Section A Shares at end of year

Categories of Shares and description by which they are distinguished (segregate categories by original term, notice required for repayment or interest rate, or otherwise, as appropriate)	Original term and/or notice required for repayment in the ordinary course of business	Interest Rates in force at end of year %	Amount £
Total Shares			
Interest not credited to Share Capital			
Provision for Bonus under Contractual Savings Scheme			
Due to Shareholders at end of year			

Section B Deposits and Loans (other than from Banks) at end of year

Categories of deposits and loans and descriptions by which they are distinguished (segregate categories by original term, notice required for repayment or interest rate, or otherwise, as appropriate)	Original term and/or notice required for repayment in the ordinary course of business	Interest Rates in force at end of year %	Amount £
Total			
Advances from H.M. Government under House Purchase and Housing Act 1959			
Interest not credited to Deposit and Loan Accounts			
Deposits and Loans at end of year			

Part 5 continued

Section C Shares, Deposits and Loans (including overdrafts) at end of year analysed by earliest repayment dates (excluding loans from H.M. Government)

Repayable from end of year in the ordinary course of business and whether by virtue of the giving of a period of notice or otherwise	Amount		
	Shares	Deposits and Loans (other than from Banks)	Loans (including overdrafts) from Banks
	£	£	£
Shares, Deposits and Loans			
In not more than one month			
In more than one month but not more than 6 months			
In more than 6 months but not more than 12 months			
In more than 12 months			
Overdrafts			
Total			

Section D Share and Deposit and Loan Accounts Analysed by Account Balances at end of year (excluding Loans from Banks and H.M. Government)

Account Balances	Number of Accounts	
	Share	Deposit and Loan
Up to £5,000		
Over £5,000 up to £10,000		
Over £10,000 up to £20,000		
Over £20,000		
Total		

Section E Share and Deposit Holdings by Insurance Organisations related to linked life insurance schemes

	Number of Holdings	Interest Rates in force at end of year %	Amount £
Shares			
Deposits			

Section F Changes of Interest Rates for Shares, Deposits and Loans (other than from Banks and H.M Government)

Details of changes made during year in normal interest rates

Part 6 Mortgages**Section A Interest Rates (excluding special arrangements with staff)**

1 Criteria by which interest rates for repayment mortgages were determined during the year (other than by reference to size of advance)	Interest Rates in force at end of year %
2 If interest rates stated above were varied according to the size of the advance state the basis on which alternative rates were determined	
3 If interest rates stated above were varied for mortgages other than repayment mortgages (e.g. endowment mortgages) state the variation(s)	
4 Changes of interest rates for mortgages Details of changes made during the year in normal interest rates	
5 Particulars of any charges made to borrowers as consideration for advances in addition to normal interest charges	

Section B Amount outstanding at end of year classified according to interest rates charged at end of year

Interest Rates %	Amount £
Total	

Interest rate categories which individually represent less than 5 per cent of the total amount outstanding on mortgages may be aggregated provided that the aggregate does not exceed 10 per cent of the total amount outstanding

Section C

The amount outstanding at end of year included amounts due:	Number of Borrowers	Amount outstanding £	Proportion of Total Amount outstanding on Mortgages %
From persons other than bodies corporate indebted in a total amount exceeding £37,500			
From bodies corporate (other than housing associations where Section 8 of the Housing Act 1964 applies to the advance)			
Total			
From housing associations where Section 8 of the Housing Act 1964 applies to the advance			
On Mortgages on property of which the society has been more than 12 months in possession	Number of Mortgages	Amount outstanding £	
On Mortgages on property of which the society is not in possession or has been in possession for not more than 12 months, where the payments are more than 12 months in arrear			
On Mortgages on property for which Receivers or Managers have acted for more than 12 months			

Part 7 Summary of Share, Deposit and Loan, Mortgage and Investment transactions during the financial year

Balances at beginning of year	Additions during year (state total amounts added and not excess of additions over deductions)		Deductions during year (state total amounts deducted and not excess of deductions over additions)		Balances at end of year
£	£	£	£	£	£
Due to Shareholders	Subscriptions received Interest Other Credits	Total	Shares Withdrawn Interest paid out Total Other Debits	Due to Shareholders	
Advances from H.M. Gov't (House Purchase and Housing Act 1959)	Interest	Total	Repayments (including interest)	Advances from H.M. Gov't	
Due to Depositors and Loanholders (other than Banks)	Deposits and Loans received Interest Other Credits	Total	Deposits and Loans withdrawn Interest paid out Total Other Debits	Due to Depositors and Loanholders (other than Banks)	
Due on Mortgages	Advances made (for analysis see Part B) Interest charged to Borrowers Insurance premiums Other Debits	Total	*Repayments (including redemption of mortgages) Losses on Mortgages Other Credits	Due on mortgages	
Investments (excluding interest accrued)	Investments made (for analysis see Part 10B & C) Surplus on realisation Other Debits	Total	Investments realised for analysis see Part 10B & C) Deficit on realisation Depreciation Other Credits	Investments (excluding interest accrued)	
		Total	Total		

•Including interest and insurance premiums

Part 8

[illegible]

Section A Special Advances

[illegible]

Part 9 continued**Section B** Advances to Directors or Officers or to Companies in which they are interested

Particulars of:

1 Advances made during the financial year covered by the annual return to

i a company or other body corporate in which, when the advance was made, or at any later time in that financial year, a director or the manager or secretary of the society held, either directly or through a nominee, shares the nominal value of which exceeded two and a half per cent of the total paid-up share capital of the company or other body corporate, or

ii a company or other body corporate of which, when the advance was made, or at any later time in that financial year, a director or the manager or secretary of the building society was a director, general manager, secretary or other similar officer, distinguishing between

a new advances and

b transfers with the consent of the society of properties subject to mortgages in favour of the society

2 Advances made during the financial year covered by the annual return to any director or the manager or secretary of the society or to any person who, after the making of the advance, became a director or manager or the secretary of the society in that year, distinguishing between

a new advances and

b transfers with the consent of the society of properties subject to mortgages in favour of the society

	Register Number of Company	Type of Property	Valuation of Property £	Amount of Advance £	Whether new advance or transfer and any further observations	Interest rate in force at end of year %	Particulars of each Officer's Shareholdings which exceed 2½% of Total Paid-up Share Capital	
							Officer's Shareholdings in Company or other body corporate	Percentage of Officer's Shareholdings to Total Paid-up Share Capital
1 (Companies etc)								
		Total						
2 (Directors etc)	Roll Number							
		Total						

Section C

Amounts (if any) outstanding at end of year in respect of advances which, in the year in which they were made, fell within the categories described in Section B (except where the person concerned was not a director or the manager or secretary of the society at the end of the year)

	Register Number of Company	Number of Mortgages	Amount outstanding at end of year £	Interest rate in force at end of year %	Observations
1 Companies etc					
		Total			
2 Directors etc	Roll Number				
		Total			

Part 10

Section A Summary of Investments and Cash at end of year

Investments: Listed (per Part 10B)	£	£	
Unlisted (per Part 10C)			
Interest Accrued			
Cash on deposit or loan with Banks (per Part 10D item 3)			
Cash on current account and in hand			
Total Investments and Cash			

Section B Analysis of Transactions and Holdings of Listed Investments

	Made during year	Realised during year	Held at end of year		
	Purchase Price	Proceeds of Realisation	Book Amount	Market Value †	Nominal Value
1* Latest date of redemption in not more than 5 years	£	£	£	£	£
British Gov't and British Gov't Guaranteed Securities					
Local Authority Negotiable Bonds					
Other Local Authority Securities					
Other Listed Securities					
Total					
2* Latest date of redemption After 5 years but within 15 years					
British Gov't and British Gov't Guaranteed Securities					
Other Local Authority Securities					
Other Listed Securities					
Total					
3* Latest date of redemption After 15 years but within 25 years					
British Gov't and British Gov't Guaranteed Securities					
Other Local Authority Securities					
Other Listed Securities					
Total					
4* Latest date of redemption After 25 years (including undated)					
British Gov't and British Gov't Guaranteed Securities					
Other Local Authority Securities					
Other Listed Securities					
Total					
5 Total Listed (Totals of 1-4 above)					
British Gov't and British Gov't Guaranteed Securities					
Local Authority Negotiable Bonds					
Other Local Authority Securities					
Other Listed Securities					
Total					

* The period to latest date of redemption is to be counted as follows
Investments made from date of purchase
Investments realised from date of realisation
Investments held at end of year from end of financial year

† at mid-market prices adjusted for net accrued interest where appropriate

Part 10 continued
Section C Analysis of Transactions and Holdings of Unlisted Investments

	Made during year		Held at end of year
	Purchase Price		
1* Repayable in not more than 6 months	£		£
Local and other relevant authorities			
** i Temporary loans at not more than 7 days notice Period after which notice is permissible			
a Not exceeding 3 months			
b Exceeding 3 months but not 6 months			
ii Bonds and other loans			**
iii Local Authority Bills			
Treasury Bills			
Sterling Certificates of Deposit			
Other Unlisted Securities			
Total			
2* Repayable after 6 months but within 2 years			
Local and other relevant authorities			
** i Temporary loans at not more than 7 days notice Period after which notice is permissible exceeding 6 months but not one year			
ii Bonds and other loans			
Sterling Certificates of Deposit			
Other Unlisted Securities			
Total			
3* Repayable after 2 years but within 5 years			
Local and other relevant authorities			
Bonds and other loans			
Sterling Certificates of Deposit			
Other Unlisted Securities			
Total			
4* Total Unlisted			
Local and other relevant authorities	(Totals of 1-3 above)	Realised during year Proceeds of Realisation £	(Totals of 1-3 above)
** i Temporary loans at not more than 7 days notice Period after which notice is permissible		£	†
a Not exceeding 3 months			
b Exceeding 3 months but not 6 months			
c Exceeding 6 months but not one year			
ii Bonds and other loans			
iii Local Authority Bills			
Treasury Bills			††
Sterling Certificates of Deposit			
Other Unlisted Securities			
Total			
Notes	Unlisted Investments held at end of year repayable with or without notice: In not more than 7 days In more than 7 days but not more than 1 month In more than 1 but not more than 6 months Total		
* The periods to date repayable or, in respect of temporary loans, the periods after which notice is permissible are to be counted as follows: Investments made from date of purchase Investments held at end of year from end of financial year	Loans to a local or other authority realised by the exercise of a 'stress clause' (ie on the Society's demand for payment before maturity due to exceptional circumstances)		
† Where there is a change in the interest rate of an investment within this category and the other conditions remain the same the transaction need not be shown in the 'Made' and 'Realised' columns	Name of Authority Amount Repaid £		
† Realisations of temporary loans are not required to be classified according to notice	Total		
†† Excluding discount earned			
** Includes £ _____ where repayment in not more than 6 months is dependent upon the exercise of a stress clause			

Part 10 continued

Section D Particulars of Transactions etc. with Banks

1. Names of Banks in which Society's funds were held during year on current account or otherwise by way of loan (Identify any Banks dealt with overseas)	
2. Names of any authorised nominees who held investments on behalf of the society during the year	
3. Particulars of moneys held with Banks other than on current account at end of year (excluding Sterling Certificates of Deposit)	
Available with or without notice	£
In not more than 7 days	
In more than 7 days but not more than one month	
In more than one month but not more than 6 months	
In more than 6 months	
*Including £_____ held overseas by Banks	Total *
4. Particulars of loans (including overdrafts) from Banks	
Maximum indebtedness at any time during financial year	£
Overdrafts	
Other loans term agreed not exceeding 6 months	
term agreed exceeding 6 months	
Total number of days during financial year when the society was indebted	Days
Overdrafts	
Other loans term agreed not exceeding 6 months	
term agreed exceeding 6 months	

Part 11 Directors' and Employees' Emoluments etc.**Section A Directors' Emoluments, Pensions and Compensation**

	For Services as Director	For Other Services	Total
	£	£	£
1 Directors' Emoluments (including pension scheme contributions) as stated in Part 2B			
2 Directors' or past-Directors' pensions			
3 Compensation to Directors or past Directors in respect of loss of office			

Section B Further Particulars of Directors' Emoluments

Section B is not required to be completed if the Directors' Emoluments entered against item 1 of Section A do not exceed £40,000	Scale of successive integral multiples of £5,000 (Insert appropriate steps as necessary)	Number of Directors
1 Number of Directors whose several emoluments (excluding pension scheme contributions) fall within each step of the stated scale	£ 0 – 5,000 5,001 – 10,000	
2 Emoluments (excluding pension scheme contributions) of the Chairman, or, if more than one person has been Chairman during the financial year, the several emoluments of each such person so far as attributable to the period during which he was Chairman		£ Total
3 Emoluments (excluding pension scheme contributions) of the Director (if any) whose emoluments exceed the total amount entered in item 2 of this Section or, if the emoluments of each of two or more of the directors exceed the said amount, the emoluments of him (or them, in the case of equality) who had the greater, or, as the case may be, the greatest		£
4 Directors' emoluments (including pension scheme contributions) the rights to receive which have been waived and which, but for the waiver, would have fallen to be included in the amount entered against item 1 of Section A	Number of Directors	Aggregate amount of waived emoluments
		£

Section C Employees' Emoluments (excluding pension scheme contributions)

	Scale of successive integral multiples of £5,000 (Insert appropriate steps as necessary)	Number of Employees
Number of persons employed by the Society (other than Directors of the Society) whose several emoluments exceed £20,000 and fall within each step of the stated scale	£ 20,000 – 25,000 25,001 – 30,000	

Part 12 Accounting Policies

Accounting Convention

Income Tax

Corporation Tax

Deferred Tax

Fixed Assets and Depreciation

Repairs and Renewals

Investments (asset values and determination of income)

Other

Part 13

The date(s) of meeting(s) (if any) at which the board of directors considered the requirements of Section 76 of the Building Societies Act 1962 and the evidence of the manner in which the society complied therewith	Enter relevant date(s) (if any)
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Part 14

1. The date of the meeting (if any) at which the board of directors approved the annual return for the financial year ended _____ 2. Names of any directors who were specifically authorised by the board to sign the annual return	Enter relevant date (if any) Enter names (if any)								
<table><tr><td></td><td>Signature</td></tr><tr><td>Director</td><td>_____</td></tr><tr><td>Director</td><td>_____</td></tr><tr><td>Manager or Secretary</td><td>_____</td></tr></table>			Signature	Director	_____	Director	_____	Manager or Secretary	_____
	Signature								
Director	_____								
Director	_____								
Manager or Secretary	_____								

Regulation 2

SCHEDULE 3

MEANING OF DEFERRED SHARES

1.—(1) For the purposes of these Regulations, the expression “deferred shares” means shares issued by a building society on the following terms—

- (a) that no interest may be paid on the shares in any financial year until interest has been paid on all other classes of shares; and that in such case the entitlement to interest shall be no more favourable than that attaching to any other class of share; and
 - (b) that the shares carry no right to participate in the profits of the society in any financial year, until the holders of all other classes of shares have so participated; and that in such case the entitlement to participate in profits shall be no more favourable than that attaching to any other class of shares; and
 - (c) that, if share capital is to be used in order to contribute to the losses of the society, the share capital representing these shares shall be used in full before recourse is had to other share capital; and
 - (d) that, on the winding-up or dissolution of the society, the shares may not be repaid until all other classes of shares have been repaid in full; and
 - (e) that the society shall not give effect to or recognise any transfer of the shares by the person to whom they were issued; provided that this sub-paragraph shall not prevent the society from giving effect to any transmission of the shares by operation of law; and
 - (f) that, except on the winding-up or dissolution of the society, or its termination by other means, the shares may not be repaid at any time if, following such repayment, the reserves of the society, together with any remaining deferred shares, would amount to less than whichever is the greater of—
 - (i) £50,000; or
 - (ii) $2\frac{1}{2}$ per cent of its assets not exceeding £100 million, and
2 per cent of its assets exceeding £100 million but not exceeding £500 million, and
 $1\frac{1}{2}$ per cent of its assets exceeding £500 million but not exceeding £1,000 million, and
 $1\frac{1}{4}$ per cent of its assets exceeding £1,000 million.
- (2) In sub-paragraph (1)(c), (d) and (f) above—
- (a) any reference to shares includes a reference to unpaid interest on those shares; and
 - (b) in relation to such interest, any reference to repayment includes a reference to payment.

EXPLANATORY NOTE

(This Note is not part of the Regulations.)

These Regulations prescribe the form of, and the particulars to be contained in, the revenue and appropriation account and the balance sheet of a building society. They also prescribe the form of, and the particulars to be contained in, the annual return which a building society is required to make to the Chief Registrar.

The Regulations supersede the Building Societies (Accounts and Annual Return) Regulations 1976 (S.I. 1976/1935), as amended by the Building Societies (Accounts and Annual Return) (Amendment) Regulations 1980 (S.I. 1980/1472). They apply to the revenue and appropriation account, balance sheet and annual return for any financial year of a building society ending on or after 31st December 1981. They make certain changes and additions to the particulars to be contained in these documents.

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