

A.N.Z. Group Holdings Limited

Holding Company for:

**Australia and New Zealand
Banking Group Limited**

1976 Annual Report
and Notice of Annual General Meeting



A.N.Z. Group Holdings Limited

(Incorporated in Victoria)

Holding Company for:—

Australia and New Zealand Banking Group Limited

Financial Summary

	1976	1975*
Shareholders' funds	\$258,471,000	\$221,286,000
Consolidated assets	\$8,397,367,000	\$7,501,998,000
Group profit before extraordinary items	\$36,855,000	\$27,391,000
Return on shareholders' funds	14.3%	12.4%

Financial Calendar

Results

First half year results	Announced	29th April, 1976
Results for the year	Announced	29th November, 1976
Report and accounts	Circulated	22nd December, 1976
Annual General Meeting	To be held	17th January, 1977

Dividends

Interim dividend	Announced	29th April, 1976
	Paid	9th July, 1976
Recommended final dividend	Announced	29th November, 1976
	To be paid	27th January, 1977

* A.N.Z. Group Holdings Limited was incorporated in Victoria on 15th April, 1976 and under the Scheme of Arrangement dated 11th June, 1976 Australia and New Zealand Banking Group Limited and its subsidiaries became wholly-owned subsidiaries of A.N.Z. Group Holdings Limited. Comparative figures for 1975 cover the position when Australia and New Zealand Banking Group Limited was the parent company for the Group.

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Notice of Meeting

Notice is hereby given that the first Annual General Meeting of A.N.Z. Group Holdings Limited will be held at the 4th Floor, 380 Collins Street, Melbourne, on Monday, 17th January, 1977, at 2.30 p.m. for the following purposes:—

1. To receive and consider the accounts of the Company together with the Group accounts of the Company and its subsidiaries for the year ended 30th September, 1976 and the reports of the directors and auditors thereon.
2. To declare a final dividend for the year ended 30th September, 1976 as recommended by the directors and payable to members entered on the register as at 4th January, 1977.

3. To elect directors in accordance with the Company's Articles of Association.

The following directors were appointed during the year and are eligible for re-election in accordance with the Company's Articles of Association:—

Angus Mackinnon, D.S.O., M.C. (Chairman), The Hon. E. L. Baillieu, C. J. Harper, W. J. Holcroft, Sir John Holland, M. W. Jacomb, Sir Ian McLennan, K.B.E., G. M. Niall, L. M. Papps, The Right Hon. Lord Remnant, W. J. Vines, C.M.G.

4. To appoint auditors as required under Section 166(3) of the Victorian Companies Act and authorise the directors to fix the remuneration paid to such.

The firm of Peat, Marwick, Mitchell & Co., Chartered Accountants, have been nominated for appointment by a shareholder in accordance with the Victorian Companies Act and offer themselves accordingly.

5. As special business, to consider and, if thought fit, pass the following ordinary resolution:—

That in compliance with the listing agreement entered into between the Company and the London Stock Exchange it is confirmed (without limiting the generality of the directors' powers to issue shares contained in the Articles of Association of the Company) that the directors may in their discretion issue for cash, shares in the company, other than to members in proportion to their shareholdings, up to a limit of ten per centum of the nominal amount of the issued share capital of the Company which discretion is otherwise exercisable within the limitations imposed by the Official List Requirements of the Australian Associated Stock Exchanges and which is within the powers conferred on the directors by the Articles of Association of the Company.

6. To transact any other business which may be brought forward in conformity with the Articles of Association.

By Order of the Board,
L. C. Graham, *Secretary*,
Melbourne.

15th December, 1976.

Information for Shareholders

The transfer books will be closed at 5 p.m. on 4th January, 1977, to determine members' entitlements to the dividend.

A member entitled to attend and vote at the meeting is entitled to appoint not more than two proxies to attend and vote instead of the member. Where more than one proxy is appointed, each proxy must be appointed to represent a specific proportion of the member's voting rights. A proxy need not be a member of the Company. A form of proxy is enclosed.

The closing date for the receipt of nominations for the office of director is 5th January, 1977, and to be effective must be lodged with the Secretary at the Registered Office of the Company in Melbourne by that date.

Under the Official List Requirements of the Australian Associated Stock Exchanges, directors of the Company are permitted discretion to issue for cash, other than to existing shareholders, shares in the Company up to a limit of 10 per cent of its issued capital. To obtain, for the Board, London Stock Exchange approval to the exercise of this discretion, the ordinary resolution set out in item 5 must be passed annually.

Nomination of Auditors

The Secretary,
A.N.Z. Group Holdings Limited,
351 Collins Street,
MELBOURNE, 3000

Dear Sir,
I, John Gilbert May, being a member of A.N.Z. Group Holdings Limited, hereby nominate the firm Peat, Marwick, Mitchell & Co., Chartered Accountants, for appointment as auditors of the Company at the Annual General Meeting to be held on 17th January, 1977, or any adjournment thereof.

Yours faithfully,

John May

26th November, 1976.

Directors

Chairman

Angus Mackinnon, D.S.O., M.C.

Directors

The Hon. E. L. Baillieu
M. Brunckhorst
C. J. Harper
W. J. Holcroft
Sir John Holland
M. W. Jacomb
Sir Ian McLennan, K.B.E.
G. M. Niall
L. M. Papps
The Right Hon. Lord Remnant
W. J. Vines, C.M.G.

Administrative Headquarters and Registered Office

351 Collins Street,
Melbourne, Victoria, 3000

Secretary

L. C. Graham

Solicitors

Blake & Riggall

Auditors

Peat, Marwick, Mitchell & Co.

Senior Management

Managing Director

M. Brunckhorst

General Managers

T. M. Williamson
J. D. Milne

Assistant General Managers

R. T. Brunskill
R. W. Davidson
K. E. Hill
J. H. L. Holberton
A. G. Kilpatrick
V. F. Paul
M. T. Sandow
K. O. Wilks

General Manager — Europe

R. C. Wheeler-Bennett

New Zealand General Manager

K. R. Porter

For location of Senior Management
refer to pages 42 and 43.

Report of the Directors

The directors of A.N.Z. Group Holdings Limited have pleasure in presenting to shareholders the audited balance sheet and profit and loss statement of the Company as at 30th September, 1976. Consolidated balance sheet and consolidated profit and loss statement of the Company and its subsidiaries are annexed. Extracts from the accounts of the principal subsidiaries are appended for information.

Directors

The directors of A.N.Z. Group Holdings Limited in office at the date of this report are:

Angus Mackinnon, D.S.O., M.C. (Chairman), The Hon. E. L. Baillieu, M. Brunckhorst (Managing Director), C. J. Harper, W. J. Holcroft, Sir John Holland, M. W. Jacomb, Sir Ian McLennan, K.B.E., G. M. Niall, L. M. Papps, The Right Hon. Lord Remnant, W. J. Vines, C.M.G.

The directors of A.N.Z. Group Holdings Limited wish to place on record their appreciation of the following who served as directors of Australia and New Zealand Banking Group Limited during the year but retired on 30th September, 1976:

C. A. W. Dawes, M.C., A. D. Marris, C.M.G., Colonel A. T. Maxwell, T.D., P. E. Nesbit, D.S.O., R. T. Renton, D. J. Robarts, Sir Alexander Ross, R. C. Wheeler-Bennett.

Mr. C. H. Rennie retired as Managing Director of Australia and New Zealand Banking Group Limited on 31st March, 1976 and Mr. M. Brunckhorst succeeded him from 1st April, 1976.

The following directors were appointed during the year and in accordance with the Company's Articles of Association are eligible and offer themselves for re-election.

Angus Mackinnon, D.S.O., M.C., The Hon. E. L. Baillieu, C. J. Harper, W. J. Holcroft, Sir John Holland, M. W. Jacomb, Sir Ian McLennan, K.B.E., G. M. Niall, L. M. Papps, The Right Hon. Lord Remnant, W. J. Vines, C.M.G.

Mr. M. Brunckhorst was appointed during the year by the subscribers to the Memorandum of Association and consequently is not required to stand for re-election.

Activities

The principal activities of the companies in the Group during the year were trading and savings banking, hire purchase and general finance, mortgage and instalment loans, leasing, investment and portfolio management and advisory services, nominee and custodian services, travel services and international banking. Detailed activities/services are listed on page 44 of this report. No significant changes in the nature of the Group's activities have occurred during the year.

At 30th September, 1976, the Company and its subsidi-

aries had 1,295 branches, sub-branches, agencies and representative offices. These were geographically located as follows:

	Branches and Sub-Branches	Agencies
Australia	930	140
New Zealand	152	49
Papua New Guinea	6	1
Pacific Islands:		
Fiji	4	1
New Hebrides	2	—
Solomon Islands	1	—
United Kingdom:		
London	4	—
Channel Islands	1	—
North America:		
New York	—	1
Representative Offices:		
Tokyo		
Hong Kong		
Singapore		

Subsidiaries

Australia and New Zealand Banking Group (PNG) Limited was incorporated in Papua New Guinea on 28th May, 1976 as a wholly-owned subsidiary of Australia and New Zealand Banking Group Limited, with an authorised capital of K5,000,000 and issued and paid-up capital of K5 (subsequently increased to K2,000,000 on 6th October, 1976). At 30th September, 1975 the Group held a 63.21 per cent interest in 57 Willis Street Limited. During the year ended 30th September, 1976, 1,262,000 shares held by the Group were sold to outside parties to enable them to acquire interests in the building owned by the company. As a consequence of these sales the Group share interest reduced to 38.71 per cent at 30th September, 1976, but a majority of the voting rights has been maintained.

Scheme of Arrangement

Under the Scheme of Arrangement dated 11th June, 1976 Australia and New Zealand Banking Group Limited and its subsidiaries became wholly-owned subsidiaries of A.N.Z. Group Holdings Limited, a holding company formed to facilitate the transfer of residence of Australia and New Zealand Banking Group Limited from the United Kingdom to Australia.

Accounts

In accordance with an Order of the Commissioner of Corporate Affairs, Victoria, all amounts shown in this Report and the accompanying accounts have been rounded off to the nearer thousand dollars unless otherwise specifically stated.

Profits

The consolidated net profit of the Group for the year ended 30th September, 1976 after income tax and before extraordinary items amounted to \$36,855,000, an increase of \$9,464,000 on the previous year's results.

The contribution of each company in the Group to consolidated net profit (before extraordinary items), after eliminating inter-company dividends, is as follows:—

	1976 \$'000	1975 \$'000
A.N.Z. Group Holdings Limited	Nil	—
Australia and New Zealand Banking Group Limited	9,892	8,788
ANZ Custodians Limited	Nil	Nil
ANZ Discounts Limited	Nil	Nil
ANZ Holdings Limited	90	105
ANZ Investments Limited	124	68
ANZ Managed Investments Limited	8	22
ANZ Managed Investments (N.S.W.) Limited	9	10
ANZ Managed Investments (Qld.) Limited	8	7
ANZ Managed Investments (S.A.) Limited	2	9
ANZ Managed Investments (W.A.) Limited	1	1
ANZ Managed Investments (Tas.) Limited	3	2
ANZ Managed Investments (A.C.T.) Limited	Nil	Nil
ANZ Managed Investments (N.T.) Limited	Nil	Nil
ANZ Nominees Limited	Nil	Nil
ANZ Overseas Finance Limited	(3)	127
ANZ Pensions Limited	Nil	Nil
ANZ Pensions (Overseas) Pty. Limited	Nil	Nil
ANZ Properties (Australia) Limited	384	302
Australia and New Zealand Banking Group (Channel Islands) Limited	69	45
ANZ Nominees (Guernsey) Limited	Nil	Nil
ANZ Finance (Jersey) Limited	Nil	Nil
Australia and New Zealand Savings Bank Limited	7,214	4,366
ANZ Savings Bank (New Zealand) Limited	447	529
Australia and New Zealand Banking Group (PNG) Limited	Nil	—
ANZ Services Limited	Nil	Nil
Britannia Investment Company Pty. Limited	17	17
Esanda Limited	18,530	12,917
Esanda (Wholesale) Pty. Limited	Nil	Nil
Esanda Nominees Limited	Nil	Nil
ES&A Holdings Limited	8	18
ES&A Nominees (Australia) Pty. Limited	Nil	Nil
ES&A Properties (Australia) Limited	39	37
ES&A Properties (U.K.) Limited	9	18
ES&A (Security) Pty. Limited	Nil	Nil
Melbourne Safe Deposit Pty. Limited	4	3
	36,855	27,391

Dividends

The amount which the directors of A.N.Z. Group Holdings Limited recommend should be paid by way of dividend, and the amount paid by way of dividend by Australia and New Zealand Banking Group Limited to shareholders since the end of the previous financial year, are as follows:

Australia and New Zealand Banking Group Limited:

An interim dividend of 4.7p per share was paid on 9th July, 1976.

A.N.Z. Group Holdings Limited:

A final dividend in respect of the year ended 30th September, 1976 of 10 cents per share is recommended.

To determine members' entitlements to the final dividend, the transfer books will close at 5 p.m. on 4th January, 1977.

The final dividend will be recommended at the Annual General Meeting and will be payable on 27th January, 1977.

Dividends paid to or declared in favour of A.N.Z. Group Holdings Limited and Australia and New Zealand Banking Group Limited by subsidiaries between the end of the previous financial year and the date of this report are as follows:—

	Date Paid or to be Paid	Amount \$'000
(i) A.N.Z. Group Holdings Limited:		
Australia and New Zealand Banking Group Limited	15th Dec. 1976	6,009
(ii) Australia and New Zealand Banking Group Limited:		
Australia and New Zealand Savings Bank Limited	7th Oct. 1976	750
Esanda Limited	7th Oct. 1976	2,000
ANZ Holdings Limited	20th Sept. 1976	102

Reserves and Provisions

The amounts and particulars of material transfers to or from reserves or provisions by companies in the Group, other than transfers to contingencies reserves of banking companies during the year, are as follows:—

	\$'000
1. Banking companies*	
Australia and New Zealand Banking Group Limited:	
Transfer to reserve fund	4,066
Transfer to share premium reserve	10,707
Australia and New Zealand Savings Bank Limited:	
Transfer to reserve fund	6,000
2. Non-banking companies	
ANZ Savings Bank (New Zealand) Limited:	
Transfer to reserve fund	395
ANZ Holdings Limited:	
Transfer to capital reserve fund	1,830
Transfer to provision for depreciation and amortisation	155
ANZ Properties (Australia) Limited:	
Transfer to capital reserve fund	116
Transfer to provision for depreciation	446
ES&A Holdings Limited:	
Transfer to capital reserve fund	3,413
Transfer to provision for depreciation and amortisation	77
Esanda Limited:	
Transfer to general reserve	15,000
Transfer to provision for contingencies	400
Transfer to general provision for doubtful debts	580
Transfer to provision for depreciation	459

* Prescribed companies as defined in section 167C of the Victorian Companies Act.

Property Values

In the opinion of the directors, the market value of the investment in premises of the Company and its subsidiaries is currently not less than \$91 million in excess of the value shown in the balance sheet, on an existing use basis.

Share and Debenture Issues

Particulars of shares and debentures issued by companies in the Group during the year were:

1. A.N.Z. Group Holdings Limited.

On 15th April, 1976 this company was incorporated in the State of Victoria and 5 shares of \$1 each fully paid were issued at par for cash.

Subsequently on 6th August, 1976, 60,087,273 \$1 ordinary shares were issued as fully paid on the basis of three shares of \$1 each in A.N.Z. Group Holdings Limited for every two shares of £1 sterling each in

Australia and New Zealand Banking Group Limited. The issue was in accordance with the Scheme of Arrangement dated 11th June, 1976.

2. Australia and New Zealand Banking Group Limited. In May, 1976, 3,338,182 ordinary £1 fully paid shares were issued on a one-for-eleven basis at 350 pence per share. The issue was to provide for increased expansion of the business of the Bank.

3. Australia and New Zealand Banking Group (PNG) Limited. On 28th May, 1976, upon incorporation in Papua New Guinea, 5 K1 fully paid ordinary shares were issued to the subscribers. Subsequently on 6th October, 1976 a further issue of 1,999,995 K1 fully paid ordinary shares was made to the parent company to enable Australia and New Zealand Banking Group (PNG) Limited to acquire the Papua New Guinea business of Australia and New Zealand Banking Group Limited.

4. ANZ Properties (Australia) Limited. On 23rd June, 1975 a public debenture issue opened to assist in the finance of properties for use by Australia and New Zealand Banking Group Limited and its subsidiaries.

The issue closed fully subscribed on 19th November, 1975. Details of debentures issued from 1st October, 1975 to date of closure are:—

Interest Rate Per Annum	Term	Maturity Date	Amount \$'000
12%	5 years	30/9/80	4,007
12.25%	7 years	30/9/82	131
12.5%	9 years	30/9/84	107
13%	12 years	30/9/87	2,706

A special issue of Series 1 debentures was made on 19th November, 1975. Details are as follows:—

12%	5 years	30/9/80	\$250,000
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5. Esanda Limited

Australia and New Zealand Banking Group Limited took up and paid for in cash 2,000,000 \$1 fully paid shares on 28th September, 1976, to maintain an adequate capital base to service the Company's operations. Details of debenture stock and unsecured notes movements during the year are:—

	\$'000
Balance of debenture stock and unsecured notes at 30th September, 1975	498,176
Issued during the year	280,561
	<hr/>
	778,737
Redeemed during the year	105,364
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Balance of debenture stock and unsecured notes at 30th September, 1976	673,373
Loans and deposits held at 30th September, 1976	30,200
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Total borrowed funds at 30th September, 1976	703,573
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Esanda Limited is one of a number of companies which has been relieved from compliance with the requirements of sub-section 1(e) of section 162A of the Victorian Companies Act 1961 by order of the Commissioner of Corporate Affairs.

Personnel

The weekly average number of persons employed by the Company and its subsidiaries during the year and the aggregate remuneration paid were:—

Number of Employees	Aggregate Remuneration \$'000
20,093	161,291

Associated Companies

On 1st October, 1976, Crocker National Bank gave notice that its subsidiary, Crocker International Investment Corporation, intended to withdraw as a shareholder in Australian International Finance Corporation Limited. The four remaining shareholders, including Australia and New Zealand Banking Group Limited, have agreed to purchase the shares, subject to the approval of the appropriate authorities, and thus the Group's shareholding will rise from 20 per cent to 25 per cent.

On 11th November, 1976 it was announced that the Group planned to increase from 14 per cent to 72 per cent its effective interest in UDC Group Holdings Limited, through purchase of the shares presently held by United Dominion Trust in Endeavour Investments (New Zealand) Limited, which will make this latter company a wholly-owned subsidiary.

Statements Relating to the Accounts

Prior to the preparation of the Company's accounts for the year, the directors took reasonable steps to ascertain what action had been taken in relation to the writing off of bad debts and the creation of provisions for doubtful debts, and satisfied themselves that all known bad debts had been written off and adequate provisions had been made for doubtful debts.

The directors took reasonable steps, before the profit and loss accounts and the balance sheets were prepared, to ascertain that current assets were shown in the accounting records at a value equal to, or below, the value that would be expected to be realised in the ordinary course of business. In the opinion of the directors, consolidated reserves would be more than adequate to cover any contingencies which will or might arise.

At the date of this report:

(i) the directors are not aware of any circumstances which would render the amount written off for bad debts or the amount of the provision for doubtful debts for the Company and its subsidiaries inadequate to any substantial extent

(ii) the directors are not aware of any circumstances which would render the values attributed to the current assets in the accounts of the Company and its subsidiaries misleading

(iii) no charge on the assets of the Company or its subsidiaries has arisen since the end of the financial year which secures the liabilities of any other person or company

(iv) no contingent liability of the Company or its subsidiaries has arisen since the end of the financial year which has become, or is likely to become, enforceable within the next twelve months which might, in the opinion of the directors, affect the ability to meet obligations as and when they fall due

(v) the directors are not aware of any circumstances not otherwise dealt with in this report or the accompanying accounts which would render misleading any amounts stated in the accounts

(vi) the results of the operations of the Company and its subsidiaries for the year to 30th September, 1976 were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature, except as may be referred to herein or in the Chairman's Statement, commencing on page 12

(vii) in the interval between the end of the financial year and the date of this report there has not arisen any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of any company in the Group for the next succeeding financial year

(viii) no director has, since the end of the previous financial year, received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of directors' emoluments shown in the accounts or the fixed salaries of directors who are full-time employees of the Company or its subsidiaries), by reason of a contract made by the Company, or a related company, with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest with the exception of —

- (a) benefits that may be deemed to have arisen because of legal fees paid to Blake & Riggall, in which Mr. G. M. Niall is a partner, and to Bell, Gully & Co., in which Mr. L. M. Papps is a partner,
and
- (b) benefits that may be deemed to have arisen because of sub-underwriting commissions, in connection with the recent rights issue by Australia and New Zealand Banking Group Limited, paid to Hoare Govett Limited, of which The Hon. E. L. Baillieu is a principal.

Shareholdings

As at the date of this report the interests, including non-beneficial interests, of all directors in the share capital of the Company do not exceed in the aggregate five per cent.

The directors' holdings, beneficial and non-beneficial, in the share capital of the Company are detailed on page 10.

The Company has not received any notification of, nor is it aware of, any single beneficial interest of 10 per cent or more in the share capital of the Company.

Signed at Melbourne for and on behalf of the board of directors in accordance with a resolution of the directors this 30th day of November, 1976.

G. M. Niall, Director

M. Brunckhorst, Director

Analysis of Shareholdings

as at 15th November, 1976

Holdings	Accounts		Shares	
	No.	%	No.	%
Up to 500	10,036	42.7	2,693,889	4.5
501 to 1,000	6,680	28.4	4,839,883	8.1
1,001 to 5,000	5,958	25.4	10,998,112	18.3
5,001 to 10,000	355	1.5	2,418,232	4.0
Over 10,000	474	2.0	39,137,162	65.1
	23,503	100.0	60,087,278	100.0

Holders

Nominee, investment and trustee companies	1,645	7.0	22,263,589	37.1
Insurance companies	151	0.6	9,688,006	16.1
Individuals and others	21,707	92.4	28,135,683	46.8
	23,503	100.0	60,087,278	100.0

Directors' Holdings

	Beneficial As at 21st October, 1976*	Non-beneficial As at 21st October, 1976*
Angus Mackinnon	3,766	2,000
The Hon. E. L. Baillieu	756	1,229
M. Brunckhorst	409	—
C. J. Harper	—	—
W. J. Holcroft	—	—
Sir John Holland	—	—
M. W. Jacomb	465	—
Sir Ian McLennan	490	—
G. M. Niall	—	—
L. M. Papps	—	—
The Right Hon. Lord Remnant	756	—
W. J. Vines	—	—
	6,642	3,229

* These dates are in accordance with the Australian Associated Stock Exchanges official list requirements.

There were no changes in directors' shareholdings in the Company between 21st October, 1976 and 26th November, 1976.

As at 15th November, 1976, the twenty largest shareholders held 17,318,479 shares which is equal to 28.8% of the total issued capital of 60,087,278 fully paid shares of \$1 each. They were:—

Shareholder	No. of Shares	%
Barclays Bank International Limited	3,445,726	5.7
Gracechurch Trust Co. Ltd.	2,477,920	4.1
The Securities Management Trust Ltd. A.A. A/c	1,227,319	2.0
A.N.Z. Nominees Limited	1,051,393	1.7
The Pearl Assurance Co. Ltd.	1,028,398	1.7
William and Glyns Bank Ltd. BEB A/c	837,628	1.4
Legal and General Assurance Society Limited	816,790	1.4
C.T.B. Nominees Ltd. Sydney Account	749,346	1.2
Barings Nominees Limited	591,078	.9
Bank of Scotland (Stanlife) London Nominees Ltd.	563,727	.9
The National Mutual Life Association of Australasia Ltd.	536,300	.9
U.S.F. Nominees Ltd.	522,952	.9
Guardian Assurance Company Ltd.	503,002	.8
Eagle Star Insurance Co. Ltd. 'H' A/c	500,000	.8
Prudential Assurance Co. Ltd.	450,000	.7
Anglo-Australian Nominees Pty. Ltd.	430,775	.7
Regent Bank of Scotland, Nominees Ltd.	425,454	.7
The Colonial Mutual Life Assurance Society Ltd.	409,090	.7
Refuge Assurance Co. Ltd.	383,400	.6
Commercial Union Assurance Co. Ltd. A A/c	368,181	.6

Voting Rights of Shareholders

The articles provide for:—

on a show of hands: 1 vote

on a poll: 1 vote for each share held

Chairman's Statement

The decision to transfer the Bank's residence from the United Kingdom to Australia from 1st October, 1976, undoubtedly has been the major development during the year. Indeed, the decision is one of the most momentous in our Bank's long history.

As was emphasised at the time of the announcement, on 29th April, 1976, the Board believed it to be in the best interests of the Bank and its shareholders, staff and customers, for residence and incorporation to be transferred to Australia, as our administrative headquarters already were situated in Melbourne and the major part of our business is conducted in Australia.

As part of the transfer arrangements, major changes in the composition of the board of Australia and New Zealand Banking Group Limited took effect from 1st October.

At this point, I want to pay tribute to the directors who retired on 30th September — Mr. C. A. W. Dawes, Mr. A. D. Marris, Colonel A. T. Maxwell, Mr. P. E. Nesbitt, Mr. R. T. Renton, Mr. D. J. Robarts, Sir Alexander Ross and Mr. R. C. Wheeler-Bennett — and to thank them all for the contributions they made to the progress of the Bank during their various periods of board service. The service of several of the retiring directors extends well back into the history of our present banking group and its predecessor banks. The continued growth and diversification of the Bank's operations has, in no small measure, been attributable to their foresight and dedication. Mr. Wheeler-Bennett, of course, remains with us in his new capacity as General Manager-Europe.

I would like to extend a warm welcome to our new Australian and New Zealand directors. To Mr. M. Brunckhorst, who was appointed managing director from 1st April, 1976, I again express, on behalf of the Board, our good wishes for a successful term of office.

To facilitate the transfer of residence, a new Australian company, A.N.Z. Group Holdings Limited, was formed to acquire all the issued shares of Australia and New Zealand Banking Group Limited. Shareholders registered on 5th August, 1976, received three fully-paid \$1 shares in the Australian company for every two £1 shares held previously. The £1 shares of Australia and New Zealand Banking Group Limited were traded on stock exchanges in Australia, London and New Zealand for the last time on 6th August, 1976 and from 9th August, 1976 the \$1 shares of the Australian company were listed in their place.

As indicated in the Scheme of Arrangement document forwarded to shareholders on 11th June, 1976, the use of A.N.Z. Group Holdings Limited as a holding company is an interim measure designed to expedite the re-classification of shareholdings as foreign currency securities under

United Kingdom exchange control regulations. When the necessary legal work is completed, your Board will submit proposals to enable further steps to be taken to complete the transfer arrangements.

These will involve shareholders receiving Australian-denominated shares in Australia and New Zealand Banking Group Limited, the principal operating company, in exchange for their shares in A.N.Z. Group Holdings Limited.

There has been active stock exchange trading in London and Australia in the shares of the new Australian company. As a result, the proportion of the Company's issued capital registered in Australia has increased steadily.

Between 9th August and 30th September, 1976, this proportion increased from 3.1 per cent to 13.3 per cent. The proportion registered in the United Kingdom fell correspondingly from 95.0 per cent to 84.8 per cent while the proportion of shares registered in New Zealand was unchanged at 1.9 per cent. An analysis of shareholdings appears on page 10 of this report. The trend towards increased shareholdings on the Australian registers has continued since 30th September, and on 22nd November, Australian holdings were 21.3 per cent, United Kingdom holdings 76.8 per cent and New Zealand holdings 1.9 per cent.

The directors have been pleased to see the substantial increase in Australian ownership of the Bank. It is also accord with the natural wishes of the Australian authorities that a major trading bank operating in Australia should be, to a significant extent, Australian-owned.

Following the re-structuring of the Group, and the formation of A.N.Z. Group Holdings Limited as the holding company, the accounts presented in this report are the first for this Company. Comparative figures for the 1975 year are those of Australia and New Zealand Banking Group Limited and its subsidiaries. The information in this report has been presented in the manner appropriate to a group comprising banking and non-banking companies, in terms of legislation, etc., current in the State of Victoria, Australia.

The Year's Results

In view of the difficult economic conditions in the countries where most of our business is conducted, and generally increasing competition throughout the banking and finance industries, I believe the Group achieved a commendable profit increase in the latest year.

The consolidated profit after tax was \$36,855,000, an increase of 34.6 per cent on the consolidated profit reported by Australia and New Zealand Banking Group Limited in the previous year.

Our operating subsidiaries in all centres faced another year of escalating costs, pressure on margins and increased

competition for available business. Accordingly, it is pleasing to record that profits of the Trading Bank in Australia improved during the year. This, and the profit recovery by the Trading Bank in New Zealand from the low level of 1975, contributed to the increase from \$11,846,000 to \$12,744,000 in the Trading Bank's overall contribution to the profits of the Group. The Savings Bank in Australia followed last year's satisfactory profit increase with another good result. However, growth of our New Zealand Savings Bank slowed and did not match the rise in operating costs, leading to a down-turn in profits. Esanda, the Group's finance company in Australia, maintained its strong profit growth of recent years and again was a major contributor to the improved consolidated result. I will refer in more detail to the activities of the major subsidiaries later in my review.

Inflation Accounting

Before proceeding further I want to mention inflation accounting, a subject of current discussion which we are following with interest and which could have considerable impact on the reports of companies generally in the future. Much has been written in recent years about the need for a change to a form of inflation accounting. We have given detailed consideration to the various alternative bases which have been canvassed, but have deemed it appropriate, on this occasion, to continue our previous practice of presenting our accounts based on historical cost concepts. This decision has been taken largely because of the lack of general agreement on the treatment of monetary assets and liabilities and, in particular, on the application of various inflation accounting concepts to the accounts of banking and finance institutions.

Nevertheless, we are conscious of the impact which high inflation levels can have on our operations and on those of our banking customers and others with whom we have dealings. Accordingly, we shall continue to keep a close watch on developments in this field. In the case of internal management reports, forecasts etc. inflationary factors will continue to be taken into account in management decisions.

Dividends

The Board recommends that a final dividend for the year of 10 cents per share be paid on 27th January, 1977 to shareholders registered in the books of the Company at the close of business on 4th January, 1977.

Shareholders resident in Australia will receive the gross amount of this dividend. For shareholders resident outside Australia, the dividend is subject to Australian withholding tax, deductible at source. In the case of United Kingdom resident shareholders on the London register the sterling amount will be paid subject to a further deduction (currently 20 per cent) in respect of United Kingdom tax.

For shareholders on the London and Wellington registers, the final dividend will be converted at the exchange rate current on 4th January, 1977.

An interim dividend of 4.7 per cent (equivalent to 7.23 per cent gross, including the associated United Kingdom tax credit at the then current rate) was paid on 9th July, 1976 on the share capital of Australia and New Zealand Banking Group Limited, prior to the 1976 rights issue and re-structuring of the Group.

It will be recalled that the directors indicated in the circular to shareholders advising details of the Scheme of Arrangement that they expected to pay a final dividend in Australian currency of not less than 8 cents per share on the capital of A.N.Z. Group Holdings Limited. On the basis of the exchange rates at that time, this was assessed as being equivalent to a total gross distribution of 15.77 per cent for the year, compared with 14.92 per cent in 1975. Calculated on the same basis, using the proposed final dividend rate of 10 cents per share on the issued capital of the Australian company, and exchange rates current in late-November, 1976, following devaluation of the Australian and New Zealand currencies, the total amount proposed for the current year is equivalent to a notional gross dividend rate of 16.49 per cent approximately in the case of United Kingdom shareholders. For Australian and New Zealand shareholders, using exchange rates applicable at the beginning of the financial year to determine equivalent par values, the respective returns are 15.64 per cent approximately and 15.25 per cent approximately.

In 1976/77 both the interim and final dividends will be declared gross in Australian currency.

While adequacy of the level of profits earned by a company remains the main determinant of its dividend distribution policy, I can assure shareholders on behalf of the new Australian Board that your directors recognise the need for steady growth in the amount of shareholders' dividend income.

In the absence of unforeseen circumstances the Board expects to pay an interim dividend of 8 cents per share in mid-1977.

Community Relations

The Bank has continued to involve itself in various community activities wherever it conducts business. This involvement is essential if we are to understand the needs and problems of our customers, and to properly fulfil our role as a service-oriented organisation.

Commercial sponsorships form part of the Bank's community-based activities. This year in Australia our range of sponsorship interests included Mozart recitals at the

Adelaide Festival of Arts, an across-Australia aircraft race and first-grade cricket in New South Wales, where a new competition has begun for an ANZ Bank Cup.

Sponsorships undertaken in the other main centres where the Bank operates — the United Kingdom, New Zealand and the Pacific Islands — are equally diverse, but always with the common theme of community service.

The Bank also encourages staff to join service and other community organisations, and donates to many charitable, research and cultural causes.

The Australian Economy

The single most important factor affecting the state of the Australian economy (and of the banking industry) during the year was the change of Federal Government in December, 1975.

Through the December half of 1975, bank liquidity, fuelled by a large and rising Government deficit, grew to exceptionally high levels, and the rate of inflation remained excessively high.

Then in January, 1976, little more than a month after the advent of a new Liberal-National Country Party Government in Canberra, a package of restrictive monetary measures was introduced, with the main objective of lowering the inflation rate.

The package, particularly the introduction of relatively high-interest bearing Australian Savings Bonds and an increase in the agreed minimum ratio of major trading bank LGS assets (liquid assets and Government securities) to deposits from 18 to 23 per cent, caused a sharp and substantial drop in the "free" liquidity of the banking system.

As 1976 progressed, the Government expanded its attack on inflation to cover three broad fronts — the initial area of controls over the money supply, plus wage restraint and reduced growth in Government spending.

However, while close control was retained over growth in the money supply, official policy was to ensure that there was sufficient finance available to allow a gradual recovery in economic activity.

Thus, although an official ceiling has continued on the volume of new and increased overdraft approvals by trading banks, there has been some flexibility in setting the level of this ceiling.

During the June quarter of 1976, when the payment of company and provisional personal tax placed severe strains on bank liquidity, the monetary authorities also provided support through substantial Reserve Bank purchases of commercial bills and Government securities. In addition, between January and April, 1976, there was a reduction

from 7.6 per cent to 5.6 per cent in the ratio of trading bank deposits "frozen" in Reserve Bank Statutory Reserve Deposit accounts.

Reflecting official measures to restrict money supply growth, major trading bank deposits increased by only 13.5 per cent (to \$16,456 million) during the year to September. This compared with a 28.9 per cent increase in the previous year.

Total advances outstanding of the major trading banks rose by 13.0 per cent (to \$11,369 million), compared with a 14.6 per cent increase in the previous year.

By September, 1976, the Government's policies appeared to be having some effect in reducing Australia's inflation rate. Consumer prices rose 13.9 per cent in the year to September, compared with a peak rate of increase of 17.6 per cent in the year to March, 1975. Successive quarterly increases declined during this period, reaching 2.2 per cent in the September quarter of 1976.

However, while the inflation rate slowed, unemployment remained relatively high, and private fixed capital investment and national production of goods and services, particularly in the rural sector, was sluggish.

Interest rate trends during the year were dictated largely by official policy initiatives. Easy liquidity conditions in the first six months saw an easing of most rates, but after the January, 1976 monetary package there was upward pressure on rates, particularly for short terms. This trend was accentuated by the seasonal tax drain in the June quarter.

While rates payable by banks for funds declined after the June quarter, they remained relatively high, consistent with official policy. The official monetary measures of early November, and the 17.5 per cent devaluation of the Australian dollar announced on 28th November, were accompanied by further rises in interest rates on short-term Government securities and by indications that bank credit would need to be tightened progressively in 1977.

Trading Bank in Australia

In line with the industry trend, the Bank's total deposits rose only 12.7 per cent during the year, compared with an increase of 33.7 per cent in the previous year. Of our total deposits of \$3,314 million in September, 1976, 62.8 per cent were interest bearing, compared with 61.1 per cent a year earlier. With investors increasingly yield-conscious, the tendency for a higher proportion of deposits to bear interest seems likely to continue in 1976-77.

Bankcard, the Australian banks' jointly-sponsored charge card system, launched in October, 1974, made further progress during the year. By mid-November, 1976, Bankcard was operating in all Australian states and main-

land territories. The system now will direct its attention to the few remaining outback areas of Queensland and Western Australia and to a consolidation of its overall market position.

Bankcard has established a valuable new link between consumers and the Australian banking industry and has been well accepted in the market place. The number of active cardholders is more than the pre-launch target and the number of merchants is more than 20 per cent higher. Turnover also is considerably greater than pre-launch estimates. The monthly rate of growth of new account holders still is running at close to the rate immediately following the launch.

Despite this ready acceptance of Bankcard, fraud and delinquency have been encouragingly low.

A less encouraging feature is that because of increasing costs, an experience shared by service industries generally, ANZ Bankcard profitability now is expected to be achieved up to two years later than was planned originally. All participating banks are concentrating on the marketing challenge of increasing their active cardholder base while keeping a tight control over operating costs.

Computer processing in the Bank throughout Australia was extended further during the year, including commencement of operations in Queensland and South Australia. More than 64 per cent of the Bank's trading accounts now are processed by computer.

During the past year good progress also has been achieved on our new Administrative Headquarters building at Collins Place, Melbourne. It has been a period relatively free of industrial disputes. A continuation of present progress should permit us to occupy ANZ Tower in the last quarter of 1977.

Savings Bank in Australia

As I discussed earlier in this review, the Bank, in addition to performing an economic function in the community, is concerned to play a meaningful social role.

In the light of those comments, it has been gratifying to see the provision of housing loan finance by our savings bank at a relatively high level in 1975-76. In the year to September, 1976, our loan approvals for housing totalled \$228 million, which was 24.6 per cent higher than the total of \$183 million in the previous year.

A not unexpected trend has been the movement of more of our savings bank deposits into higher yielding accounts, particularly investment accounts. At 30th September, 1976, 41.5 per cent of our total savings bank deposits of \$1,485 million were in investment accounts, compared with 37.1 per cent a year earlier.

Esanda Limited

Our general finance and hire purchase subsidiary followed its record profit growth of 1974/75 with another sound performance in 1975/76, when operating profit after tax increased 43.5 per cent to \$18,530,000.

The latest profit improvement stemmed mainly from growth in receivables. In addition, gross margins improved in spite of a steady increase in the cost of funds.

The ability to hold bad debts to a relatively low level was an important factor in this year's result, as it has been in the company's performance in past years.

Net receivables at 30th September, 1976 stood at \$774 million, an increase of 33 per cent for the year. The growth was achieved in all segments of the company's business but principally in those areas associated with consumer and commercial chattel finance, such as hire purchase and leasing. Commercial and real estate finance showed moderate growth of 18 per cent for the year and at 30th September this category of loans represented some 7 per cent of total net receivables.

Directors have made provision for payment of an unchanged dividend of \$2 million to the parent Trading Bank.

Paid-up capital was increased by \$2 million to \$28.5 million during the year to support the growth of business.

Associated Companies

Australian International Finance Corporation Limited, the Bank's Melbourne-based merchant banking affiliate, had an encouraging trading improvement in the year to 30th June, 1976 when consolidated profit was \$1,177,962. This compared with a loss of \$510,980 in the previous year.

On 1st October, 1976, Crocker National Bank gave notice that its subsidiary, Crocker International Investment Corporation, intended to withdraw as a shareholder in the company. The four remaining shareholders (our Bank, Bank of Montreal, Irving Trust Company, and The Mitsubishi Bank, Limited) have agreed to purchase the Crocker shares, subject to approval by the appropriate regulatory authorities. As a result the shareholding of each of these four banks will rise from 20 per cent to 25 per cent.

On 11th November, 1976, the Bank announced plans to increase from 14 per cent to 72 per cent its effective interest in UDC Group Holdings Limited, a major, publicly-listed finance group operating throughout New Zealand. The cost of the purchase is about NZ \$5.8 million.

It is the desire of the Bank and the New Zealand authorities that the New Zealand public, who hold 28 per cent of the shares in UDC Group Holdings should, in due course, have

the opportunity to increase substantially this level of participation.

Directors are pleased to make this additional investment in a major New Zealand company which, together with associated companies, earned a trading profit of NZ \$710,000 in the year to 31st March, 1976.

New Zealand Economy

As in Australia, a change of government had an important impact on economic conditions during the year. In New Zealand's case, a National Government was elected in November, 1975 to replace the previous Labor Administration.

The Government has aimed to achieve major structural changes in the economy by reducing domestic spending and providing every encouragement to exports in an effort to offset the chronic balance of payments weakness.

Despite these measures, the terms of trade improved only marginally during the year. Strong increases in wool and meat prices were offset largely by rapidly rising import prices, particularly for machinery and transport equipment.

Trading Bank in New Zealand

As part of its programme of economic change, in March, 1976 the Government swept away many of the interest rate restrictions which have been distorting the financial sector for many years.

New measures included removal of restrictions on banks' average overdraft rates, abolition of controls on most term deposit rates and increases in yields on Government securities.

The changes gave trading banks greater freedom to compete for deposits and lending business against other financiers, and the banks have eagerly accepted this new opportunity.

In addition, the Government has sought to cut back on the lending activities of its own agencies wherever the private sector is better suited to supply funds.

In the year to September, 1976 our trading bank deposits rose by NZ\$101 million to NZ\$592 million. Our industry share eased from 22.5 per cent to 22.2 per cent, largely because of our decision not to match high interest rates offered by some other banks during March-May, when our bank enjoyed a healthy margin of liquidity.

Partly in response to the March economic package, system total lending grew during the year to September by NZ\$314 million, or 19.2 per cent (1.6 per cent in the previous year). ANZ total lending rose by 23.5 per cent (from NZ\$366 million to NZ\$451 million).

We have taken advantage of the new freedom to compete with other lenders and have moved aggressively into

untraditional, but relatively high yielding areas, such as leasing and second mortgages for housing.

Deposit rates offered by both trading and savings banks and finance companies generally have risen following the March announcements. As an earnings offset to the increased cost of funds most lending rates also have moved up.

Savings Bank in New Zealand

Savings bank investment deposit rates were increased sharply in March, 1976. A small reduction in the statutory Government security requirement on these deposits allowed the proportion of funds available for mortgage lending to rise slightly.

In the year to September, 1976 our deposits rose by NZ\$18 million, or 15.1 per cent, to NZ\$140 million. The Savings Bank's profit, after tax, fell by 11.2 per cent to NZ\$565,000.

Pacific Region

The major development in this region was the incorporation, in May, 1976, of a new company, Australia and New Zealand Banking Group (PNG) Limited, in Port Moresby, to take over operation of the Bank in Papua New Guinea from October, 1976. We welcome Mr E. D. Cleland, a long term resident of Papua New Guinea, who joins bank representatives Mr M. Brunckhorst, Mr T. M. Williamson and Mr T. A. Wightman on the board of the new company.

Europe

The seriously depressed economy of the United Kingdom, coupled with increasingly tight controls over international financing in sterling, have made conditions difficult for the London operations of the Bank. Good business in connection with trade and investment continues to be done with continental Europe, but in the general climate prevailing it has not been possible to achieve a significant overall growth of business.

Despite these adverse conditions revenue has been maintained. However rising costs continue to erode the net London contribution to overall trading bank profits. Every effort is being made to contain these costs without impairing the ability of the Bank in London to provide the skilled international services which many customers with overseas business use extensively and, I believe, find valuable.

Representation

During the past year nine new branches were opened in areas with new business and profit potential.

A total of 11 branches were closed, eight as a result of mergers. This brought to 230 the number of amalgamations since the 1970 ANZ-ES&A merger. Another 17 uneconomical

cal sub-branches and agencies were closed during the year.

Our Representative Office in New York was converted to an Agency during the year. This has resulted in our participation in a much wider range of banking services in the USA, and will contribute directly to bank profitability in the future.

The Area Banking concept has been further expanded over the year, with the establishment of Area Branches in another four centres — Auckland South, South Sydney and South Yarra and Warrnambool in Victoria. At 30th September a total of 54 branches were operating under the five Area Branches throughout Australia and New Zealand. The concept appears to have been well received by customers and staff. Over the next two years we plan to open many more Area Branches, both in Australia and New Zealand.

Senior Staff Retirements

As foreshadowed last year, Mr. C. H. Rennie retired as managing director on 31st March, 1976, so ending an outstanding career of more than 47 years in the Bank. His contribution was of the highest order, particularly during his last nine years of service, when he occupied the senior executive post in the former ANZ Bank and later the merged Bank. His dedication, wisdom and ability were vital elements in the merger planning and operation, and many staff under his control learnt to appreciate the warmth of his personality and his thoughtfulness and consideration towards them at all times. Mr. Rennie also was one of the architects and driving forces behind the successful achievement of the Bank's domicile transfer.

Mr. J. C. Paton, Assistant General Manager-Technical Services, also retired during the year. His energy and enthusiasm showed to particular advantage in the successful establishment and development of data processing in the Bank, and for this we are grateful to him.

The Board extends to both these former executives all good wishes for their retirement.

Staff

No review of this nature would be complete without a tribute to the Bank's staff. It is my pleasure to express very warmly the Board's thanks to the staff for their efforts during the past year. Faced with an ever-increasing diversity of services and advancement of technology within our industry, in line with the changing needs of customers and the public generally, our staff have continued to meet the challenges which have confronted them. They have maintained the high standard of service and dedication so vital to the success of the organisation. To every staff member, in every area of the Bank's operations, I extend the Board's appreciation and best wishes.

Outlook

The importance of controlling inflation around the world is no less critical now than when I referred to this serious problem a year ago. The urgency has increased, if anything, in Australia, which has had less success in reducing inflation than some other countries, and where the new Federal Government has made it clear that economic restrictions will not be relaxed until the rate of price increases shows an appreciable reduction.

During this testing period the Australian business sector, which supported the Government's election platform of a gradual return to economic stability, has shown some impatience in its demands for renewed expansion before the official policies of restraint have had time to take effect.

Our Bank accepts that restrained growth is an essential component of the Australian Government's long-term strategy. In this context, we note and commend the statement by the Federal Treasurer that the monetary adjustments announced on 7th November had been carefully designed to maintain the monetary environment as one in which, as promised in the Budget speech, there would be no grounds for fears of either excessive financial tightness or financial ease. However, devaluation of the Australian dollar from 29th November calls for appropriate policies to offset the risks of a surge of inflationary pressures arising from higher import prices, the resulting protective effect on local production, and the increase in Australian earnings of exporters. If, in addition to these effects, there is a renewal of capital inflow, the Government's target of controlling growth in money supply could be placed in jeopardy.

A more restrictive credit policy might then be considered necessary. But recovery of business and employment could only be inhibited by such restrictions on the availability of credit and higher costs of borrowing.

There seems little likelihood of early relief from the difficult economic conditions being experienced in Australia. In the United Kingdom and New Zealand, the other countries where we have major banking operations, similar difficulties prevail. In all centres management is active in its endeavours to cope with these conditions.

While considerable success is being achieved in the area of controllable costs, tight monetary policies and strong competition for available funds, both in Australia and New Zealand, are likely to exert pressure on margins as the current year progresses. Maintenance of profitability will present a strong challenge in the year ahead.



30th November, 1976.

Balance Sheet

at at 30th September, 1976

	1976 \$'000		1976 \$'000
Authorised Capital:		Investment in subsidiary at cost	60,087
80,000,000 shares of \$1 each	80,000	Dividend due from subsidiary	6,009
Issued Capital:			
60,087,278 shares of \$1 each fully paid	60,087		
Proposed final dividend	6,009		
	66,096		66,096

Profit and Loss Account

for the period since incorporation on 15th April, 1976 to 30th September, 1976

Proposed final dividend	6,009	Dividend due from subsidiary	6,009
	6,009		6,009

The notes appearing on pages 22-30 are an integral part of these accounts.

Consolidated Profit and Loss Statement

for the year ended 30th September, 1976

	1976		1975*	
	\$'000	\$'000	\$'000	\$'000
Banking income after eliminating intercompany transactions: Discount and interest earned, net exchange, commissions, dividends and other items, after deducting interest paid on deposits, transfers to the credit of contingencies reserves and provisions for bad and doubtful debts (Note 2)		356,574		304,813
Less: Expenses including directors' emoluments (Note 3)	312,046		265,305	
Income, land and other taxes	27,422	339,468	26,355	291,660
NET BANKING PROFITS AFTER TAXATION AND TRANSFERS TO CONTINGENCIES RESERVES		17,106		13,153
Non-banking subsidiary companies' operating profit after eliminating inter-company transactions and before income tax and extraordinary items	37,247		26,904	
Less: Income tax expense applicable thereto	17,498		12,666	
NET PROFIT FROM NON-BANKING SOURCES		19,749		14,238
GROUP PROFIT BEFORE EXTRAORDINARY ITEMS		36,855		27,391
Extraordinary items (net) — Surplus on sale of properties (Note 2)	3,289			3,072
— Deferred tax — prior period adjustment	(447)			
— Write-down of trade investment	(128)	2,714		
GROUP PROFIT AFTER EXTRAORDINARY ITEMS		39,569		30,463
Retained profits at beginning of year		12,793†		12,051
TOTAL AVAILABLE FOR APPROPRIATION		52,362		42,514
Less: Appropriations				
Transfer to reserve funds — Revenue (Note 4)	25,468		20,496	
— Capital (Note 4)	3,289		3,073	
		28,757		23,569
Dividends — interim paid by Australia and New Zealand Banking Group Limited	2,339		2,803	
— proposed final payable by A.N.Z. Group Holdings Limited	6,009	8,348	2,982	5,785
RETAINED PROFITS AT END OF YEAR		15,257		13,160

* A.N.Z. Group Holdings Limited was incorporated in Victoria on 15th April, 1976 and under the Scheme of Arrangement dated 11th June, 1976 Australia and New Zealand Banking Group Limited and its subsidiaries became wholly-owned subsidiaries of A.N.Z. Group Holdings Limited. Comparative figures for 1975 cover the position when Australia and New Zealand Banking Group Limited was the parent company for the Group.

† After adjustments for changes in rates of exchange during the year.

The notes appearing on pages 22-30 are an integral part of these accounts.

Consolidated Balance Sheet

as at 30th September, 1976

	Group Consoli- dation	Banking Companies	Holding Company and Non-Banking Companies	Group Consoli- dation	Banking Companies	Non-Banking Companies
	1976 \$'000	1976 \$'000	1976 \$'000	1975* \$'000	1975 \$'000	1975 \$'000
Authorised capital:						
80,000,000 shares of \$1 each	80,000		80,000	81,210	81,210	
Issued and paid-up capital:						
60,087,278 shares of \$1 each, fully paid	60,087		60,087	59,641	59,641	
Reserve funds (Note 4)	183,127	105,074	78,053	148,485	96,121	52,364
Profit and loss	15,257	8,236	7,021	13,160	8,672	4,488
Shareholders' funds	258,471			221,286		
Debentures and unsecured notes (Note 5)	723,961		723,961	540,861		540,861
Current, deposit and other accounts including contingencies reserves and provisions for taxation (Note 7)	6,239,476	6,053,032	186,444	5,585,564	5,428,311	157,253
Due to other banks	242,048	242,048		264,626	264,626	
Refinance for loans to customers	177,161	177,161		147,737	147,737	
Proposed final dividend	6,009		6,009	2,982	2,982	
	7,647,126			6,763,056		
Acceptances, guarantees, etc.	750,241	748,923	1,318	738,942	738,806	136
	8,397,367			7,501,998		

The notes appearing on pages 22-30 are an integral part of these accounts.

	Group Consoli- dation	Banking Companies	Holding Company and Non-Banking Companies	Group Consoli- dation	Banking Companies	Non-Banking Companies
	1976 \$'000	1976 \$'000	1976 \$'000	1975* \$'000	1975 \$'000	1975 \$'000
Notes, coin and cash at bankers	179,510	179,508	2	202,340	202,339	1
Money at call and short notice	122,268	74,793	47,475	67,013	40,648	26,365
Treasury notes and treasury bills	92,841	92,841		163,347	163,347	
Cheques in course of collection and balances with other banks	299,034	296,677	2,357	310,110	304,739	5,371
Deposits with Reserve Bank of Australia	184,234	184,234		188,125	188,125	
Investments, other than trade investments (Note 10)	1,626,260	1,551,135	75,125	1,457,695	1,386,988	70,707
Bills receivable and remittances in transit	547,986	547,986		531,252	520,052	11,200
Advances and loans, etc., less provision for doubtful debts	3,444,577	3,372,082	72,495	2,924,825	2,866,984	57,841
Loans to customers under refinance arrangements	177,161	177,161		147,737	147,737	
Accrued income and sundry accounts	54,388	53,470	918	49,158	48,389	769
Balances outstanding under hire purchase and other agreements, less deferred charges and provisions (Note 9)	744,229		744,229	564,993		564,993
Trade investments at cost, less amounts written off (Note 10)	4,318	2,456	1,862	4,576	2,567	2,009
Premises and equipment (Note 11)	170,320	61,099	109,221	151,885	49,220	102,665
	7,647,126			6,763,056		
Liabilities of customers and others for acceptances, guarantees, etc.	750,241	748,923	1,318	738,942	738,806	136
	8,397,367			7,501,998		

* A.N.Z. Group Holdings Limited was incorporated in Victoria on 15th April, 1976 and under the Scheme of Arrangement dated 11th June, 1976 Australia and New Zealand Banking Group Limited and its subsidiaries became wholly-owned subsidiaries of A.N.Z. Group Holdings Limited. Comparative figures for 1975 cover the position when Australia and New Zealand Banking Group Limited was the parent company for the Group.

Notes on the Accounts

1 Bases of Accounting

To comply with the provisions of section 167C of the Victorian Companies Act 1961 the operations of 'banking' and 'non-banking' companies have been segregated in the accounts. For this purpose a 'banking' company is a bank listed in the First Schedule of the Banking Act 1959 and comprises Australia and New Zealand Banking Group Limited and Australia and New Zealand Savings Bank Limited. A.N.Z. Group Holdings Limited and all other subsidiaries are included as 'non-banking' companies.

The Scheme of Arrangement whereby Australian dollar shares in A.N.Z. Group Holdings Limited were issued in substitution for sterling shares in Australia and New Zealand Banking Group Limited was based on an exchange rate of \$1.5 to £1. This rate varies from the exchange rate as at the balance date, and, upon consolidation of the Group's accounts, the exchange difference arising from the rate variation has been offset against the net conversion surplus transferred to contingencies reserve referred to in Note 1 (b). In the intervening period (having regard to the basis of the share substitution in terms of the Scheme of Arrangement) until completion of the transfer arrangements when shareholders will receive shares of Australian denomination in Australia and New Zealand Banking Group Limited in substitution for their shares in A.N.Z. Group Holdings Limited, the reserves and unappropriated profits of Australia and New Zealand Banking Group Limited retain their characteristics and are fully distributable.

(a) The accounts of Australia and New Zealand Banking Group Limited are prepared in sterling. Australian currency amounts are also shown and these represent conversions of the sterling amounts at the exchange rate ruling at the date of the balance sheets. Sterling amounts for the previous year have been converted at the rate of exchange ruling at 30th September, 1975.

(b) Overseas profits of Australia and New Zealand Banking Group Limited remitted to the United Kingdom during the year have been converted into sterling at the rate ruling at the date of remittance. Other overseas profits have been converted into sterling at the rates ruling at the end of the accounting period. Assets and liabilities of Australia and New Zealand Banking Group Limited which are expressed in currencies other than sterling have been converted at the rates ruling at the date of the balance sheets and the net surplus or deficiency arising from such conversions has been dealt with by transfer to contingencies reserve and, in the case of other subsidiaries, the net surplus or deficiency has been dealt with through reserves on consolidation.

(c) Premiums and discounts on dated investments are amortised from the date of purchase to maturity on a straight line basis. Realised profits and losses on sales of investments other than trade investments are taken to profit and loss account in equal instalments over five years commencing with the year in which disposal takes place. As the majority of redeemable quoted investments are normally held to or near maturity, no provision is considered necessary for any difference between the book amounts and the market values of such individual stocks quoted below book amounts at the balance date, neither have any transfers been made from reserves or out of the current year's profits to write them down, apart from the amortisation of the premium on stocks bought above par referred to above.

(d) The charge for bad and doubtful debts in the profit and loss account of Australia and New Zealand Banking Group Limited reflects the average bad debts experience of the current year and the preceding four years and the current volume of lending. Provisions for bad and doubtful debts are deducted from advances and loans in the balance sheet. Other operating subsidiaries within the Group maintain appropriate provisions against bad and doubtful debts.

(e) Expenditure on certain freehold and leasehold buildings prior to 1st October, 1972 has not been depreciated. All expenditure as from 1st October, 1972 on freehold buildings and leasehold properties with more than fifty years unexpired is depreciated on a reducing balance basis, with the exception of one building owned by Esanda Limited, which is depreciated on a straight line basis over the estimated useful life of the building. Other leaseholds are amortised on a straight line basis over the unexpired portion of the lease. Expenditure on computers and other equipment is depreciated over their estimated lives on a straight line basis.

(f) Provision has been made for Australian taxes and for United Kingdom corporation tax (less double taxation relief) and taxes payable in other overseas centres at rates applicable to profits for the year. The 1976 provision includes an appropriate adjustment for deferred taxation in each centre but excludes a net charge for deferred tax on global profits adjusted to a U.K. tax basis which was included in the 1975 figure. This charge is no longer necessary in view of the change in the Group's country of residence status and the net provision held has been written back to contingencies reserve from which it was originally established. The profit and loss account item "Income, land and other taxes" includes the provision for such taxes. It also includes land and payroll taxes incurred in Australia and other centres.

(g) Expenses include annual payment of the share of accrued pension liabilities in respect of current and past service to the trustees of staff pension funds in terms of funding arrangements made in accordance with actuaries' recommendations. The assets of the pension funds are held in trust by ANZ Pensions Limited or ANZ Pensions (Overseas) Pty. Limited and are not included in these accounts.

(h) The gross income arising from the various forms of instalment credit transactions and other credit facilities entered into by subsidiaries has generally been calculated by apportionment over the period in which the payments are due in proportion to the monthly balances outstanding. A

"financial method" is used for recording lease finance transactions for non-banking companies and accordingly these are shown in the balance sheet as receivables rather than leased assets less depreciation.

(i) The share of results of associated companies has not been included in the profit and loss account, except insofar as dividends have been received, on the grounds that the inclusion of the results would involve delay out of proportion to the value to shareholders.

(j) These financial statements have been prepared in accordance with historical cost concepts except where otherwise indicated.

2 Income

Profit from operations for the year includes the following income items:

(a) Dividends due or receivable during the year within the Group

Paid or payable by	Received or receivable by	1976 \$'000	1975 \$'000
(i) Related companies			
Australia and New Zealand Banking Group Limited	A.N.Z. Group Holdings Limited	6,009	—
Australia and New Zealand Savings Bank Limited	Australia and New Zealand Banking Group Limited	750	750
Esanda Limited	Australia and New Zealand Banking Group Limited	2,000	2,000
ANZ Holdings Limited	Australia and New Zealand Banking Group Limited	102	81
ANZ Investments Limited	Australia and New Zealand Banking Group Limited	Nil	97
ANZ Overseas Finance Limited	Australia and New Zealand Banking Group Limited	Nil	130
(ii) Other companies		299	193
(b) Profit on sale of fixed assets received by non-banking subsidiaries.		3,289	3,072

3 Expenses

Profit from operations for the year include the following expenses:

	1976 \$000	1975 \$000
(a) Depreciation and amortisation of fixed assets		
(i) Banking companies	10,040	8,157
(ii) Non-banking Companies	1,261	1,113
(b) Auditors' remuneration		
(i) Banking companies — audit of accounts	76	46
— other services	57	—
(ii) Non-banking companies — audit of accounts	54	48
— other services	171	124

The auditors did not receive any other benefits.

	1976 s'000	1975 s'000
(c) Bad debts written off and transfers to doubtful debts provisions of non-banking subsidiaries:		
Bad debts written off	962	649
General provision for doubtful debts	586	606
Provision for contingencies	400	400
Provision for identified doubtful debts	—	160
(d) Interest paid by non-banking subsidiaries to other persons	69,640	53,139
(e) There were no emoluments paid or payable to the directors of A.N.Z. Group Holdings Limited		
Emoluments of the directors of Australia and New Zealand Banking Group Limited:	£'000	£'000
Directors' fees	35	35
Other remuneration (including contributions in respect of future pensions)	136	103
Pensions and superannuation gratuities (including past directors)	130	12

Included in the above figures are the emoluments of the Chairman which (excluding contributions in respect of future pensions) were £15,000. In the 1975 year, the emoluments of the Chairman were £13,190.

Also included in the above figures are the emoluments of the highest paid United Kingdom director which (excluding contributions in respect of future pensions) were £23,195 (net £10,948 after deduction of income tax) in respect of the 1976 year, and £20,350 (net £10,910 after deduction of income tax) in respect of the 1975 year.

The total emoluments (excluding contributions in respect of future pensions) of the directors (excluding the Australian resident directors) fall within the following ranges:

	1976	1975
Up to £2,500	5	7
£2,501—£5,000	4	4
£5,001—£7,500	—	1
£7,501—£10,000	1	1
£10,001—£12,500	—	1
£12,501—£15,000	1	—
£15,001—£17,500	—	—
£17,501—£20,000	—	—
£20,001—£22,500	—	1
£22,501—£25,000	1	—

(f) Emoluments of United Kingdom employees of the Company.

The number of United Kingdom employees receiving emoluments in excess of £10,000 is shown below. Also shown is the income tax payable for 1975/6 on the maximum figure in each range together with the resultant take-home pay. For this purpose it has been assumed that the recipient is a married man with no children and no other income.

	Tax	Take-home Pay	1976	1975
£10,001—£12,500	£5,370	£7,130	15	8
£12,501—£15,000	£7,100	£7,900	6	1
£15,001—£17,500	£8,920	£8,580	1	2
£17,501—£20,000	£10,790	£9,210	2	—

4 Reserve Funds

	General Reserve \$'000	Share Premium Reserve \$'000	Capital Reserves* \$'000	Total Reserves \$'000
Australia and New Zealand Banking Group Limited				
As at 30th September, 1975†	46,084	13,517	—	59,601
Add: Appropriation from profits	4,066	—	—	4,066
Premium on issue of 3,338,182 shares	—	10,707	—	10,707
As at 30th September, 1976	50,150	24,224	—	74,374
Australia and New Zealand Savings Bank Limited				
As at 30th September, 1975	24,700	—	—	24,700
Add: Appropriation from profit	6,000	—	—	6,000
As at 30th September, 1976	30,700	—	—	30,700
ANZ Savings Bank (New Zealand) Limited				
As at 30th September, 1975†	2,368	—	—	2,368
Add: Appropriation from profit	395	—	—	395
As at 30th September, 1976	2,763	—	—	2,763
Esanda Limited				
As at 30th September, 1975	38,000	—	140	38,140
Add: Appropriation from profit	15,000	—	—	15,000
Surplus from cancellation of debenture stock and un-secured notes	—	—	3	3
As at 30th September, 1976	53,000	—	143	53,143
Other non-banking companies				
As at 30th September, 1975†	757	3,978	25,322	30,057
Add: Appropriation from profit	7	—	—	7
Surplus on sale of properties	—	—	3,289	3,289
Deferred tax provision no longer required	—	—	132	132
Total as at 30th September, 1976	764	3,978	28,743	33,485
Adjustments on consolidation — 1975	(1)	(4,767)	(5,792)	(10,560)
— 1976	(1)	(28,202)	16,865	(11,338)
Consolidated — 1975	120,926	16,198	11,361	148,485
— 1976	137,376	—	45,751	183,127

* Capital reserves include — Capital reserves
— Property reserves
— Exchange adjustment reserves

† After adjustment for changes in rates of exchange during the year.

8 Debts Receivable by Borrowing Non-banking Companies

	1976 \$'000	1975 \$'000
Within one year	506,266	386,779
Between one and two years	257,247	188,385
Between two and five years	237,265	157,064
After five years	23,162	24,578
	1,023,940	756,806
Less: Income yet to mature on amounts receivable and general provision for doubtful debts and contingencies	184,018	134,792
	839,922	622,014

9 Balances Outstanding under Hire Purchase and Other Agreements of Non-banking Companies

	1976 \$'000	1975 \$'000
Gross receivables	924,847	697,365
Less: Income yet to mature	180,618	132,372
	744,229	564,993
Gross receivables is after deducting:		
Provisions for identified doubtful debts	380	425
General provision for doubtful debts	1,900	1,320
Provision for contingencies	1,500	1,100

10 Investments

Quoted investments (excluding trade investments held by the Company and by its subsidiaries) are mainly redeemable at fixed dates within ten years and are stated in the balance sheets at cost adjusted for amortised premiums and discounts. The book amounts and valuations at middle market prices of these investments are given below.

	1976		1975	
	Book Value \$'000	Market Value \$'000	Book Value \$'000	Market Value \$'000
Investments (including trade investments) in the balance sheets comprise:				
Banking companies:				
Australia and New Zealand Banking Group Limited				
Quoted in Great Britain:				
British Government securities	1,355	1,306	1,624	1,569

	1976		1975	
	Book Value \$'000	Market Value \$'000	Book Value \$'000	Market Value \$'000
Quoted in Australia:				
Australian Government securities	745,813	732,859	666,589	641,771
Other securities	289	303	40	36
Quoted in New Zealand:				
New Zealand Government securities	70,648	65,144	70,206	68,652
Other securities	31	25	61	43
Unquoted Investments:				
Other securities	4,507		8,792	
Trade investments	2,456		2,567	
Australia and New Zealand Savings Bank Limited				
Quoted in Australia:				
Australian Government securities	257,467	241,547	230,112	208,884
Australian Semi-Government securities	17,193	16,849	11,606	10,960
Other securities	2,893	2,764	3,126	2,744
Unquoted:				
Australian Semi and Local Government securities	439,605		390,013	
Other securities	11,334		4,818	
Non-banking companies:				
Quoted:				
Australian Government, New Zealand Government and local authority securities	20,002	17,557	19,894	19,157
Other securities	1	1	56	56
Trade investments	13	5	13	4
Unquoted:				
Australian Government Securities	200			
New Zealand Government securities	50,957		47,248	
Local authority securities	3,951		3,496	
Other securities	14		14	
Trade investments	1,849		1,996	
	1,630,578		1,462,271	

11 Premises and Equipment

	1976 \$'000	1975 \$'000
(a) Banking companies:		
Freehold and leasehold premises and sites at cost or valuation, less amounts written off	7,668	5,599
Computers, furniture, office machines and other equipment at cost, less amounts written off	53,431	43,621
	61,099	49,220

		1976 \$'000	1975 \$'000
(b) Non-banking companies:			
Freehold and leasehold land and buildings at cost	110,398	101,424	
Deduct: Provision for depreciation on buildings	3,731	1,633	99,791
Furniture, fixtures and fittings at cost	3,297	3,311	
Deduct: Provision for depreciation	1,122	825	2,486
Leasehold improvements at cost	790	763	
Deduct: Provision for amortisation	411	375	388
		109,221	102,665
Total consolidated premises and equipment		170,320	151,885

Included in the freehold and leasehold premises is the cost of the investment in a subsidiary, 57 Willis Street Limited, amounting to \$1,224,000 at 30th September, 1976 (1975 \$1,424,000). The accounts of this company, which is currently developing a property in New Zealand, have not been consolidated with those of Group on the grounds of the insignificance of the amounts involved and the particular nature of the development, under which shares in the company are being transferred to outside parties. It is intended that Group will eventually retain some 15 per cent of the company's issued share capital.

12 Capital Commitments

	1976 \$'000	1975 \$'000
(a) Banking companies:		
Contracts for outstanding capital expenditure not provided for in these accounts totalled	13,797	7,629
Capital expenditure, as authorised by the directors but not contracted for, totalled	62,820	53,832
(b) Non-banking companies:		
Contracts for outstanding capital expenditure not provided for in these accounts totalled	3,625	10,689
Capital expenditure, as authorised by the directors but not contracted for, totalled	34,234	5,548

13 Contingent Liabilities

	1976 \$'000	1975 \$'000
(a) Banking companies:		
(i) Uncalled capital on trade investments amounting to	Nil	730
(ii) Australia and New Zealand Banking Group Limited has guaranteed the repayment of loans made to its customers by two subsidiaries to the extent of	983	5,279
(iii) Australia and New Zealand Banking Group Limited has guaranteed the depositors' balances with Australia and New Zealand Savings Bank Limited and with ANZ Savings Bank (New Zealand) Limited		

	1976 \$'000	1975 \$'000
(iv) Australia and New Zealand Banking Group Limited has agreed to provide funds to ANZ Properties (Australia) Limited, to meet its liabilities as they fall due, should the subsidiary have insufficient funds for that purpose		
(v) Australia and New Zealand Banking Group Limited holds forward exchange contracts for the sale of currencies which are covered to a corresponding amount by forward purchases, by arrangements with central banks and others, or by holdings of foreign currencies. The amounts represent the Australian dollar equivalent of the total liability calculated in US dollars	1,638,851	1,596,020
 (b) Non-banking companies		
Esanda Limited		
Contingent liabilities exist in respect of guarantees entered into in the ordinary course of business (including a guarantee in favour of a related company, which covers agreements relating to stock on dealers' premises and in respect of which Esanda Limited holds securities from or has claims against other parties), for which at 30th September, 1976 no provision is required to be made for the arising of any actual liability		
Maximum amount for which the company could become liable:	33,048	17,909
<hr/>		
14 Group Profit before Extraordinary Items as a Percentage of:		
	1976	1975
	%	%
Average capital employed	61.6	43.8*
Average shareholders' funds	15.4	12.8*
* These percentages have been arrived at by calculating all items in Australian currency, and no allowance has been made for exchange rate fluctuations between sterling and Australian dollars during the year.		
<hr/>		
15 Dividends and Earnings per Share		
	1976	1975
Dividend per share (gross) based on 36,720,000 shares of £1 each issued by Australia and New Zealand Banking Group Limited at 30th September, 1975 and 60,087,278 shares of \$1 each issued by A.N.Z. Group Holdings Limited at 30th September, 1976.	16.0c	24.2c
Earnings per share based on the consolidated profit before extraordinary items and on the weighted average of 37,832,727 shares (1975 36,720,000) in issue by Australia and New Zealand Banking Group Limited during the year.	97.4c	72.9c
<hr/>		
16 Subsidiary and Associated Companies and Other Trade Investments		
A list of subsidiary and associated companies and other trade investments appears on pages 38 and 39 and forms part of these Notes on the Accounts. See also Note 1 (i).		
<hr/>		
17 Material Contracts — Directors' Interests		
Details are set out in the Statements Relating to the Accounts, item (viii), on page 9.		

Statutory Statements

Statement by the Directors

We, Gerald Mansfield Niall and Mac Brunckhorst of Melbourne, being two of the directors of A.N.Z. Group Holdings Limited, do hereby state that in the opinion of the directors of A.N.Z. Group Holdings Limited, the accompanying accounts of the Company and the group accounts of the Company and its banking and other subsidiaries are drawn up in accordance with the requirements of the Companies Act 1961 of Victoria so as to give a true and fair view of:—

- (a) the profit of the Company for the period since incorporation on 15th April, 1976, and of the Company and its banking and other subsidiaries for the financial year ended 30th September, 1976 and
- (b) the state of affairs of the Company and of the Company and its banking and other subsidiaries as at 30th September, 1976

so far as they concern the members of A.N.Z. Group Holdings Limited.

Dated at Melbourne this 30th day of November, 1976 and signed in accordance with a resolution of the directors.

G. M. Niall, *Director*

M. Brunckhorst, *Director*

Statement by the Principal Accounting Officer

I, Roy Ashton, the principal accounting officer of A.N.Z. Group Holdings Limited, do hereby state that to the best of my knowledge and belief the accompanying accounts of A.N.Z. Group Holdings Limited and the group accounts of A.N.Z. Group Holdings Limited and its banking and other subsidiaries are drawn up so as to give a true and fair view of the matters required to be dealt with therein in accordance with Section 162 of the Companies Act 1961 of Victoria.

Dated at Melbourne this 30th day of November, 1976.

R. Ashton
Principal Accounting Officer
Melbourne

Auditors' Report to the Members of A.N.Z. Group Holdings Limited

1. The accounts set out on page 18, being the balance sheet and profit and loss account of A.N.Z. Group Holdings Limited, are, in our opinion, properly drawn up in accordance with the provisions of the Companies Act

1961 of Victoria and so as to give a true and fair view of:—

- (a) the state of affairs of the company as at 30th September, 1976 and of its results for the period from incorporation on 15th April, 1976 to 30th September, 1976, and
 - (b) the other matters required by Section 162 of the Act to be dealt with in such accounts.
2. The group accounts set out on pages 19 to 30, being the consolidated balance sheet and consolidated profit and loss statement of A.N.Z. Group Holdings Limited and its subsidiaries, include the accounts of certain subsidiaries, namely Australia and New Zealand Banking Group Limited and Australia and New Zealand Savings Bank Limited, which have been drawn up in accordance with the provisions of the Companies Act 1961 of Victoria in the manner authorised for a banking company, and, on this basis, the group accounts are, in our opinion, properly drawn up in accordance with the provisions of the Companies Act 1961 of Victoria and so as to give a true and fair view of:—
 - (a) the state of affairs of the group as at 30th September, 1976 and of its results for the period ended 30th September, 1976, so far as they concern members of the holding company, and
 - (b) the other matters required by Section 162 of the Act to be dealt with in such accounts.
 3. The accounting records and other records, and the registers required by the Act to be kept by the company, have, in our opinion, been properly kept in accordance with the provisions of the Act.
 4. The names of the subsidiaries of which we have not acted as auditors are set out on pages 38 to 39 and we have examined their accounts and auditors' reports thereon. We are satisfied that the accounts of the subsidiaries which are consolidated with the accounts of the holding company are in form and content appropriate and proper for the purposes of the preparation of the consolidated accounts, and we have received satisfactory information and explanations as required for that purpose. No auditor's report on the accounts of any subsidiary was made subject to any qualification or included any comment made under subsection (3) of Section 167 of the Act.

Dated at Melbourne this 30th day of November, 1976.

Peat, Marwick, Mitchell & Co.
Chartered Accountants
R. C. Dunn
Partner
Melbourne

Summary of the Audited Accounts*

as at 30th September, 1976

Board of Directors: Angus Mackinnon, *Chairman*, The Hon. E. L. Baillieu, M. Brunckhorst, *Managing Director*, C. J. Harper, W. J. Holcroft, Sir John Holland, M. W. Jacomb, Sir Ian McLennan, G. M. Niall, L. M. Papps, The Right Hon. Lord Remnant, W. J. Vines

Balance Sheet

as at 30th September, 1976

	1976		1975	
	£'000	\$'000	£'000	\$'000
Authorised capital: 50,000,000 shares of £1 each	50,000	67,770	50,000	81,210
Issued and paid up capital: 40,058,182 shares of £1 each, fully paid	40,058	54,295	36,720	59,641
Reserve funds	54,872	74,374	43,973	71,421
Profit and loss	4,820	6,533	4,577	7,433
Shareholders' funds	99,750	135,202	85,270	138,495
Amounts due to subsidiaries	46,845	63,494	23,616	38,358
Current, deposit and other accounts including contingencies reserve and provision for taxation	3,318,501	4,497,895	2,520,574	4,093,917
Due to other banks	178,580	242,048	162,927	264,626
Refinance for loans to customers	130,708	177,161	90,960	147,737
Proposed final dividend	4,433	6,009	1,836	2,982
	3,778,817	5,121,809	2,885,183	4,686,115
Acceptances, guarantees, etc.	552,548	748,923	454,874	738,806
	4,331,365	5,870,732	3,340,057	5,424,921

Profit and Loss Account

for the year ended 30th September, 1976

Transfer to reserve fund	3,000	4,066	4,000	6,497
Dividends:				
Interim — 4.7% (gross equivalent 7.23%)	1,726	2,339	1,726	2,803
Proposed final { 1975 — 5.0% (gross equivalent 7.69%) 1976 — gross	4,433	6,009	1,836	2,982
Balance carried forward	4,820	6,533	4,577	7,433
	13,979	18,947	12,139	19,715

* Abridged format for information purposes only

	1976		1975	
	£'000	₹'000	£'000	₹'000
Notes, coin and cash at bankers	42,319	57,358	45,077	73,214
Money at call and short notice	40,426	54,793	25,026	40,647
Treasury notes and treasury bills	68,026	92,203	95,617	155,301
Cheques in course of collection and balances with other banks	216,118	292,927	186,546	302,989
Statutory deposits with Reserve Bank of Australia	117,168	158,809	97,580	158,489
Loan fund accounts with Reserve Bank of Australia	18,758	25,425	18,246	29,636
Investments, other than trade investments	606,938	822,643	460,111	747,312
Bills receivable and remittances in transit	404,298	547,987	320,190	520,052
Advances and loans, etc., less provision for doubtful debts	1,991,678	2,699,521	1,429,582	2,321,928
Loans to customers under refinance arrangements	130,708	177,161	90,960	147,737
Accrued income and sundry accounts	29,056	39,382	21,669	35,194
Trade investments at cost	1,812	2,456	1,580	2,567
Investments in subsidiaries at cost	57,646	78,134	52,296	84,939
Amounts due from subsidiaries	8,788	11,911	10,399	16,890
Premises and equipment	45,078	61,099	30,304	49,220
	3,778,817	5,121,809	2,885,183	4,686,115
Liabilities of customers and others for acceptances, guarantees, etc.	552,548	748,923	454,874	738,806
	4,331,365	5,870,732	3,340,057	5,424,921
Balance brought forward from previous year	4,577	6,203	4,845	7,869
Profit for year after transfer to contingencies reserve	9,402	12,744	7,294	11,846
	13,979	18,947	12,139	19,715

Summary of the Audited Accounts*

as at 30th September, 1976

Board of Directors: M. Brunckhorst *Chairman*, R. T. Brunskill, A. G. Kilpatrick, Angus Mackinnon, J. D. Milne, T. M. Williamson *General Manager*.

Balance Sheet

as at 30th September, 1976

	1976 \$'000	1975 \$'000		1976 \$'000	1975 \$'000
Authorised capital: 14,000,000 shares of \$1 each	14,000	14,000	Cash	150	125
Issued capital: 7,500,000 shares of \$1 each, fully paid	7,500	7,500	Short term funds	20,000	—
Reserve fund	30,700	24,700	Deposits with Australia and New Zealand Banking Group Limited	21,055	18,403
Profit and loss account	1,703	1,239	Deposits with Reserve Bank of Australia	122,000	129,000
	39,903	33,439	Treasury notes	638	8,046
Deposits and other liabilities including contingencies reserve and provision for taxation	1,560,042	1,334,814	Investments:		
Proposed final dividend	750	—	Quoted:		
			Australian Government	257,467	230,112
			Other	20,086	14,732
			Market value \$261,160,000 (1975 \$222,589,000)		
			Unquoted:		
			Local and Semi-Government	442,748	390,015
			Other	8,190	4,818
			Shares in subsidiary	5,000	5,000
			Amount due from subsidiary	10,000	8,000
			Balances due by other banks	3,750	1,750
			Loans and other accounts less provision for doubtful debts	689,611	558,252
	1,600,695	1,368,253		1,600,695	1,368,253

Profit and Loss Account

for the year ended 30th September, 1976

Transfer to reserve fund	6,000	3,500	Balance brought forward	1,239	1,123
Dividend	750	750	Profit for year after transfer to contingencies reserve	7,214	4,366
Balance carried forward	1,703	1,239		8,453	5,489
	8,453	5,489			

* Abridged format for information purposes only

Summary of the Audited Accounts*

as at 30th September, 1976

Board of Directors: K. R. Porter *Chairman*, N. R. Frost *General Manager*, D. D. Hooker, Angus Mackinnon, J. A. Riddell, W. J. Sisam, T. M. Williamson.

Balance Sheet

as at 30th September, 1976

	1976 NZs'000	1975 NZs'000	1976 NZs'000	1975 NZs'000
Authorised capital: 250,000 shares of NZ\$2 each	500	500		
Issued capital: 250,000 shares of NZ\$2 each. fully paid	500	500		
Reserve fund	3,500	2,700		
Profit and loss account	538	473		
	4,538	3,673		
Deposits and other liabilities including provision for taxation	143,843	124,895		
			Deposits with Australia and New Zealand Banking Group Limited	7,522 5,230
			Investments	
			Quoted:	
			New Zealand Government Market value NZ\$22,243,000 (1975 NZ\$23,020,000)	25,343 23,905
			Unquoted:	
			New Zealand Government special stock	64,560 56,775
			Local authority	5,005 4,201
			Other	17 17
			Loans and other accounts less provision for doubtful debts	45,934 38,440
	148,381	128,568		148,381 128,568

Profit and Loss Account

for the year ended 30th September, 1976

Transfer to reserve fund	500	600	Balance brought forward	473	437
Balance carried forward	538	473	Profit for year	565	636
	1,038	1,073		1,038	1,073

* Abridged format for information purposes only

Summary of the Audited Accounts*

as at 30th September, 1976

Board of Directors: M. Brunckhorst *Chairman*, K. E. Hill *General Manager*,
A. G. Kilpatrick, J. D. Milne, K. O. Wilks, T. M. Williamson.

Balance Sheet

as at 30th September, 1976

	1976 \$'000	1975 \$'000		1976 \$'000	1975 \$'000
Authorised capital: 30,000,000 shares of \$1 each	30,000	30,000	Deposits with Australia and New Zealand Banking Group Limited	156	1,602
Issued capital: 28,500,000 shares of \$1 each, fully paid	28,500	26,500	Deposits at call and short term in- vestments	46,425	24,290
Capital reserve	143	140	Receivables less provisions and less income yet to mature \$180,618,000 (1975 \$132,372,000)	774,191	581,871
General reserve	53,000	38,000	Premises and equipment	14,347	14,695
Profit and loss account	4,793	3,263			
	86,436	67,903			
Debenture stock Maturing within one year \$102,032,000 (1975 \$63,660,000)	437,843	298,644			
Unsecured notes and deposits Maturing within one year \$181,756,000 (1975 \$156,316,000)	265,730	228,993			
Proposed final dividend	2,000	—			
Other liabilities including provision for taxation	43,110	26,918			
	835,119	622,458		835,119	622,458

Profit and Loss Account

for the year ended 30th September, 1976

Transfer to general reserve	15,000	10,000	Balance brought forward	3,263	1,920
Dividend	2,000	2,000	Profit for year	18,530	12,917
Balance carried forward	4,793	3,263	Overprovision for taxation in prior year	—	426
	21,793	15,263		21,793	15,263

* Abridged format for information purposes only

Consolidated Statement of Source and Application of Funds

for the year ended 30th September, 1976

	1976 \$'000	1975 \$'000
Source of Funds		
Consolidated profit after extraordinary items	39,569	30,463
Increases in:		
Issued capital	4,524	—
Share premium account	10,707	—
Current, deposit and other accounts, etc.	647,672	926,344
Borrowings by subsidiary companies	183,100	82,628
Decreases in:		
Notes, coin and cash at bankers	22,830	—
Money at call and short notice	—	9,310
Treasury notes and treasury bills	70,506	—
Deposits with Reserve Bank of Australia	3,891	—
Other Assets	11,334	52,221
	994,133	1,100,966
Application of Funds		
Dividends paid	8,348	5,785
Increases in:		
Notes, coin and cash at bankers	—	34,103
Money at call and short notice	55,255	—
Treasury notes and treasury bills	—	152,310
Deposits with Reserve Bank of Australia	—	80,950
Investments (other than trade investments)	168,565	416,640
Advances and loans, less provision for doubtful debts	519,752	73,484
Balances outstanding under hire purchase and other agreements	179,236	63,924
Premises and equipment	18,435	24,941
Other assets	21,964	153,621
Decreases in:		
Due to other Banks	22,578	95,208
	994,133	1,100,966

Subsidiary Companies and Group Interests

see Note 16 on page 30

	Incorporated in	Principal areas of operations	*Issued Capital
Subsidiaries			
Australia and New Zealand Banking Group Limited	Great Britain	England/Aust./N.Z./ Pacific Area	40,058,182 shares of £1
ANZ Custodians Limited	Australia	Australia	7 shares of \$1
ANZ Discounts Limited	Australia	Australia	5 shares of \$2
ANZ Holdings Limited	Great Britain	Australia/N.Z.	15,400,000 shares of £1
ANZ Investments Limited	Great Britain	International	100 shares of £1
ANZ Managed Investments Limited	Australia	Australia	209,010 shares of \$1
ANZ Managed Investments (N.S.W.) Limited	Australia	Australia	10,000 shares of \$1
ANZ Managed Investments (Qld.) Limited	Australia	Australia	16 shares of \$1
ANZ Managed Investments (S.A.) Limited	Australia	Australia	12 shares of \$1
ANZ Managed Investments (W.A.) Limited	Australia	Australia	12 shares of \$1
ANZ Managed Investments (Tas.) Limited	Australia	Australia	16 shares of \$1
ANZ Managed Investments (A.C.T.) Limited	Australia	Australia	16 shares of \$1
ANZ Managed Investments (N.T.) Limited	Australia	Australia	10 shares of \$1
ANZ Overseas Finance Limited	Great Britain	England/Aust./N.Z.	100 shares of £1
ANZ Pensions Limited	Great Britain	England/Aust./N.Z.	250,000 shares of £1
ANZ Pensions (Overseas) Pty. Limited	Australia	Australia/N.Z.	5 shares of \$2
ANZ Properties (Australia) Limited	Australia	Australia	5,000,000 shares of \$1
Australia and New Zealand Banking Group (Channel Islands) Limited	Guernsey	Channel Islands	250,000 shares of £1
ANZ Nominees (Guernsey) Limited	Guernsey	Channel Islands	1,000 shares of £1
ANZ Nominees Limited	Great Britain	England/Aust./N.Z.	1,000 shares of £1
ANZ Finance (Jersey) Limited	Jersey	Non-operative	10 shares of £1
Australia and New Zealand Savings Bank Limited	Australia	Australia	7,500,000 shares of \$1
ANZ Savings Bank (New Zealand) Limited	New Zealand	New Zealand	250,000 shares of NZ\$2
ANZ Services Limited	Australia	Non-operative	5,000 shares of \$2
Britannia Investment Company Pty. Limited	Australia	Australia	82,000 shares of \$1
Esanda Limited	Australia	Australia	28,500,000 shares of \$1
Esanda (Wholesale) Pty. Limited	Australia	Australia	50 shares of \$2
Esanda Nominees Limited	Great Britain	England	100 shares of £1
ES&A Holdings Limited	Great Britain	Australia	8,400,000 shares of £1
ES&A Nominees (Australia) Pty. Limited	Australia	Australia	50 shares of \$2
ES&A Properties (Australia) Limited	Australia	Australia	2,000,000 shares of \$1
ES&A Properties (U.K.) Limited	Great Britain	England	125,000 shares of £1
ES&A (Security) Pty. Limited	Australia	Australia	2 shares of \$2
Melbourne Safe Deposit Pty. Limited	Australia	Australia	29,000 shares of \$1
Australia and New Zealand Banking Group (PNG) Limited	Papua New Guinea	Papua New Guinea (Operative from 6/10/1976)	2,000,000 shares of K1
57 Willis Street Limited	New Zealand	New Zealand	5,151,000 shares of NZ\$1
Associated Companies			
Australian Banks' Export Re-Finance Corporation Limited	Australia	Australia	2,000,000 shares of \$1 Loan Capital \$50,170,000 Reserves \$955,214
Australian International Finance† Corporation Limited	Australia	Australia and Pacific Area	6,250,000 shares of \$1 Reserves \$1,753,000
351 Collins Street Limited	Australia	Australia	1,170,000 shares of \$2
Databank Systems Limited	New Zealand	New Zealand	200,000 shares of NZ\$1 Loan Capital NZ \$9,435,000 Reserves NZ \$1,808,839
Endeavour Investments (New Zealand) Limited†	New Zealand	New Zealand	4,000,000 shares of NZ\$1 Reserves NZ\$1,964,000
Malaysia Industrial Finance Corporation Berhad	Malaysia	Malaysia	1,350,000 shares of M\$1 Reserves M\$689,165
Melanesia International Trust Company Limited	New Hebrides	International	525,000 shares of £0.50
Interests of under 20%			
ANG Holdings Limited	Papua New Guinea	Papua New Guinea	1,766,900 ordinary shares of K1 497,000 cumulative convertible 9% preference shares of K1
Australia New Guinea Corporation Limited	Papua New Guinea	Papua New Guinea	654,500 shares of K1
Australian Innovation Corporation Limited	Australia	Australia	712,000 shares of \$1
Australian Interstate Pipe Line Company Limited	Australia	Australia	60,960 shares of \$2
Australian Resources Development Bank Limited	Australia	Australia	7,000 shares of \$1,000
Charge Card Services Limited	Australia	Australia	80,000 shares of \$1
Private Investment Company for Asia S.A.	Panama	Asia	5,760 shares of U.S.\$5,000
Society for Worldwide Interbank Financial Telecommunication	Belgium	International	16,688 shares of B.F. 5,000
South East Asia Development Corporation Berhad	Malaysia	South-East Asia	3,500,000 shares of M\$1

*Where applicable, loan capital and reserves have been shown for companies in which the Group interest in the equity capital amounts to 20 per cent or more.

Group Interest	Held by	Nature of business	Auditors
100%	A.N.Z. Group Holdings	Full range of banking services	Peat, Marwick, Mitchell & Co
100%	ANZ Banking Group	Custodian and nominee services	Deloitte Haskins and Sells
100%	ANZ Investments	Negotiation of foreign currency loans for Australian customers	Whinney Murray Ernst & Ernst
100%	ANZ Banking Group	Property owning company	Peat, Marwick, Mitchell & Co
100%	ANZ Banking Group	Holding company for subsidiary and associated company shares	Peat, Marwick, Mitchell & Co
100%	Melbourne Safe Deposit	Unit trust managers	Coopers & Lybrand
100%	ANZ Managed Investments		
100%	ANZ Managed Investments		
100%	ANZ Managed Investments		
100%	ANZ Managed Investments		
100%	ANZ Managed Investments		
100%	ANZ Managed Investments		
100%	ANZ Banking Group	Provision of foreign currency loans	Peat, Marwick, Mitchell & Co
100%	ANZ Banking Group	Management of staff pension funds	Peat, Marwick, Mitchell & Co
100%	ANZ Banking Group		Deloitte Haskins and Sells
100%	ANZ Savings Bank		Whinney Murray Ernst & Ernst
100%	ANZ Banking Group	Property owning company	Peat, Marwick, Mitchell & Co
100%	ANZ Banking Group	Full range of banking services	Peat, Marwick, Mitchell & Co
100%	ANZ Banking Group	Nominee services	Peat, Marwick, Mitchell & Co
100%	ANZ Banking Group	Nominee services	Peat, Marwick, Mitchell & Co
100%	ANZ Banking Group	Non-operative	Peat, Marwick, Mitchell & Co
100%	ANZ Banking Group	Savings banks	J. A. Hepworth and L. N. Jupp*
100%	ANZ Investments		Hunt, Duthie & Co and Hutchison Hull & Co
100%	ANZ Banking Group	Non-operative	Whinney Murray Ernst & Ernst
100%	ES&A Holdings	Property owning company	Whinney Murray Ernst & Ernst
100%	ANZ Banking Group	Hire purchase, lease, instalment and general finance facilities	Arthur Andersen & Co
100%	Britannia Investment Co.		
100%	ANZ Banking Group	Nominee services	Peat, Marwick, Mitchell & Co
100%	ANZ Banking Group	Property and investment owning company	Peat, Marwick, Mitchell & Co
100%	ANZ Banking Group	Nominee services	Deloitte, Haskins and Sells
100%	ES&A Holdings	Property owning companies	Whinney Murray Ernst & Ernst
100%	ANZ Banking Group		Peat, Marwick, Mitchell & Co
100%	ANZ Banking Group	Trustee company	Deloitte, Haskins and Sells
100%	ANZ Banking Group	Holding company for subsidiary and associated company shares	Whinney Murray Ernst & Ernst
100%	ANZ Banking Group	Full range of banking services	Peat, Marwick, Mitchell & Co
38.71%†	ANZ Banking Group	Property owning company	
21.78% 20.09%	ANZ Banking Group	Finance for Australian capital goods exports	
20%	ANZ Banking Group	Short and medium term lending and related financial services	
50%	ANZ Investments	Owner of 351 Collins Street property in Melbourne	
20%	ANZ Banking Group	Nationwide computer network jointly owned by the trading banks	
27%	ANZ Investments		
20%	ANZ Investments	Majority shareholder of UDC Group Holdings Ltd., which owns United Dominions Corporation Finance Ltd.	
22.2%	ANZ Investments	Hire purchase finance	
38.04%	ANZ Investments	Trustee, corporate and financial services.	
0.75%	ANZ Investments	A subsidiary investment holding company of ANG Corporation Ltd.	
Nil			
4.59%	ANZ Investments Melbourne Safe Deposit	Investment company	
3.51%	ANZ Banking Group		
11.11%	ANZ Investments	Finance for Australian innovations and inventions	
14.29%	ANZ Banking Group	Development and financing of oil and gas pipelines	
12.50%	ANZ Banking Group	Financing development of Australia's natural resources	
0.70%	ANZ Banking Group	Service company for administration and provision of bank charge cards	
0.06%	ANZ Banking Group	Capital investment in developing countries of Asia	
		Management of inter-bank telecommunications system	
0.86%	ANZ Investments	Investment and banking facilities in South-East Asia	

* Mr J. A. Hepworth is a partner in the firm of Deloitte Haskins and Sells and Mr L. N. Jupp is a partner in the firm of Whinney Murray Ernst & Ernst.

† See Page 5.

Ten Year Summary

The 1976 figures relate to A.N.Z. Group Holdings Limited. Where applicable figures for prior years relate to Australia and New Zealand Banking Group Limited and the combined figures for Australia and New Zealand Bank Limited and The English, Scottish and Australian Bank, Limited, and for Australia and New Zealand Savings Bank Limited and ES&A Savings Bank Limited. Prior to 1969, the figures for The English, Scottish and Australian Bank, Limited and ES&A Savings Bank Limited were as at 30th June. As a consequence of a revised format for the accounts introduced in 1973, it has been necessary to make certain adjustments to previous years' figures.

*Includes 15 months' profit for the English, Scottish and Australian Bank, Limited and subsidiary companies.

§These items show decreases on previous years' figures because of significant alterations in exchange rates.

†This figure is based on shares of \$1 each, whereas previous years' figures are based on shares of £1 each.

1967	1968	1969	1970	1971	1972	1973	1974	1975	1976
Amounts in S'millions									
56.2	51.2§	69.1	69.1	69.1	65.3§	52.1§	65.4	59.6§	60.1
118.9	114.0§	122.3	131.2	138.0	142.7	155.4	206.7	221.3	258.5
2,755.1	2,979.7	3,397.6	3,816.4	4,129.5	4,699.5	5,795.9	6,517.2	7,502.0	8,397.4
11.6	13.7	14.9*	15.8	13.7	17.1	22.3	22.6	27.4	36.9
4.6	4.0	6.6	6.9	6.9	6.5	3.8	5.9	5.8	8.3
30.1c	25.8c	20.5c	21.5c	21.5c	20.3c	11.9c	16.2c	15.8c	14.2c†
75.3c	89.0c	46.4c	49.2c	42.6c	53.2c	69.4c	61.5c	72.9c	97.4c

Amounts in S'millions									
8.9	10.7	10.9*	11.1	8.3	10.2	14.0	13.7	11.8	12.7
1,577.7	1,672.3	1,861.0	2,053.0	2,149.2	2,541.5	3,306.0	3,364.2	4,093.9	4,497.9
935.9	1,009.4	1,101.8	1,328.0	1,369.2	1,383.4	2,021.2	2,343.0	2,321.9	2,699.5

Amounts in S'millions									
1.6	2.0	2.1*	2.1	2.6	3.2	4.0	3.7	4.4	7.2
532.1	599.3	671.3	712.6	783.8	895.7	1,138.2	1,128.3	1,334.8	1,560.0
136.8	171.3	208.8	236.9	267.1	299.8	382.8	469.1	558.3	689.6

Amounts in S'millions									
2.3	2.5	4.0*	3.5	4.2	5.8	6.4	7.1	13.3	18.5
91.3	118.2	136.9	178.1	214.0	236.2	302.7	458.1	527.6	703.6
111.4	140.7	163.0	208.3	250.9	279.2	357.7	538.5	622.5	835.1

Amounts in N.Z. S'millions									
0.1	0.2	0.2	0.3	0.3	0.3	0.5	0.6	0.6	0.5
53.1	65.8	78.3	88.5	88.3	94.2	112.5	114.4	124.9	144.2
4.8	5.9	8.2	11.3	12.2	17.0	23.6	31.2	38.4	45.9

1967 68 69 70 71 72 73 74 75 76

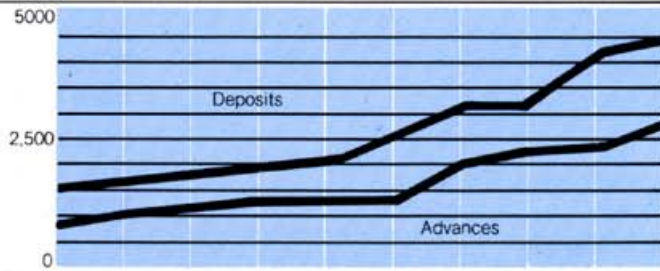
Consolidated

Paid-up capital
 Total shareholders' funds
 Total consolidated assets
 Consolidated profit
 Dividends paid
 Dividends per share
 Earnings per share (on average capital)



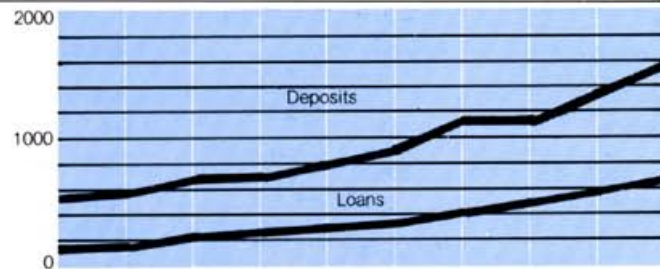
Trading Bank

Net profit
 Deposits and other accounts
 Advances, loans etc.



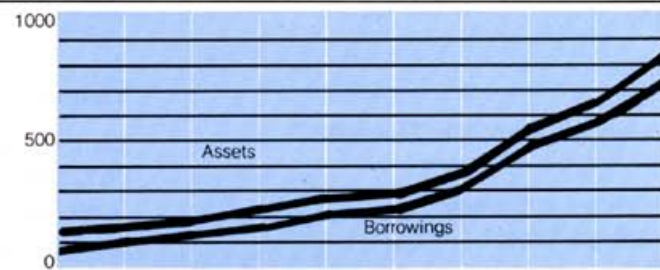
Australian Savings Bank

Net profit
 Deposits and other accounts
 Loans and other accounts



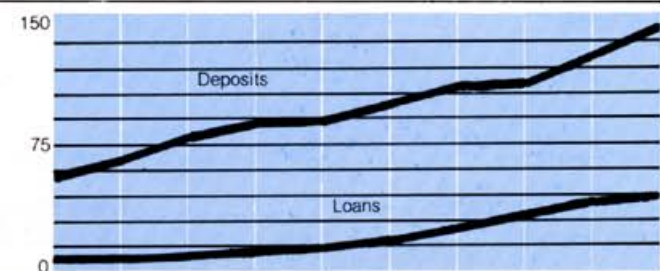
Esanda

Net profit
 Total borrowings
 Total assets



New Zealand Savings Bank

Net profit
 Deposits and other accounts
 Loans and other accounts



1967 68 69 70 71 72 73 74 75 76

Principal Establishments

Administrative Headquarters

351 Collins Street, Melbourne, Victoria

Managing Director: M. Brunckhorst

General Managers:

T. M. Williamson *Branch Banking*

J. D. Milne *Corporate Banking*

Assistant General Managers:

R. T. Brunskill, R. W. Davidson

K. E. Hill *General Manager, Esanda Limited*

J. H. L. Holberton *General Manager, International*

A. G. Kilpatrick, V. F. Paul, K. O. Wilks

Controller: R. Ashton

Secretary: L. C. Graham

Victoria

Administrative Offices:

287 Collins Street, Melbourne

State Manager: W. F. Hall

Principal Banking Offices in Melbourne:

388 Collins Street

Manager: J. W. Riddell

394 Collins Street

Manager: J. M. Gibson

Stock Exchange Branch, 351 Collins Street

Manager: J. W. Keck

New South Wales

Administrative Offices:

20 Martin Place, Sydney

Assistant General Manager and State Manager:

M. T. Sandow

Principal Banking Offices in Sydney:

Martin Place and George Street

Manager: A. A. Watts

Pitt and Hunter Streets

Manager: E. F. Southwood

Australian Capital Territory

Principal Banking Office in Canberra:

City Walk and Ainslie Avenue

Manager: J. R. Carey

Queensland

Administrative Offices:

324 Queen Street, Brisbane

State Manager: K. A. Esdale

Principal Banking Office in Brisbane:

Queen and Creek Streets

Manager: J. R. Quirk

South Australia

Administrative Offices:

75 King William Street, Adelaide

State Manager: K. G. Crellin

Principal Banking Office in Adelaide:

King William and Currie Streets

Manager: B. L. Arthur

Western Australia

Administrative Offices:

84 St. George's Terrace, Perth

State Manager: C. J. McCubbing

Principal Banking Office in Perth:

84 St. George's Terrace

Manager: M. A. Gauntlett

Tasmania

Administrative Offices:

86 Collins Street, Hobart

State Manager: H. V. Newcombe

Principal Banking Office in Hobart:

103 Macquarie Street

Manager: G. F. Leamon

Northern Territory

Main Banking Office:

43 Smith Street, Darwin

Manager: J. C. Hammer

New Zealand

Administrative Offices:
196 Featherston Street, Wellington
New Zealand General Manager: K. R. Porter

Principal Banking Offices:
Wellington
Lambton Quay and Featherston Street
Manager: T. N. Bright

Auckland
Queen and Victoria Streets
Manager: J. A. Mace

Christchurch
85 Hereford Street
Manager: J. S. Clark

Dunedin
Princes and Liverpool Streets
Manager: R. J. Hogan

Papua New Guinea

Administrative Offices and Main Banking Office:
A.N.G. House, Hunter Street, Port Moresby
Chief Manager: T. A. Wightman

Pacific Islands

Administrative Offices:
351 Collins Street, Melbourne
Regional Manager: A. E. Higgins

Main Banking Offices:
Fiji—Suva
Victoria Parade
Manager: A. G. Kirkland

Solomon Islands—Honiara
Mendana Avenue
Manager: J. P. Kent

New Hebrides—Vila
Rue Higginson
Manager: P. K. Treleaven

Hong Kong

Representative Office:
Room 811, Hutchison House, Harcourt Road,
Central, Hong Kong
Representative: B. R. Mulligan

Japan

Representative Office:
Room 1109, New Yurakucho Building,
12-1 Yurakucho, 1-Chome,
Chiyoda-ku, Tokyo
Representative: J. S. L. Hardie

North America

Agency:
63 Wall Street, New York
Chief Agent: T. G. Williams

Singapore

Representative Office:
Suite 601, Sixth Floor, Ocean Building,
Collyer Quay, Singapore 1
Representative: R. C. Thomas

United Kingdom and Europe

Administrative Offices:
71 Cornhill, London, EC3V 3PR
General Manager—Europe: R. C. Wheeler-Bennett
Chief Manager in London: N. V. Pinks
Deputy Chief Managers: C. H. Bennett, R. W. J. Horne

Principal Banking Office in London:
71 Cornhill, London, EC3V 3PR
Manager: J. D. Sanders

Share Registers

VICTORIA (Principal Register)
394 Collins Street, Melbourne, 3000

NEW SOUTH WALES
20 Martin Place, Sydney, 2000

QUEENSLAND
324 Queen Street, Brisbane, 4000

SOUTH AUSTRALIA
75 King William Street, Adelaide, 5000

WESTERN AUSTRALIA
84 St. George's Terrace, Perth, 6000

TASMANIA
86 Collins Street, Hobart, 7000

AUSTRALIAN CAPITAL TERRITORY
City Walk and Ainslie Avenue, Canberra, 2600

NEW ZEALAND
196 Featherston Street, Wellington

ENGLAND
71 Cornhill, London, EC3V. 3PR

Group Services

Branch Banking

Personal

Cheque accounts.
Interest bearing term deposit accounts.
Savings investment accounts.
Interest bearing savings accounts for individuals, clubs etc.
Trust accounts.
Christmas Club and other special purpose savings schemes.
Personal loans/overdrafts.
Loans for housing.
Loans for semi-government instrumentalities, municipal bodies and schools.
Bankcard.
Safe custody of documents and valuables.
Night safe and safe deposit facilities.
Periodical payments—domestic and overseas.
Cash dispensing machines.
Travellers' cheques.
Provision of foreign currency, money transfers.
Deduction-from-wages savings schemes.
Savings bank agents in local retail centres.
Comprehensive travel service.
Migrant advisory centres in Australia and New Zealand.
Migrant services in the United Kingdom and Europe.

Commercial

Negotiable and convertible certificates of deposit.
Commercial/documentary letters of credit.
Commercial bill financing.
Bill collection/discounting and negotiation.
Foreign exchange dealings and forward exchange contracts.
Bridging finance.
Term loans.
Farm development loans.
Leasing.
Economic research and information service.
Introductions to overseas parties for trade purposes.
Information on Government assistance to exporters.
Economic and business advisory services covering mining, rural and industrial undertakings.
Payroll services and direct crediting of salaries.

Corporate Banking

Corporate financing.
Financing of international trade.
Provision of euro-currency and foreign currency finance.
Advice on import and export procedures.
Overseas remittances.
Consortium and project financing.
Business development and trade enquiry services.
Oil and minerals services.
Merchant banking associate.

Investment

Nominee services.
Portfolio management.
Public retirement funds for employees and self-employed.
Management of company superannuation funds.
Bearer depository receipt service to facilitate dealings in Australian securities in the United Kingdom.
Registrar services.
Purchase and sale of investments.
Issue of debentures and unsecured notes in wholly-owned subsidiary companies.
Investment of short, medium and long term funds.
Banker to public loans and share issues.

Esanda—Finance

Instalment credit plans.
Hire purchase for motor vehicles, plant and machinery, domestic goods, caravans.
Leasing of motor vehicles and industrial plant.
Real estate, housing finance.
Business loans for expansion projects or working capital.
Discounting.

