

Australia and New Zealand Banking Group Limited

1977 Annual Report
and Notice of Annual General Meeting



Contents

Financial Summary	1
Financial Calendar	1
Directors and Senior Management	2
Notice of Meeting	3
Directors' Report	4
Statutory Information	9
Analysis of Shareholdings	14
Statutory Accounts	15
Notes on the Accounts	20
Statutory Statements	28
Auditors' Report	29
Accounts of Principal Subsidiaries	30
Statement of Source and Application of Funds	33
Subsidiary Companies and Group Interests	34
Ten Year Summary	36
Principal Establishments	38
Group Services	40

Australia and New Zealand Banking Group Limited

(INCORPORATED IN VICTORIA)

Financial Summary

	1977	1976*
Shareholders' funds	\$324,977,000	\$258,471,000
Consolidated assets	\$9,521,329,000	\$8,397,367,000
Group profit before extraordinary items	\$43,717,000	\$36,855,000
Return on shareholders' funds	13.4%	14.3%
Earnings per share (average for year)	65.6c	64.9c
Dividends per share	20.0c	N.A.†

Financial Calendar

Results

First half year results	Announced	17th May, 1977
Results for the year	Announced	21st November, 1977
Report and accounts	Circulated	21st December, 1977
Annual General Meeting	To be held	16th January, 1978

Dividends

Interim dividend	Announced	17th May, 1977
	Paid	8th July, 1977
Recommended final dividend	Announced	21st November, 1977
	To be paid	26th January, 1978

* The 1976 figures cover the position when A.N.Z. Group Holdings Limited was the parent company for the Group.

† Not available on a strictly comparable basis.

DIRECTORS

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

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. Ashton
R. T. Brunskill
K. E. Hill
J. H. L. Holberton
A. G. Kilpatrick
C. W. McInnes
M. T. Sandow
K. O. Wilks

General Manager — Europe

R. C. Wheeler-Bennett

New Zealand General Manager

B. B. Dickinson

For location of Senior Management
refer to pages 38 and 39.

NOTICE of MEETING

Notice is hereby given that the ninth Annual General Meeting of Australia and New Zealand Banking Group Limited will be held at the 4th Floor, 380 Collins Street, Melbourne, on Monday, 16th January, 1978, at 11.30 a.m. for the following purposes:—

Ordinary Business

1. To receive and consider the financial accounts of the Company together with the Group accounts of the Company and its subsidiaries for the year ended 30th September, 1977 and the reports of the directors and auditors thereon.
2. To declare a final dividend for the year ended 30th September, 1977 as recommended by the directors and payable to members entered on the register as at 4th January, 1978.
3. To elect directors:
Mr. M. W. Jacomb, Mr. Angus Mackinnon and The Right Hon. Lord Remnant retire by rotation in accordance with the Company's Articles of Association and, being eligible, offer themselves for re-election.
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. To transact any other business which may be brought forward in conformity with the Articles of Association.

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 cent 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.

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

6th December, 1977.

Information for Shareholders Share Register

The transfer books of the Company will be closed at 5 p.m. on 4th January, 1978, to determine members' entitlements to the dividend.

Proxies

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 members' voting rights. A proxy need not be a member of the Company. A form of proxy is enclosed.

In order to be valid, forms of proxy (properly completed) must be lodged at the respective offices of the Company referred to below not less than 48 hours before the time appointed for the meeting.

- (i) In the case of members registered on any of the Australian Registers of the Company, at the Transfer Office of the Company at 394 Collins Street, Melbourne, Victoria, Australia;
- (ii) In the case of members registered on the New Zealand Register of the Company, at the Branch Share Register Office of the Company at 196 Featherston Street, Wellington, New Zealand;
- (iii) In the case of members registered on the London Register of the Company, at the Branch Share Register Office of the Company at 71 Cornhill, London EC3V 3PR, England.

Where a member wishes to appoint a second proxy a further form of proxy will be required and may be obtained on application to the Company.

Nomination of Director

The closing date for the receipt of nominations for the office of director is 4th January, 1978, and to be effective must be lodged with the secretary at the Registered Office of the Company in Melbourne by that date.

Special Business

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 ten per cent of its issued capital. To obtain, for the Board, London Stock Exchange approval for the right to exercise this discretion the ordinary resolution set out under Special Business must be passed annually.

Nomination of Auditors

The Secretary,
Australia and New Zealand Banking Group Limited
351 Collins Street,
MELBOURNE, 3000

Dear Sir,

I, Clive Wallace Smith, being a member of Australia and New Zealand Banking Group 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 16th January, 1978, or any adjournment thereof.

Yours faithfully,

Clive Wallace Smith

22nd November, 1977.

DIRECTORS' REPORT

Sir Ian McLennan was appointed chairman of the Bank from 1st October, 1977, in succession to Mr. Angus Mackinnon. Mr. Mackinnon presided over the Bank's affairs during some of the most eventful years in its history, and we are grateful to him for the leadership he provided during this period.

In view of Mr. Mackinnon's close association with the historic transfer of the Bank's domicile from the United Kingdom to Australia, it was fitting that the transfer was completed on 30th September, 1977, the day he stepped down as chairman. We are fortunate that he has agreed to remain on the board.

The final stage of the domicile transfer was the granting of approval by shareholders and the Supreme Court of Victoria of a scheme of arrangement under which shareholders received one \$1 share in Australia and New Zealand Banking Group Limited for each one \$1 share held previously in A.N.Z. Group Holdings Limited, the holding company formed to facilitate the transfer. The holding company has since been dissolved.

From 3rd October, 1977, the Australian-denominated shares in Australia and New Zealand Banking Group Limited have been listed on stock exchanges in Australia, New Zealand and London.

The extent of the relocation of our capital base is reflected in the fact that at 30th September, 1977, 50.1 per cent of the issued shares were registered in Australia, compared with only 13.3 per cent at 30th September, 1976, and about 3 per cent at the time the transfer of domicile was announced in April, 1976.

Although a proportion of the shares now registered in Australia are beneficially owned in the United Kingdom, the rate of increase in "genuine" Australian ownership of the Bank has been gratifying and certainly much quicker than was originally expected.

Another aspect of the new era the Bank is entering is its prospective move to new Administrative Headquarters at Collins Place, Melbourne. Unfortunately, we did not occupy Collins Place this year, as expected, because the project encountered unprecedented industrial problems. Union bans, limitations and strikes in the year under review resulted in a 38 per cent loss of potential production time — equivalent to two days in every five. We now look forward to occupying ANZ Tower at Collins Place during the first half of 1978.

It is appropriate to comment also on the nature of the Bank's involvement at Collins Place. The AMP Society, not the Bank, is the owner of the project. The Bank will be leasing ANZ Tower at a rental based on the cost of the completed tower, and we in turn will be sub-letting 24 of the 46 floors not required for our own use. ANZ's only capital cost will be for the fittings used in the building by the Bank and for the upgrading of services for bank use. Occupation of Collins Place is a key to our plans to consolidate our three major branches in the Queen and Collins Streets area, which will produce worthwhile cost savings.

The Year's Results

The group trading results for the year under review are regarded as satisfactory in view of the subdued economic

climate prevailing for most of the period, particularly in Australia and New Zealand, and the continuation of keen competition in the banking and finance industries wherever we operate.

The consolidated profit after tax was \$43,717,000, an increase of \$6,862,000 or 18.6 per cent over the profit of \$36,855,000 earned in the previous year. All major subsidiaries achieved profit increases.

Profit of the Trading Bank, excluding subsidiary company dividends, increased to \$10,907,000 from \$9,892,000 in 1976, mainly reflecting improved earnings from the United Kingdom and the North American operations. The increase in the Australian company tax rate from 42.5 per cent to 46 per cent, announced in the 1977-78 Budget, significantly affected the profits of our major operations in Australia. Manufacturing, trading, and retail companies were able to reduce their effective tax rates because of trading stock valuation adjustments, but banking and finance companies were not able to derive any significant benefit.

The Savings Bank in Australia continued its strong profit growth with a 38.2 per cent increase to \$9,972,000 and a moderate increase of 5.1 per cent to NZ\$595,000 was achieved by the New Zealand Savings Bank.

Esanda, the Australian finance subsidiary, achieved a satisfactory profit increase of \$1,685,000 (9.1 per cent) to \$20,215,000.

Consolidated profits benefited by the inclusion of the Group's share of six months' profits of the UDC finance group in New Zealand, following the acquisition of an effective 72 per cent interest during the year.

Dividends

The Board recommends that a final dividend for the year of 12 cents per share be paid on 26th January, 1978 to shareholders registered in the books of the Bank at the close of business on 4th January, 1978.

For shareholders resident outside Australia, the dividend is subject to Australian withholding tax, deductible at source. United Kingdom resident shareholders on the London register will be paid the sterling amount, subject to a further deduction (currently 19 per cent) in respect of United Kingdom tax.

The final dividend payable to shareholders on the London and Wellington registers will be converted at the exchange rate current on 4th January, 1978.

An interim dividend of 8 cents per share was paid on 8th July, 1977 on the capital of A.N.Z. Group Holdings Limited (the March, 1977 new issue shares ranked for one half of this dividend) and thus the total distribution for the year will be 20 cents per share.

Operations

In Australia it has been difficult to obtain a reasonable return on funds invested from traditional banking activities, particularly in the Trading Bank. The basic reason for this is that while the banks' two major cost items — interest charges and personnel costs — have risen inexorably, the banks' ability to generate commensurate increases in income has been restricted by official constraints which bear heavily on the banking system and stimulate competition from the non-banking financial sector.

Directors' Report *continued*

On the cost side, the Bank can do relatively little to escape the impact of higher interest charges, as the rates it pays for deposits generally reflect market forces. However in the other major cost area, personnel and associated charges, increases have been kept to tolerable levels.

Staff at 30th September, 1977, totalled 21,179, compared with 21,028 a year earlier, and there has been little expansion in numbers since 1974 when the total was 20,846. Australian staff accounted for 17,362 of the latest total and New Zealand staff 2,679.

Containment of staff numbers reflects in part the running off of excess capacity created by the 1970 merger. However revised organisational procedures have made a major contribution as has a substantial capital investment in data processing equipment, which is referred to later.

As a result of cost pressures and the need to "streamline" their operations, and to meet the changing face of the market place, Australian banks are developing a dual character. They are continuing their traditional role as custodians of the money transfer system and providers of retail banking services, but are also developing a greater role in financial intermediation or "wholesale" banking. We believe the need to achieve greater efficiencies in performing their relatively costly, traditional role will lead banks to further rationalise their branch networks. The public also face higher charges arising from the costs of running the payments system, which previously has been heavily subsidised from the intermediation process. Narrower margins and rapidly escalating levels of interest bearing deposits relative to total deposits dictate this trend.

The overdraft system is another traditional area of Australian banking which seems destined to change. The present system of granting overdraft limits is unsatisfactory for banks in today's conditions because of the flexibility it gives customers to draw down funds at their discretion and the resultant problems it creates for banks in managing their funds. A system facilitating more direct control of the volume of loans outstanding must be considered and due attention is being given to this aspect.

We noted earlier that the rates banks pay on deposits in Australia generally reflect market forces. Unfortunately, the same does not apply with lending. For example, since February, 1976, banks have been required to observe an interest rate ceiling of 10½ per cent on loans up to \$100,000. This maximum rate has proved to be artificially low in a climate of relatively high inflation and interest rates. Not only have banks suffered a considerable financial penalty but persistence with such policies must encourage a diversion of resources into areas which are free from arbitrary controls and perhaps less deserving of support.

Trading banks in Australia incur a further penalty through the nominal rates of interest allowed on Statutory Reserve Deposits held at the Reserve Bank. The level of deposits so held has been as high as 10 per cent in the latest year. Banks accept the isolation of these deposits in support of monetary policy, but the changing nature of their deposit mix and high cost of funds won from the markets in competition with the non-bank financial sector impose a penalty in terms of lost income which seems difficult to justify.

When it is considered that these and other qualitative controls on banks have, in recent times, existed side by

side with quantitative controls on bank lending, it comes as no surprise to find that the relative importance of banks in the total financial sector has declined considerably in the last 20 years.

Few would disagree that reducing inflation must be one of Australia's top economic priorities or that control of the money supply is at the core of such a policy. However, the burden has fallen heavily on the banking system whose position as a low cost and efficient provider of credit is being eroded.

Inevitably, the overall impact of official controls has been to inhibit the profit growth of banks. But this appears to have aroused little official or public concern.

The message needs to be conveyed that financially sound banks are essential to the national economy. After all, banks are the backbone of a nation's financial structure.

Inhibiting the profit growth of banks adversely affects the growth of their balance sheets and capital base, and thus the depth of financial resources they can call on to expand their business, either at home or abroad. It is pointless for the monetary authorities to be concerned with monitoring the strength and general capacity of the nation's banks and banking system if the end result of official policies is to weaken rather than strengthen their capacity to compete and service business growth in their home markets and the increasing international activities of their customers.

Trading Bank in Australia

The increase of 12.7 per cent (to \$2,355 million) in our total average advances outstanding in the year to 30th September, 1977 was slightly higher than the growth in the previous year, when our average outstandings rose by 9.0 per cent.

Total average deposits rose 13.4 per cent (to \$3,479 million), compared with an increase of 14.3 per cent in the previous year. The proportion of total average deposits bearing interest rose from 59.3 per cent to 61.7 per cent — continuing the upward trend of previous years.

ANZ Bankcard progressed satisfactorily in the latest year, and if the high rate of growth in outstandings and turnover continues, past losses and start-up costs will be recouped over the next few years. Bankcard is operating Australia-wide following the launch into outback areas of Queensland and Western Australia in June, 1977. The acceptance of Bankcard has exceeded all estimates. Marketing efforts will now be directed at improving services, including a possible link-up with overseas credit card schemes.

Expansion of computer facilities in Australia has continued, with the acquisition of equipment to upgrade the major Melbourne and Sydney installations, and to provide new branch accounting facilities in Perth and Hobart. In addition, computers have been installed by Esanda divisions in all states. At 30th September, 1977, the Bank had 601 branches with accounts processed by computer, compared with 455 a year earlier. Consultants have been engaged to advise the Bank on all aspects of its use of computer facilities in Australia.

During the year, there was a worrying increase in the number of armed hold-ups of business premises throughout Australia. Security is under constant consideration, with high co-operation between the banks, the Australian Bank Officials' Association and police

Directors' Report *continued*

forces in all states. There are no easy answers but we are committed to give our staff and customers maximum protection.

Our bank has continued its programme of progressively upgrading security devices installed in branches, and during the year we began installing bullet-resistant glass barriers at selected points of representation. The Bank spends about \$1.25 million a year on branch security, excluding the cost of bullet-resistant glass.

Savings Bank in Australia

Average deposits of our savings bank rose by 12.4 per cent in the latest year, compared with 18.3 per cent in the previous year.

There was a further increase in the proportion of our savings bank deposits moving into higher-yielding investment accounts — 42.8 per cent of total average deposits of \$1,527 million were in these accounts, compared with 40.2 per cent in the previous year.

As repositories for small savings the private savings banks suffer considerable disadvantages in competing for funds in this sector. Australian Savings Bonds have become a pace setter with interest rates as high as 10 per cent during the year. Permanent building societies operate with few restraints in respect to their asset portfolios and compete freely in the market for available funds. Savings bank portfolios are changing steadily to accommodate higher levels of lending for housing vis-a-vis government securities. However the arbitrary interest rate controls on most housing loans severely restrain the ability of savings banks to compete. There is need for the authorities to review their policies in this regard if the cheapest source of home loans is to maintain its place in the market in the years ahead.

Trading Bank in New Zealand

The trading banks have adapted well to the new interest rate freedom introduced by the Government in March, 1976. Rates have increased quite markedly from the previous artificially low levels, but they now yield a much better return to savers.

In July, 1977, the Government took further steps towards eliminating distortions in the financial sector by removing most of the remaining restrictions on rates for trading bank term deposits of up to NZ\$12,000. Rates on Government securities were also raised to market levels. In a further significant move, the Reserve Bank has begun to trade more actively in the market for Government securities and commercial bills. The way is now open for the authorities to exert more influence on the level of funds in the financial sector and to reduce the excessive emphasis on manipulating trading banks' reserve asset ratios to control availability of credit.

In the year to September, 1977, our average trading bank deposits rose 19.4 per cent to NZ\$669 million, compared with an increase of 18.8 per cent in the previous year.

Trading bank lending accelerated at the end of 1976 and into 1977. But with the overseas sector drawing off more funds than the Government deficit has been pumping into the banking system, together with the impact of Reserve Bank directives, there has been a sharp cut back in new lending by trading banks since the end of 1976. Growth rates in the coming year will be relatively modest.

ANZ total average lending in the year to September, 1977, grew by 31.7 per cent to NZ\$513 million.

Savings Bank in New Zealand

Average deposits during the year rose by 10.6 per cent to NZ\$146 million. As part of the July, 1977 package of economic measures, the Government removed restrictions on savings bank investment account deposits. There has been a movement away from ordinary deposit accounts into investment accounts in line with the Government's stated aim to see "... the widest possible private sector participation in building and financing homes ..."

Europe

The contribution to profit from our London operations increased substantially in 1976/77 compared with the previous year. This progress is regarded as very satisfactory in a year when business conditions remained difficult.

An important aspect of our business in London is international exchange. With high domestic interest rates and exchange uncertainty in the first part of the year, this "wholesale" section made a major contribution to the increased profit.

In the latter part of the year under review, sterling found a firm level, and confidence in the underlying financial strength of the United Kingdom economy began to return. This was coupled with lower interest rates and more stable foreign exchange markets.

However, despite the recent improvement in the United Kingdom's external position, recovery from recession in the domestic economy and, in fact, throughout Europe, has been disappointing.

It is especially worrying that many countries have recently made downwards revisions to their gross domestic product growth rate forecasts.

With the Bank's transfer of domicile to Australia, there has been a re-organisation of the London administration. The new structure was implemented from 1st October, 1977.

Esanda Limited

Our wholly-owned finance subsidiary recorded an after-tax profit of \$20,215,000 for the year. This was an increase of 9.1 per cent on the previous year, or 17.3 per cent if the 1976 profit is adjusted to reflect a comparable (higher) tax rate.

While the percentage increase was smaller than in 1975-76, it represented another sound performance, and followed solid growth in receivables, particularly in leasing and hire purchase.

The increased cost of borrowed funds was a major factor in the slower profit growth. Higher bad debts were also a factor, but they were well spread and continued to represent a very small percentage of outstandings.

Net receivables at 30th September, 1977, were \$1,033.6 million, including hire purchase \$350 million, leasing \$353 million and commercial/real estate loans of \$140 million.

Property development loans represented approximately seven per cent of net receivables at 30th September, 1977.

Directors' Report *continued*

To support the growth of business, paid up capital was increased by \$29 million during the year, including a \$10 million bonus issue from general reserves and cash subscriptions totalling \$19 million. Year-end paid-up capital was \$57.5 million and total shareholders' funds were \$117 million.

The dividend of \$2 million provided for at 30th September, 1976, was paid to the parent trading bank on 7th October, 1976. A further dividend of \$8,625,000, representing 15 cents a share on the increased capital, was paid on 28th September, 1977.

Other Financial Interests

On 5th January, 1977, the Bank increased 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. This was in line with plans announced on 11th November, 1976. The cost of the increased shareholding was NZ\$5,992,000.

The UDC Group had a most successful year's operation to 31st March, 1977, lifting trading profit, before allowing for extraordinary items, by 103.3 per cent over the previous year. Net profit (after tax) for the period was NZ\$1,460,000, compared with NZ\$718,000 in 1975-76.

It is the desire of the Bank and the New Zealand authorities that the New Zealand public should have the opportunity of increasing their interest in the UDC Group in due course and as circumstances permit.

Australian International Finance Corporation Limited, the Melbourne-based merchant bank in which the Bank has a 25 per cent shareholding, earned net profit of \$1,095,000 in the year to 30th June, 1977, compared with \$1,177,000 in the previous year. Mr. Robert E. Rees was appointed general manager of the company from 28th November, 1977.

Australia and New Zealand Banking Group (PNG) Limited, the wholly-owned subsidiary of the Bank operating in Papua New Guinea, earned profit of K450,257 in the year under review. This was the first year of trading since the locally-incorporated company took over the Bank's business in Papua New Guinea.

Representation

The concept of Area Banking, involving decentralisation of decision-making and more localised contact by the Bank with customers, was extended during 1976/77, with 22 new Areas established. At 30th September, 1977, there were 28 Areas, encompassing 430 branches, in Australia and New Zealand. Over the next two years a further 24 Area Branches are planned and we will have extensive Area Banking in Victoria, New South Wales, Queensland and New Zealand. A decision has not been made on the possible extension of the concept to the remaining Australian states.

During the past year the Bank opened 11 new branches and closed nine, seven as a result of mergers. In addition, 13 uneconomical agencies and sub-branches were closed, and nine were opened in potentially profitable business areas. Since the ANZ/E.S.&A. merger in 1970, a total of 237 points of representation have been merged.

Our overseas representation was expanded in May, 1977, with the establishment of an agency in Los Angeles — the first by an Australian bank on the west coast of the

United States. Branches were closed at Santo in the New Hebrides and Grafton Street in London.

The Australian Economy

Economic policy in 1976-77 was based on tight monetary restraint as a means of containing inflation. The cornerstone of this policy was a target of 10-12 per cent growth in money supply (M3).

The containment of inflation succeeded to the extent that in the year to September, 1977, consumer prices rose by 13.1 per cent (10.1 per cent if the Medibank component is excluded), compared with 13.9 per cent in the previous year.

The 17.5 per cent devaluation of the Australian dollar in November, 1976, at first seemed likely to jeopardise the achievement of the money supply target, but subsequent policy moves led to a marked slow-down in money supply growth in December-February. Starting in late March and through the June quarter of 1977, there was a massive run-down in liquidity associated with company and provisional income tax payments. The run-down was intensified by successful Commonwealth loan raisings and a substantial decline in Australia's overseas reserves.

The authorities responded to the liquidity tightness with three reductions in the Statutory Reserve Deposit ratio in June, July and September, 1977, to bring the ratio down to 6.5 per cent.

Moves were also made to correct the adverse balance of payments position and falling overseas reserves. Early in July, 1977, in an attempt to reverse the declining trend in capital inflow, the Variable Deposit Requirement (VDR) on borrowings from overseas was suspended and the embargo on such borrowings reduced from two years to six months.

On 3rd August, 1977, the Australian dollar was devalued by 1.5 per cent, the first change in the exchange rate under the managed float system since mid-February. There have since been several marginal movements against the "basket", in line with the Government's intention to make small adjustments to the exchange rate as frequently as necessary.

During August and September this year, official long-term overseas borrowings totalling \$1,700 million were announced, affirming the Government's intention to maintain the parity of the dollar at around its existing level.

Apart from minor reductions in Treasury Note yields and a downwards shading of the short-term rate in the July, 1977 Commonwealth loan, the structure of official interest rates established in November, 1976, was maintained until early September, 1977, when the authorities acted to shade bond yields downwards.

Private short-term rates began rising slowly in January, 1977, and from mid-April the pace accelerated, reflecting the liquidity tightness associated with the June quarter tax drain. Late in June, rates eased slightly, but they rose again in July and August as the tightness continued.

Money supply growth for the year to September, 1977, at 7.3 per cent, was within the Budget target range. The Budget for 1977-78 set a target growth rate of 8-10 per cent.

Reflecting these restrained growth levels, major trading bank deposits increased by only 3.5 per cent in the year to September, 1977.

Directors' Report *continued*

Total advances outstanding of the major trading banks rose by 10.2 per cent during the same period.

Total savings banks' deposits increased 8.9 per cent in the year to September, 1977, compared with a 14.7 per cent increase in the previous year. With partial wage indexation, after-tax earnings are being squeezed by the rising cost of living, leaving a smaller residual for saving.

In line with world economic trends, only slow progress is expected in 1977-78 in achieving real economic growth and lower inflation. The achievement of stability in the balance of payments and in the external value of the Australian dollar will be important goals.

Two critical and inter-related factors are necessary for the Government's strategy to succeed in paving the way to an improved economic climate in 1978-79. These are, increased confidence by overseas investors in the Australian economy, and community willingness to bear down on inflation, involving acceptance of wage restraint.

The New Zealand Economy

During the last year, the economy has been going through a difficult period of restructuring, necessitated by the adverse balance of payments. In addition, the financial system has been adjusting to its new interest rate freedom.

The Government has had some success in its major economic aim of combating the adverse balance of payments and curbing inflation. The current account deficit fell from NZ\$738.5m to NZ\$486m in the year to August, 1977, and the rate of domestic price inflation has eased, although it still hovers around 14 per cent.

Government policy has aimed at reducing domestic consumption and thus the demand for imports, through tight fiscal, monetary and income policies. A shift of resources into the export sector has been further encouraged by export incentives.

Senior Staff Retirements

During the year, Mr. V. F. Paul, Assistant General Manager-Organisation and Personnel Services, and Mr. W. F. Hall, State Manager-Victoria, retired.

Both officers made a significant contribution to the Bank over a long period. The directors thank them and extend good wishes for their retirement.

Mr. R. W. Davidson (Assistant General Manager-Corporate Accounts) also elected to retire to follow personal business pursuits.

Industrial Relations

In both Australia and New Zealand problems have been encountered which had their origins in adjustments to the terms and conditions of loans to the staff on special terms. In New Zealand the situation has been particularly sensitive and, pending the outcome of litigation initiated by the Union and by some staff members, remains unresolved. Industrial action by the staff in New Zealand resulted in restriction of bank services for a short period and considerable publicity. The Bank is anxious to restore the harmonious relationship which has existed over the years.

Staff

The Bank's success is due in no small measure to the efforts of the staff. They have met the challenges of continued rapid changes in technology and the further diversification of our activities and, at the same time, have maintained the high standard of service to our customers which is essential for success in a service industry such as banking.

The Board's appreciation is extended to all members of the staff for the contributions they have made to the Bank's progress during the past year.

Outlook

The Bank operated in generally difficult trading conditions during the year just completed. Looking ahead, it seems that the main challenges we faced in the past year — rising costs, narrowing interest margins and intense competition — will remain with us in 1978.

While the Australian economy is showing some signs of improvement, unemployment remains high. The most effective way of improving the unemployment situation will be through an increase in the level of economic activity. The encouraging decline in Australia's inflation rate can have such an effect by stimulating consumer confidence and the rate of business activity. When the tempo of business picks up, our bank is particularly well placed to benefit because of its strong association with the business sector.

If the economic climate improves next year, as the authorities expect, a substantial volume of trading bank lending will be needed to support it. This will necessitate an easing of the quantitative lending controls banks have been subjected to for some time and we take comfort from official statements that the monetary authorities stand ready to facilitate viable economic activity.

The Bank's activities are heavily Australian oriented, but it is not insular or restricted in its outlook. On the contrary, our long-established United Kingdom and New Zealand operations make important contributions to our overall activity and success. The newer points of representation in the Pacific region and the United States of America are growing in importance and we will continue to expand our offshore interests as and when favourable opportunities are identified.

ANZ, although now Australian-based, is an international bank and plans to become increasingly so.

The broader our base of operations, both geographically and in the range of services we provide, the better we are placed to cope with temporary difficulties that arise in individual spheres of our activities. But irrespective of difficulties that arise we recognise that we must remain fully responsive to the needs of the financial markets we serve. Indeed, one of the Bank's basic objectives, subject to the return of an appropriate profit, must always be to provide the service customers demand.

 **Chairman**

 **Managing Director**

STATUTORY INFORMATION

The following additional information is provided in conformity with Section 162A of the Companies Act 1961 as amended and with the Listing Requirements of the Australian Associated Stock Exchanges.

The directors of Australia and New Zealand Banking Group Limited at the date of this report are:

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

In accordance with the Company's articles of association, Mr. M. W. Jacomb, Mr. Angus Mackinnon and The Right Hon. Lord Remnant retire from the board of directors at the forthcoming annual general meeting of shareholders and, being eligible, offer themselves 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 40 of this report. No significant changes in the nature of the Group's activities have occurred during the year.

At 30th September, 1977, the Company and its subsidiaries had 1,291 branches, sub-branches, agencies and

representative offices. These were geographically located as follows:

	Branches and Sub-Branches	Agencies
Australia	934	130
New Zealand	151	52
Papua New Guinea	6	1
Pacific Islands:		
Fiji	4	1
New Hebrides	1	—
Solomon Islands	1	—
United Kingdom:		
London	3	—
Channel Islands	1	—
North America:		
Los Angeles	—	1
New York	—	1
Representative Offices:		
Tokyo		
Hong Kong		
Singapore		
Manchester (UK)		

Subsidiaries

The contributions made by subsidiary companies in the group to consolidated net profit (before extraordinary items), after eliminating intra-company dividends, are listed on page 34 of this annual report.

During the year Australia and New Zealand Banking Group Limited bought from United Dominion Trust of London 80% of the issued capital of Endeavour Investments (New Zealand) Limited at a cost of N.Z.\$5,992,393. The other 20% is owned by ANZ Investments Limited a wholly-owned subsidiary of Australia and New Zealand Banking Group Limited. Endeavour Investments (New Zealand) Limited holds 72% of the issued capital of UDC Group Holdings Limited, a major finance group operating throughout New Zealand.

At 30th September, 1976 the Group held a 38.71% interest in Fifty-Seven Willis Street Limited. During the year ended 30th September, 1977, 1,267,000 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 14.11% at 30th September, 1977, but a majority of the voting rights has been maintained. The accounts of this company 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.

Associated Companies

On 13th September, 1977 the Company bought an additional 312,500 shares in Australian International Finance Corporation Limited from Crocker International Investment Corporation at a purchase consideration of \$410,328, increasing the Company's shareholding from 20 per cent to 25 per cent.

Since 30th September, 1977 the Group's shareholding in Malaysia Industrial Finance Corporation Berhad has been sold.

Scheme of Arrangement

The transfer of the Company's domicile from the United Kingdom to Australia was completed on 30th September, 1977 when the second Scheme of Arrangement dated 26th August, 1977 became effective, following approval by shareholders and by the Supreme Court of Victoria.

Under the scheme, shareholders received one share of \$1 each in Australia and New Zealand Banking Group Limited in substitution for each \$1 share previously held in A.N.Z. Group Holdings Limited, the holding company formed in 1976 to facilitate the transfer of domicile.

A.N.Z. Group Holdings Limited, having served its purpose, has been dissolved.

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	5,000
Transfer to share premium reserve	21,030
Australia and New Zealand Savings Bank Limited:	
Transfer to reserve fund	5,000
2. Non-banking companies	
ANZ Savings Bank (New Zealand) Limited:	
Transfer to reserve fund	526
ANZ Holdings Limited:	
Transfer to capital reserve fund	1,245
Transfer to provision for depreciation and amortisation	674
Transfer from capital reserve	2,227
ANZ Properties (Australia) Limited:	
Transfer to provision for depreciation	1,550
ES&A Holdings Limited:	
Transfer to capital reserve fund	222
Transfer to provision for depreciation and amortisation	261
Transfer from capital reserve	1,214
Esanda Limited:	
Transfer to general reserve	7,000
Transfer to provision for identified doubtful debts	320
Transfer to general provision for doubtful debts	1,500
Transfer to provision for depreciation	457
UDC Group Holdings Limited	
Transfer to general provision for doubtful debts	314
Transfer to provision for depreciation	304

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

Share and Debenture Issues

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

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

In March, 1977, 12,017,456 ordinary \$1 fully paid shares were issued at \$2.75 per share. The issue was made to provide for the continued development of the operations of Australia and New Zealand Banking Group Limited.

2. Australia and New Zealand Banking Group Limited.

In July, 1977, 12,017,461 ordinary \$1 fully paid shares were issued to A.N.Z. Group Holdings at a consideration of \$33,048,004. The issue was made to facilitate substitution of shares in A.N.Z. Group Holdings Limited for shares in Australia and New Zealand Banking Group Limited, in accordance with the second Scheme of Arrangement, dated 26th August, 1977.

3. UDC Group Holdings Limited.

In May, 1977, a one-for-two cash issue was made at N.Z.\$1.30 a share. The issue was made to provide the additional borrowing capacity required to keep pace with planned growth.

4. Australia and New Zealand Banking Group (PNG) Limited

In October, 1976, 1,999,995 ordinary K1 fully paid shares were issued to Australia and New Zealand Banking Group Limited and the Papua New Guinea business of Australia and New Zealand Banking Group Limited was transferred to Australia and New Zealand Banking Group (PNG) Limited.

5. Esanda Limited

In March, 1977, the authorised capital of Esanda Limited was increased from 30,000,000 to 60,000,000 shares of \$1 each and Esanda Limited made a bonus issue of 10,000,000 ordinary shares of \$1 each to Australia and New Zealand Banking Group Limited. The shares were issued as fully paid from the capitalization of \$10,000,000 of general reserve. In August and September, 1977 Esanda Limited made issues to Australia and New Zealand Banking Group Limited of respectively \$7,000,000 and \$12,000,000 ordinary shares of \$1 fully paid, subscribed for in cash.

The purpose of these issues was to maintain an adequate capital base to service the operations of Esanda Limited.

6. Esanda Limited and UDC Group Holdings Limited

Details of debenture stock and unsecured notes movements during the year are:—

	Esanda Limited \$'000	UDC Group Holdings Limited NZ\$'000
Balance of debenture stock and unsecured notes at beginning of financial year	673,373	31,219
Issued during the year	340,521	45,878
	<hr/> 1,013,894	<hr/> 77,097
Redeemed during the year	126,168	30,478
	<hr/> 887,726	<hr/> 46,619
Balance of debenture stock and unsecured notes at end of financial year	887,726	46,619
Loans and deposits held at end of financial year	55,500	15,810
	<hr/> 943,226	<hr/> 62,429
	<hr/> <hr/>	<hr/> <hr/>

Exemption has been obtained from compliance with the requirements of sub-section 1(e) of section 162A of the Victorian Companies Act 1961 by order of the Commissioner for Corporate Affairs.

Dividends

Australia and New Zealand Banking Group Limited:

The directors propose the payment of a final dividend of 12 cents per share, amounting to \$8,652,568, to be paid on 26th January, 1978, and this will be recommended at the Annual General Meeting.

A.N.Z. Group Holdings Limited:

Since the end of the previous year, a final dividend of 10 cents per share, amounting to \$6,008,728, was paid on 27th January, 1977 and an interim dividend of 8 cents per share amounting to \$5,287,684 was paid on 8th July, 1977. The final dividend paid on 27th January, 1977 was detailed in the directors' report dated 30th November, 1976.

Neither the interim dividend paid on 8th July, 1977 by A.N.Z. Group Holdings Limited nor the current dividend recommended by Australia and New Zealand Banking Group Limited have been mentioned in previous directors' reports.

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*
	8th July 1977	5,288
(ii) Australia and New Zealand Banking Group Limited:		
Australia and New Zealand Savings Bank Limited	7th Oct. 1976	750*
	28th Sep. 1977	3,000
ANZ Investments Limited	20th Sep. 1977	128
ANZ Holdings Limited	20th Sep. 1977	105
ANZ Banking Group (PNG) Limited	21st Nov. 1977	229
Esanda Limited	7th Oct. 1976	2,000*
	28th Sep. 1977	8,625

* These details were also included in the 1976 Report of the Directors.

Statements Relating to the Accounts

Prior to the preparation of the Company's accounts for the year, the directors took reasonable steps to ascertain:

(i) 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

(ii) 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.

(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.

No contingent liability or other liability has become enforceable, or is likely to become enforceable, in respect of the Company and its subsidiaries within the period of twelve months after 30th September, 1977 which in the opinion of the directors will or may substantially affect the ability of the Company and its subsidiaries to meet their obligations as and when they fall due.

The results of the operations of the Company and its subsidiaries for the year to 30th September, 1977 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 Directors' Report.

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.

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 emoluments received, or due and receivable by directors 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 fees in connection with the Bank's transfer of residence paid to Hoare Govett Limited of which the Hon. E. L. Baillieu is a principal.

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 \$105 million in excess of the value shown in the balance sheet, on an existing use basis.

Accounts

In accordance with an Order of the Commissioner for 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.

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 below.

Other than the position that might arise from any relationship that may exist between Barclays Bank International Limited and Gracechurch Trust Co. Limited whose shareholdings appear on page 14 of this report the Company has not received any notification of, nor is it aware of, any single beneficial interest of five 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 2nd day of December, 1977.

 Chairman

 Managing Director

Directors' Shareholdings

	Beneficial As at 21st October, 1977	Non-beneficial As at 21st October, 1977
The Hon. E. L. Baillieu	907	888
M. Brunckhorst	490	—
C. J. Harper	—	—
W. J. Holcroft	1,000	—
Sir John Holland	—	—
M. W. Jacomb	558	—
Angus Mackinnon	4,519	2,000
Sir Ian McLennan	2,588	—
G. M. Niall	—	—
L. M. Papps	—	—
The Right Hon. Lord Remnant	907	—
Sir William Vines	—	—
D. C. L. Gibbs	—	—
	10,969	2,888

There were no changes in directors' shareholdings in the Company between 21st October, 1977 and 28th November, 1977.

ANALYSIS of SHAREHOLDINGS

as at
15th November, 1977

Holdings	Accounts		Shares	
	No.	%	No.	%
1 to 1,000	16,371	70.0	7,400,997	10.3
1,001 to 5,000	6,089	26.1	11,356,851	15.8
5,001 to 10,000	395	1.7	2,765,702	3.8
Over 10,000	516	2.2	50,581,184	70.1
	23,371	100.0	72,104,734	100.0

As at 15th November, 1977, the twenty largest shareholders held 24,166,519 shares which is equal to 33.5% of the total issued capital of 72,104,734 fully paid shares of \$1 each. They were:—

Shareholder	No. of Shares	%
A.N.Z. Nominees Limited GPO Box 2842AA Melbourne 3001	3,737,507	5.2
Barclays Bank International Limited C/- Barclays Australia Limited GPO Box 3357 Sydney NSW 2001	3,445,713	4.8
Gracechurch Trust Co. Limited C/- Barclays Australia Limited GPO Box 3357 Sydney NSW 2001	2,477,920	3.4
The Securities Management Trust Limited "AA" 19 Old Jewry London EC2R 8EJ	1,543,488	2.2
The National Mutual Life Association of Australia Limited 447 Collins Street Melbourne 3000	1,530,679	2.2
C.T.B. Nominees Limited Sydney Account C/- The Registrar Commonwealth Trading Bank of Aust. Box 4122 Sydney NSW 2001	1,480,020	2.1
Superannuation Investment Trust C/- Barclays Australia Limited GPO Box 3357 Sydney NSW 2001	1,268,486	1.8
Anglo Australian Nominees Pty Limited 411 Collins Street Melbourne 3000	1,089,100	1.6
The Pearl Assurance Co. Limited High Holborn London WC1	1,028,398	1.4
Bank of New South Wales Nominees Pty Limited 66 Pitt Street Sydney NSW 2000	950,677	1.3
Legal and General Life Assurance Society Limited Temple Court 11 Queen Victoria Street London EC4	842,508	1.2
Australian Mutual Provident Society 535 Bourke Street Melbourne 3000	816,000	1.1
Eagle Star Assurance Co. Limited "H" Account 1 Threadneedle Street London EC2	600,000	0.8
National Nominees Limited PO Box 84A Melbourne 3001	599,547	0.8
Midland Bank (Head Office) Nominees Limited 27-32 Poultry London EC2	524,705	0.7
Prudential Assurance Co. Limited Life Account 39-49 Martin Place Sydney NSW 2000	522,000	0.7
Colonial Mutual Life Assurance Society Limited PO Box 60 24 Ludgate Hill London EC4P 4BD	497,690	0.6
Williams & Glyn's Bank Limited "B.E.B." Account 20 Birchin Lane London EC3P 3DP	433,900	0.6
Refuge Assurance Co. Limited 103 Oxford Street Manchester	410,000	0.5
Commercial Union Assurance Co. Limited "A" Account St Helens 1 Undershaft London EC3	368,181	0.5
Voting Rights of Shareholders	24,166,519	33.5%

The articles provide for:— on a show of hands: 1 vote
on a poll: 1 vote for each share held

CONSOLIDATED PROFIT and LOSS STATEMENT

for the year ended **30th September, 1977**

	1977		1976*	
	\$'000	\$'000	\$'000	\$'000
Banking income after eliminating intercompany transactions: (Note 2) 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		410,927		356,574
Less: Expenses, including directors' emoluments (Note 3) Income, land and other taxes	357,778 32,270	390,048	312,046 27,422	339,468
NET BANKING PROFITS AFTER TAXATION AND TRANSFERS TO CONTINGENCIES RESERVES		20,879		17,106
Non-banking subsidiary companies' operating profit after eliminating inter-company transactions and before income tax and extraordinary items	44,058		37,247	
Less: Income tax expense applicable thereto	21,021		17,498	
NET PROFIT FROM NON-BANKING SOURCES		23,037		19,749
GROUP PROFIT BEFORE EXTRAORDINARY ITEMS		43,916		36,855
Less: Interests of minority shareholders		199		—
		43,717		36,855
Extraordinary items (net) (Note 2)		1,133		2,714
GROUP PROFIT AFTER EXTRAORDINARY ITEMS — applicable to shareholders of Australia and New Zealand Banking Group Limited		44,850		39,569
Retained profits at beginning of year		15,351 †		12,793
TOTAL AVAILABLE FOR APPROPRIATION		60,201		52,362
Less: Appropriations				
Transfer to reserve funds — Revenue (Note 4) — Capital (Note 4)	17,526 935	18,461	25,468 3,289	28,757
Dividends — 1976 interim paid by Australia and New Zealand Banking Group Limited			2,339	
— 1977 interim paid by A.N.Z. Group Holdings Limited	5,288			
— 1976 final paid by A.N.Z. Group Holdings Limited			6,009	8,348
— 1977 proposed final payable by Australia and New Zealand Banking Group Limited	8,652	13,940		
RETAINED PROFITS AT END OF YEAR		27,800		15,257

* The 1976 figures cover the position when A.N.Z. Group Holdings Limited was the parent company for the Group.

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

The notes appearing on pages 20-27 are an integral part of these accounts.

CONSOLIDATED BALANCE SHEET

as at
30th September, 1977

	Group Consoli- dation	Banking Companies	Non-Banking Companies	Group Consoli- dation	Banking Companies	Holding Company and Non-Banking Companies
	1977 \$'000	1977 \$'000	1977 \$'000	1976* \$'000	1976 \$'000	1976 \$'000
Authorised capital: 100,000,000 shares of \$1 each	100,000	100,000		80,000		80,000
Issued and paid up capital: 72,104,734 shares of \$1 each, fully paid	72,105	72,105		60,087		60,087
Reserve funds (Note 4)	225,072	135,419	89,653	183,127	105,074	78,053
Profit and loss	27,800	12,897	14,903	15,257	8,236	7,021
Share capital and reserves applicable to shareholders of Australia and New Zealand Banking Group Limited	324,977			258,471		
Minority shareholders' interest in subsidiary companies	2,250		2,250			
Debentures and unsecured notes (Note 5)	1,018,110		1,018,110	723,961		723,961
Current, deposit and other accounts including contingencies reserves and provisions for taxation (Note 7)	6,832,656	6,553,193	279,463	6,239,476	6,053,032	186,444
Refinance for loans to customers	161,508	161,508		177,161	177,161	
Due to other banks	302,052	301,403	649	242,048	242,048	
Proposed final dividend	8,652	8,652		6,009		6,009
	8,650,205			7,647,126		
Acceptances, guarantees, etc.	871,124	866,057	5,067	750,241	748,923	1,318
	9,521,329			8,397,367		

The notes appearing on pages 20-27 are an integral part of these accounts.

	Group Consoli- dation	Banking Companies	Non-Banking Companies	Group Consoli- dation	Banking Companies	Holding Company and Non-Banking Companies
	1977 \$'000	1977 \$'000	1977 \$'000	1976* \$'000	1976 \$'000	1976 \$'000
Notes, coin and cash at bankers	203,938	187,895	16,043	179,510	179,508	2
Money at call and short notice	116,326	42,466	73,860	122,268	74,793	47,475
Treasury notes and treasury bills	27,752	26,264	1,488	92,841	92,841	
Cheques in course of collection and balances with other banks	440,992	438,568	2,424	299,034	296,677	2,357
Deposits with Reserve Bank of Australia	231,931	231,931		184,234	184,234	
Investments, other than trade investments (Note 12)	1,616,195	1,516,647	99,548	1,626,260	1,551,135	75,125
Bills receivable and remittances in transit	445,067	430,303	14,764	547,986	547,986	
Advances and loans, etc., less provision for doubtful debts	4,105,384	3,988,716	116,668	3,444,577	3,372,082	72,495
Loans to customers under refinance arrange- ments	161,508	161,508		177,161	177,161	
Accrued income and sundry accounts	61,837	57,996	3,841	54,388	53,470	918
Balances outstanding under hire purchase and other agreements, less deferred charges and provisions (Note 9)	1,040,472		1,040,472	744,229		744,229
Trade investments at cost less amounts written off (Note 12)	5,016	2,973	2,043	4,318	2,456	1,862
Premises and equipment (Note 13)	193,787	60,925	132,862	170,320	61,099	109,221
	8,650,205			7,647,126		
Liabilities of customers and others for acceptances, guarantees, etc.	871,124	866,057	5,067	750,241	748,923	1,318
	9,521,329			8,397,367		

* The 1976 figures cover the position when A.N.Z. Group Holdings Limited was the parent company for the Group.

Balance Sheet

as at
30th September, 1977

	1977 \$'000	1976 \$'000
Authorised capital: 100,000,000 shares of \$1 each	100,000	67,770
Issued and paid up capital: 72,104,734 shares of \$1 each, fully paid	72,105	54,295
Reserve funds (Note 4)	100,404	74,374
Profit and loss	10,585	6,533
Shareholders' funds	183,094	135,202
Amounts due to subsidiaries	57,888	63,494
Current, deposit and other accounts including contingencies reserve and provision for taxation	4,859,491	4,497,895
Refinance for loans to customers	161,508	177,161
Due to other banks	301,404	242,048
Proposed final dividend	8,652	6,009
	5,572,037	5,121,809
Acceptances, guarantees, etc.	866,057	748,923
	6,438,094	5,870,732

Profit and Loss Account

for the year ended
30th September, 1977

Expenses (Note 3)	323,299	280,539
Income land and other taxes	20,984	20,585
Net profit	22,992	12,744
	367,275	313,868
Transfer to reserve fund	5,000	4,066
Dividends:		
—Interim	5,288	2,339
—Proposed final	8,652	6,009
Balance carried forward	10,585	6,533
	29,525	18,947

The notes appearing on pages 20-27 are an integral part of these accounts.

	1977 \$'000	1976 \$'000
Notes, coin and cash at bankers	69,193	57,358
Money at call and short notice	30,466	54,793
Treasury notes and treasury bills	19,364	92,203
Cheques in course of collection and balances with other banks	434,818	292,927
Statutory deposits with Reserve Bank of Australia	215,292	158,809
Loan fund accounts with Reserve Bank of Australia	16,639	25,425
Investments, other than trade investments (Note 12)	760,336	822,643
Bills receivable and remittances in transit	430,303	547,987
Advances and loans, etc., less provision for doubtful debts	3,205,388	2,699,521
Loans to customers under refinance arrangements	161,508	177,161
Accrued income and sundry accounts	40,177	39,382
Trade investments at cost (Note 12)	2,973	2,456
Investments in subsidiaries at cost	104,816	78,134
Amounts due from subsidiaries	19,839	11,911
Premises and equipment (Note 13)	60,925	61,099
	5,572,037	5,121,809
Liabilities of customers and others for acceptances, guarantees, etc.	866,057	748,923
	6,438,094	5,870,732
<hr/>		
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	367,275	313,868
Net profit for the year after transfer to contingencies reserve	22,992	12,744
Balance brought forward from previous year	6,533	6,203
	29,525	18,947

NOTES on the ACCOUNTS

1 Bases of Accounting

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

(a) BASIS OF CONSOLIDATION

The consolidated accounts include the accounts of the holding company and all subsidiary companies excepting Fifty-Seven Willis Street Limited (refer note 13). Transactions between companies in the group are eliminated on consolidation. The profit attributable to the holding company shareholders as shown in the consolidated profit and loss statement represents the profit of all companies in the group, less the minority shareholders' proportion of the after-tax profit of certain subsidiary companies, and after eliminating any pre-acquisition profit. The consolidated balance sheet represents the assets and liabilities of all companies in the group. The minority shareholders' interest in net assets is calculated in proportion to the shareholding in certain subsidiary companies and is shown under the heading "Minority shareholders' interest in subsidiary companies" in the consolidated balance sheet.

Under an order made by the Commissioner for Corporate Affairs pursuant to Section 161B of the Companies Act 1961, certain companies listed on page 34 of this report have been authorised to continue to have financial years which do not coincide with the financial year of Australia and New Zealand Banking Group Limited. A similar order was made by the Deputy Registrar of Companies, Wellington, New Zealand, pursuant to subsection (1) of section 157 of the Companies Act 1955 of New Zealand. The consolidated balance sheet includes figures relating to the respective financial years of these companies.

(b) BANKING AND NON-BANKING COMPANIES

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 at 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. All other subsidiaries are included as 'non-banking' companies.

(c) CONVERSION TO AUSTRALIAN CURRENCY

Overseas profits have been converted into Australian dollars at the rates ruling at the end of the accounting period. Assets and liabilities which are expressed in currencies other than Australian dollars 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 in the case of the Trading Bank and, in the case of subsidiaries through reserves on consolidation.

(d) AMORTISATION AND PROFITS AND LOSSES ON INVESTMENTS

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.

(e) BAD AND DOUBTFUL DEBTS

The charge for bad and doubtful debts in the profit and loss account of the Company 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.

(f) DEPRECIATION

From 1st October, 1976 the basis of depreciating freehold buildings and leasehold properties with more than fifty years unexpired was changed to the extent that companies in the Group are depreciating all building expenditure on a straight line basis. Previously certain freehold and leasehold buildings were depreciated on a reducing balance basis. The effect of the change on Group results is immaterial.

Expenditure on plant, fixtures and fittings is depreciated over the estimated useful lives on a straight line basis. Other leaseholds are amortised on a straight line basis over the unexpired portion of the lease.

(g) TAXATION

Tax effect accounting procedures are applied throughout the Group where applicable whereby income tax expense is matched with operating profit after allowing for permanent differences.

(h) PENSION FUNDS

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 Pty. Limited or ANZ Pensions (U.K.) Limited and are not included in these accounts.

(i) GENERAL FINANCE SUBSIDIARIES

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.

2 Income

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

(a) dividends due or receivable during the year:

Paid or payable by		Received or receivable by		1977 \$'000	1976 \$'000
(i) Related companies		A.N.Z. Group Holdings Limited			6,009
Australia and New Zealand Banking Group Limited		Australia and New Zealand Banking Group Limited		3,000	750
Australia and New Zealand Savings Bank Limited		Australia and New Zealand Banking Group Limited		8,625	2,000
Esanda Limited		Australia and New Zealand Banking Group Limited		105	102
ANZ Holdings Limited		Australia and New Zealand Banking Group Limited		128	Nil
ANZ Investments Limited		Australia and New Zealand Banking Group Limited		229	Nil
Australia and New Zealand Banking Group (PNG) Limited		Australia and New Zealand Banking Group Limited		197	
UDC Group Holdings Limited		Endeavour Investments (New Zealand) Limited		172	299
(ii) Other companies					
(b) Extraordinary items excluding minority interests were:					
— Surplus on sale of properties		935			3,289
— Future income tax benefit		241			—
— Deferred tax adjustment		32			(447)
— Exchange loss (realised)		(75)			—
— Write-down of trade investment		—			(128)
				1,133	2,714

3 Expenses

Profit from operations for the year include the following expenses:

		1977 \$'000	1976 \$'000
(a) Depreciation and amortisation of fixed assets			
(i) Banking companies		10,077	10,040
(ii) Non-banking Companies		3,297	1,261
(b) Auditors' remuneration			
(i) Banking companies — audit of accounts		107	76
— other services		5	57
(ii) Non-banking companies — audit of accounts		87	54
— other services		216	171
The auditors did not receive any other benefits.			
(c) Bad debts written off and transfers to doubtful debts provisions of non-banking subsidiaries:			
Bad debts written off		3,616	1,421
Less — Bad debts recovered		540	459
		3,076	962
General provision for doubtful debts		1,857	586
Provision for contingencies		—	400
Provision for identified doubtful debts		320	—
(d) Interest paid by non banking subsidiaries to other persons		108,478	69,640

	Consolidated		Holding Company	
	1977 \$'000	1976 \$'000	1977 \$'000	1976 \$'000
(e) Directors Fees (excluding fixed salaries) received or due and receivable by				
(i) Directors engaged in full time employment of the Company	9	7	9	7
(ii) Other directors	141	40	116	40

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, 1976	50,150	24,224	—	74,374
Add: Appropriation from profits	5,000	—	—	5,000
Premium on issue of 12,017,461 shares	—	21,030	—	21,030
As at 30th September, 1977	55,150	45,254	—	100,404
Australia and New Zealand Savings Bank Limited				
As at 30th September, 1976	30,700	—	—	30,700
Add: Appropriation from profit	5,000	—	—	5,000
As at 30th September, 1977	35,700	—	—	35,700
ANZ Savings Bank (New Zealand) Limited				
As at 30th September, 1976†	3,068	—	—	3,068
Add: Appropriation from profit	526	—	—	526
As at 30th September, 1977	3,594	—	—	3,594
Esanda Limited				
As at 30th September, 1976	53,000	—	143	53,143
Add: Appropriation from profit	7,000	—	—	7,000
Surplus from cancellation of debenture stock and unsecured notes	—	—	3	3
Deduct: Bonus share issue	(10,000)	—	—	(10,000)
As at 30th September, 1977	50,000	—	146	50,146
Other non-banking companies				
As at 30th September, 1976†	760	3,978	29,592	34,330
Add: Appropriation from profit	—	—	—	—
Surplus on sale of properties	—	—	1,506	1,506
Deduct: Capital adjustments	—	—	(3,441)	(3,441)
Total as at 30th September, 1977	760	3,978	27,657	32,395
Adjustments on consolidation — 1976	(1)	(28,202)	16,865	(11,338)
— 1977	—	(3,978)	(5,493)	(9,471)
Reserve on consolidation	—	—	12,304	12,304
Consolidated — 1976	137,376	—	45,751	183,127
— 1977	145,204	45,254	34,614	225,072

* 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

	1977 \$'000	1976 \$'000
Not later than two years	1,034,041	763,513
Between two and five years	368,531	237,265
After five years	41,019	23,162
	1,443,591	1,023,940
Less: Income yet to mature on amounts receivable and general provision for doubtful debts and contingencies	273,534	184,018
	1,170,057	839,922

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

	1977 \$'000	1976 \$'000
Gross receivables	1,308,792	924,847
Less: Income yet to mature	268,320	180,618
	1,040,472	744,229
Gross receivables is after deducting:		
Provisions for identified doubtful debts	700	380
General provision for doubtful debts	3,714	1,900
Provision for contingencies	1,500	1,500

10 Subsidiary and Associated Companies and Major Trade Investments

A list of subsidiary and associated companies and major trade investments appears on pages 34 and 35 and forms part of these Notes on the Accounts.

11 Material Contracts — Directors' Interests

Details are set out in the Statements Relating to the Accounts on pages 12 and 13.

12 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.

	1977		1976	
	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 Australia:				
Australian Government Securities	681,114	663,271	745,813	732,859
Other Securities	285	231	289	303
Quoted in Other Countries:				
Government and Local Authorities Securities	76,033	68,203	72,003	66,450
Other Securities	136	120	31	25
Unquoted Investments:				
Australian Government and Semi-Government Securities	1,505		1,508	
Other Securities	1,263		2,999	
Trade Investments	2,973		2,456	
Australia and New Zealand Savings Bank Limited				
Quoted in Australia:				
Australian Government Securities	234,554	219,900	257,467	241,547
Australian Semi-Government Securities	27,724	27,328	17,193	16,849
Other Securities	1,597	1,580	2,893	2,764
Unquoted Investments:				
Australian Government and Semi-Government Securities	479,949		439,605	
Other Securities	12,487		11,334	
Non-banking companies:				
Quoted in Australia:				
Australian Government Securities	—		—	
Other Securities	1	1	1	1
Trade Investments	15	9	13	5
Quoted in Other Countries:				
Government and Local Authorities Securities	38,577	34,030	20,002	17,557
Unquoted Investments:				
Australian Government Securities	200		200	
Other Securities	60,770		54,922	
Trade Investments	2,028		1,849	
	1,621,211		1,630,578	

13 Premises and Equipment

		1977 \$'000		1976 \$'000
(a) Banking companies				
Freehold and leasehold premises and sites at cost, less amounts written off		11,349		7,668
Computers, furniture, office machines and other equipment at cost, less amounts written off		49,576		53,431
		60,925		61,099
(b) Non-banking companies				
Freehold and leasehold land and buildings at cost or valuation*	127,549		115,978	
Deduct: Provision for depreciation on buildings	10,423	117,126	9,311	106,667
Plant, furniture, fixtures and fittings at cost	22,433		3,297	
Deduct: Provision for depreciation	7,221	15,212	1,122	2,175
Leasehold improvements at cost	675		790	
Deduct: Provision for amortisation	151	524	411	379
		132,862		109,221
Total consolidated premises and equipment		193,787		170,320

*Freehold land owned by Esanda Limited comprised in the property at Martin Place and Pitt Street, Sydney, was revalued by the directors in September, 1974. The directors' revaluation from \$2.29m (cost) to \$4.29m was made having regard to the Valuer General's valuation and independent sworn valuations obtained for that purpose in September, 1974.

Included in the freehold and leasehold premises is the cost of the investment in a subsidiary, Fifty-Seven Willis Street Limited, amounting to \$768,000 at 30th September, 1977 (1976 \$1,224,000). 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.

14 Capital Expenditure Commitments

	1977 \$'000	1976 \$'000
Contracts for outstanding capital expenditure not provided for in these accounts totalled:		
Banking companies	10,112	13,797
Non-banking companies	5,076	3,625

15 Contingent Liabilities

(a) Banking companies

- (i) Australia and New Zealand Banking Group Limited has guaranteed the repayment of loans made to its customers by two subsidiaries to the extent of
- (ii) 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
- (iii) 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
- (iv) 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 amount represents the Australian dollar equivalent of the total liability calculated in US dollars

**1977
\$'000****1,026****2,091,679****1976
\$'000**

983

1,638,851

(b) Non-banking companies

- UDC Group Holdings Limited and its subsidiaries
Group:
Guarantees entered into in the normal course of business
Uncalled capital in associated company

NZ \$'000**14,493****175**

STATUTORY STATEMENTS

Statement by the Directors

In the opinion of the directors of Australia and New Zealand Banking Group Limited the accompanying balance sheet is drawn up so as to give a true and fair view of the state of affairs of the company as at 30th September, 1977, and the accompanying profit and loss account is drawn up so as to give a true and fair view of the profit of the company for the year ended 30th September, 1977.

It is also the opinion of the directors that the accompanying group accounts of Australia and New Zealand Banking Group Limited and its subsidiary companies are drawn up so as to give a true and fair view of:—

- (a) the profit of the company and its subsidiaries for the year ended 30th September, 1977; and
- (b) the state of affairs of the company and its subsidiaries as at 30th September, 1977 so far as they concern members of the holding company.

Dated at Melbourne this 2nd day of December, 1977.

Signed in accordance with a resolution of the directors.

Ian McLennan, *Director*

M. Brunckhorst, *Director*

Statement by the Principal Accounting Officer

I, Derrick Nicolson, the principal accounting officer of Australia and New Zealand Banking Group Limited, do hereby state that to the best of my knowledge and belief the accompanying accounts of Australia and New Zealand Banking Group Limited and the group accounts of Australia and New Zealand Banking Group 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 2nd day of December, 1977.

D. Nicolson

Principal Accounting Officer
Melbourne

AUDITORS' REPORT

Auditors' Report to the Members of Australia and New Zealand Banking Group Limited

In our opinion:

- (a) the accompanying accounts and group accounts as set out on pages 15 to 27, being the balance sheet and profit and loss account of Australia and New Zealand Banking Group Limited and the consolidated balance sheet and consolidated profit and loss account of the Company and its subsidiaries, which have been prepared under the historical cost convention stated in Note 1, are properly drawn up in accordance with the provisions of the Companies Act, 1961 of Victoria in a manner authorised for a banking company and on this basis so as to give a true and fair view of:
 - (i) the state of affairs of the Company and of the group as at 30th September, 1977 and of the profit of the Company and of the group for the year ended on that date so far as they concern members of the holding Company; and
 - (ii) the other matters required by Section 162 of that Act to be dealt with in the accounts and in the group accounts;

- (b) the accounting records and other records, and the registers required by that Act to be kept by the Company and by those subsidiaries of which we are the auditors have been properly kept in accordance

with the provisions of that Act or in the case of such subsidiaries incorporated in another State or Territory of the Commonwealth and of which we are the auditors in accordance with the provisions of the corresponding law of that State or Territory.

The names of the subsidiaries of which we have not acted as auditors are set out on pages 34 to 35 and we have examined their accounts and the auditors' reports thereon.

We are satisfied that the accounts of the subsidiaries that have been consolidated with other accounts 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 required by us for that purpose.

No auditor's report on the accounts of any of the subsidiaries was made subject to any qualification, or included any comment made under sub-section (3) of Section 167 of that Act.

Peat, Marwick, Mitchell & Co.
Chartered Accountants

R. C. Dunn, *Partner*

Melbourne
2nd December, 1977.

SUMMARY of the AUDITED ACCOUNTS* as at 30th September, 1977

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, 1977

	1977 \$'000	1976 \$'000		1977 \$'000	1976 \$'000
Authorised capital: 14,000,000 shares of \$1 each	14,000	14,000	Cash	202	150
Issued capital: 7,500,000 shares of \$1 each, fully paid	7,500	7,500	Short term funds	12,000	20,000
Reserve fund	35,700	30,700	Deposits with Australia and New Zealand Banking Group Limited	23,927	21,055
Profit and loss account	3,675	1,703	Deposits with Reserve Bank of Australia	118,500	122,000
	46,875	39,903	Treasury notes	6,900	638
Deposits and other liabilities including contingencies reserve and provision for taxation	1,694,755	1,560,042	Investments:		
Proposed final dividend		750	Quoted:		
	1,741,630	1,600,695	Australian Government	234,554	257,467
			Other	29,321	20,086
			Market value \$248,808,000 (1976 \$261,160,000)		
			Unquoted:		
			Local and Semi-Government	483,732	442,748
			Other	8,704	8,190
			Shares in subsidiary	5,000	5,000
			Amount due from subsidiary	10,000	10,000
			Balances due by other banks	3,750	3,750
			Loans and other accounts less provision for doubtful debts	805,040	689,611
				1,741,630	1,600,695

Profit and Loss Account for the year ended 30th September, 1977

Transfer to reserve fund	5,000	6,000	Balance brought forward	1,703	1,239
Dividend	3,000	750	Profit for year after transfer to contingencies reserve	9,972	7,214
Balance carried forward	3,675	1,703		11,675	8,453
	11,675	8,453			

* Abridged format for information purposes only

SUMMARY of the AUDITED ACCOUNTS* as at 30th September, 1977

Board of Directors:

B. B. Dickinson *Chairman*
 N. R. Frost *General Manager*
 M. P. Hirtzel
 D. D. Hooker
 Angus Mackinnon
 W. J. Sisam
 T. M. Williamson.

Balance Sheet as at 30th September, 1977

	1977 NZ\$'000	1976 NZ\$'000		1977 NZ\$'000	1976 NZ\$'000
Authorised capital: 250,000 shares of NZ\$2 each	500	500	Deposits with Australia and New Zealand Banking Group Limited	11,129	7,522
Issued capital: 250,000 shares of NZ\$2 each, fully paid	500	500	Investments		
Reserve fund	4,100	3,500	Quoted:		
Profit and loss account	533	538	New Zealand Government Market value NZ\$24,981,000 (1976 NZ\$22,243,000)	29,852	25,343
	5,133	4,538	Unquoted:		
Deposits and other liabilities including provision for taxation	155,854	143,843	New Zealand Government special stock	62,830	64,560
			Local authority	6,781	5,005
			Other	17	17
			Loans and other accounts less provision for doubtful debts	50,378	45,934
	160,987	148,381		160,987	148,381

Profit and Loss Account for the year ended 30th September, 1977

Transfer to reserve fund	600	500	Balance brought forward	538	473
Balance carried forward	533	538	Profit for year	595	565
	1,133	1,038		1,133	1,038

*Abridged format for information purposes only

SUMMARY of the AUDITED ACCOUNTS* as at 30th September, 1977

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, 1977

	1977 \$'000	1976 \$'000		1977 \$'000	1976 \$'000
Authorised capital: 60,000,000 shares of \$1 each	60,000	30,000	Deposits with Australia and New Zealand Banking Group Limited	533	156
Issued capital: 57,500,000 shares of \$1 each, fully paid	57,500	28,500	Deposits at call and short term in- vestments	72,710	46,425
Capital reserve	146	143	Receivables, less provisions and less income yet to mature \$257,193,000 (1976 \$180,618,000)	1,033,606	774,191
General reserve	50,000	53,000	Premises and equipment	13,904	14,347
Profit and loss account	9,383	4,793			
	117,029	86,436			
Debenture stock Maturing within one year \$145,503,050 (1976 \$102,032,000)	609,179	437,843			
Unsecured notes and deposits Maturing within one year \$223,149,240 (1976 \$181,756,000)	334,047	265,730			
Proposed final dividend		2,000			
Other liabilities including provision for taxation	60,498	43,110			
	1,120,753	835,119		1,120,753	835,119

Profit and Loss Account for the year ended 30th September, 1977

Transfer to general reserve	7,000	15,000	Balance brought forward	4,793	3,263
Dividend	8,625	2,000	Profit for year	20,215	18,530
Balance carried forward	9,383	4,793			
	25,008	21,793		25,008	21,793

CONSOLIDATED STATEMENT of SOURCE and APPLICATION of FUNDS

for the year ended
30th September, 1977

Source of Funds	1977 \$'000	1976 \$'000
Consolidated profit after extraordinary items	44,850	39,569
Increases in:		
Issued capital	12,018	4,524
Share premium account	21,030	10,707
Current, deposit and other accounts, etc.	600,621	647,672
Borrowings by subsidiary companies	294,149	183,100
Due to other banks	60,004	—
Decreases in:		
Notes, coin and cash at bankers	—	22,830
Money at call and short notice	5,942	—
Treasury notes and treasury bills	65,089	70,506
Deposits with Reserve Bank of Australia	—	3,891
Investments (other than trade investments)	10,065	—
Bills receivable and remittances in transit	102,919	—
Other Assets	—	11,334
	1,216,687	994,133
Application of Funds		
Dividends paid	13,940	8,348
Increases in:		
Notes, coin and cash at bankers	24,428	—
Money at call and short notice	—	55,255
Deposits with Reserve Bank of Australia	47,697	—
Investments (other than trade investments)	—	168,565
Advances and loans, less provision for doubtful debts	660,807	519,752
Balances outstanding under hire purchase and other agreements	296,243	179,236
Premises and equipment	23,467	18,435
Other assets	8,147	21,964
Cheques in course of collection and balances with other banks	141,958	—
Decreases in:		
Due to other Banks	—	22,578
	1,216,687	994,133

SUBSIDIARY COMPANIES and GROUP INTERESTS

see Note 10 on page 24

	Incorporated in	Principal areas of operations	*Issued Capital	Contribution to Group Results \$'000	
				1977	1976
Subsidiaries					
ANZ Custodians Limited	Australia	Australia	7 shares of \$1	—	—
ANZ Discounts Limited	Australia	Australia	5 shares of \$2	—	—
ANZ Finance (Jersey) Limited	Jersey	Non-operative	10 shares of £1	—	—
ANZ Holdings Limited	Australia	Australia/N.Z.	23,100,000 shares of \$1	138	90
ANZ Investments Limited	Australia	International	150 shares of \$1	162	124
ANZ Managed Investments Limited	Australia	Australia	209,010 shares of \$1	17	8
ANZ Managed Investments (N.S.W.) Limited	Australia	Australia	10,000 shares of \$1	2	9
ANZ Managed Investments (Qld.) Limited	Australia	Australia	16 shares of \$1	5	8
ANZ Managed Investments (S.A.) Limited	Australia	Australia	12 shares of \$1	3	2
ANZ Managed Investments (W.A.) Limited	Australia	Australia	12 shares of \$1	—	1
ANZ Managed Investments (Tas.) Limited	Australia	Australia	16 shares of \$1	2	3
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 Nominees (Guernsey) Limited	Guernsey	Channel Islands	1,000 shares of £1	—	—
ANZ Nominees Limited	Australia	England/Aust./N.Z.	1,500 shares of \$1	—	—
ANZ Overseas Finance Limited	Great Britain	England/Aust./N.Z.	100 shares of £1	9	(3)
ANZ Pensions (U.K.) Limited	Great Britain	England/Aust./N.Z.	250,000 shares of £1	—	—
ANZ Pensions Pty. Limited	Australia	Australia/N.Z.	5 shares of \$2	—	—
ANZ Properties (Australia) Limited	Australia	Australia	5,000,000 shares of \$1	528	384
ANZ Savings Bank (New Zealand) Limited	New Zealand	New Zealand	250,000 shares of NZ\$2	522	447
ANZ Services Limited	Australia	Non-operative	5,000 shares of \$2	—	—
Australia and New Zealand Banking Group (Channel Islands) Limited	Guernsey	Channel Islands	250,000 shares of £1	136	69
Australia and New Zealand Banking Group (PNG) Limited	Papua New Guinea	Papua New Guinea	2,000,000 shares of K1	516	—
Australia and New Zealand Savings Bank Limited	Australia	Australia	7,500,000 shares of \$1	9,972	7,214
Britannia Investment Company Pty. Limited	Australia	Australia	82,000 shares of \$1	3	17
Endeavour Investments (New Zealand) Limited	New Zealand	New Zealand	4,000,000 shares of NZ\$1	43	—
Esanda Limited	Australia	Australia	57,500,000 shares of \$1	20,215	18,530
Esanda (Wholesale) Pty. Limited	Australia	Australia	50 shares of \$2	—	—
Esanda Nominees Limited	Great Britain	England	100 shares of £1	—	—
ES&A Holdings Limited	Australia	Australia	12,600,000 shares of \$1	9	8
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	5	39
ES&A Properties (U.K.) Limited	Great Britain	England	125,000 shares of £1	11	9
ES&A (Security) Pty. Limited	Australia	Australia	2 shares of \$2	—	—
Melbourne Safe Deposit Pty. Limited	Australia	Australia	29,000 shares of \$1	3	4
UDC Group Holdings Limited†	New Zealand	New Zealand	4,800,000 shares of NZ\$1	512	—
Subsidiaries of UDC Group Holdings Limited					
UDC Finance Limited†	New Zealand	New Zealand	3,000,000 shares of NZ\$2	—	—
UDC Mercantile Securities Limited†	New Zealand	New Zealand	500,000 shares of NZ\$2	—	—
UDC Properties Limited†	New Zealand	New Zealand	65,000 shares of NZ\$1	—	—
UDC Developments Limited†	New Zealand	New Zealand	20,000 shares of NZ\$1	—	—
UDC Nominees Limited†	New Zealand	New Zealand	1,000 shares of NZ\$1	—	—
United Dominions Corporation Limited†	New Zealand	New Zealand	29,000 shares of NZ\$0.50	—	—
Mercantile Discounts Limited†	New Zealand	New Zealand	34,500 shares of NZ\$2	—	—
Credit for Industry (NZ) Limited†	New Zealand	New Zealand	10,000 shares of NZ\$2	—	—
Financial Services Limited†	New Zealand	New Zealand	240,000 shares of NZ\$2 paid to NZ\$1	—	—
The Traders' Finance Corporation Limited†	New Zealand	New Zealand	10,000 shares of NZ\$2	—	—
United Finance Corporation Limited†	New Zealand	New Zealand	150,000 shares of NZ\$2	—	—
Rentacolor New Zealand Limited†	New Zealand	New Zealand	48,850 shares of NZ\$2	—	—
Fifty-Seven Willis Street Limited	New Zealand	New Zealand	100,000 shares of NZ\$2	—	—
			5,151,000 shares of NZ\$1	—	—

Associated Companies and Other Major Trade Investments

Allied Communications Limited	New Zealand	New Zealand	10,000 shares of NZ\$2	
Australian Banks' Export Re-Finance Corporation Limited	Australia	Australia	2,000,000 shares of \$1	
			Loan Capital \$50,165,000	
			Reserves \$1,014,000	
Australian International Finance† Corporation Limited	Australia	Australia and Pacific Area	6,250,000 shares of \$1	
			Reserves \$2,835,000	
Australian Resources Development Bank Limited	Australia	Australia	7,000 shares of \$1,000	
Charge Card Services Limited	Australia	Australia	80,000 shares of \$1	
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\$16,428,500	
			Reserves NZ\$4,232,824	
Malaysia Industrial Finance Corporation Berhad	Malaysia	Malaysia	1,350,000 shares of M\$1	
Melanesia International Trust Company Limited	New Hebrides	International	1,000,000 shares of £0.50	

* 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.

† The financial year of these companies ends on 31st March. The Commissioner for Corporate Affairs made an order dated 30th September, 1977, pursuant to Section 161B of the Companies Act 1961, authorizing these companies to continue to have financial years which do not coincide with the financial year of Australia and New Zealand Banking Group Limited. A similar order was made by the Deputy Registrar of Companies, Wellington, New Zealand, pursuant to subsection (1) of Section 157 of the Companies Act 1955.

Group Interest	Held by	Nature of business	Auditors	
100%	ANZ Banking Group	Custodian and nominee services	Peat, Marwick, Mitchell & Co	
100%	ANZ Investments	Negotiation of foreign currency loans for Australian customers	Peat, Marwick, Mitchell & Co	
100%	ANZ Banking Group	Non-operative	Peat, Marwick, Mitchell & Co	
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		Coopers & Lybrand	
100%	ANZ Managed Investments		Coopers & Lybrand	
100%	ANZ Managed Investment		Coopers & Lybrand	
100%	ANZ Managed Investments		Coopers & Lybrand	
100%	ANZ Managed Investments		Coopers & Lybrand	
100%	ANZ Managed Investments		Coopers & Lybrand	
100%	ANZ Managed Investments		Coopers & Lybrand	
100%	ANZ Banking Group		Nominee services	Peat, Marwick, Mitchell & Co
100%	ANZ Banking Group		Nominee services	Peat, Marwick, Mitchell & Co
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		Peat, Marwick, Mitchell & Co	
100%	ANZ Savings Bank	Property owning company	Peat, Marwick, Mitchell & Co	
100%	ANZ Investments	Savings Bank	Hunt, Duthie & Co./Hutchison Hull & Co	
100%	ANZ Banking Group	Non-operative	Peat, Marwick, Mitchell & Co	
100%	ANZ Banking Group	Full range of banking services	Peat, Marwick, Mitchell & Co	
100%	ANZ Banking Group	Full range of banking services	Peat, Marwick, Mitchell & Co	
100%	ANZ Banking Group	Savings banks	Deloitte, Haskins and Sells/ Whinney Murray Ernst & Ernst	
100%	ES&A Holdings	Property owning company	Peat, Marwick, Mitchell & Co	
20%	ANZ Investments	Majority shareholder of UDC Group Holdings Ltd., holding company for UDC Finance Limited and other subsidiaries and associated companies.	Price Waterhouse & Co	
80%	ANZ Banking Group			
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	Peat, Marwick, Mitchell & Co	
100%	ES&A Holdings	Property owning companies	Peat, Marwick, Mitchell & Co	
100%	ANZ Banking Group		Peat, Marwick, Mitchell & Co	
100%	ANZ Banking Group		Peat, Marwick, Mitchell & Co	
100%	ANZ Banking Group	Trustee company	Peat, Marwick, Mitchell & Co	
100%	ANZ Banking Group	Holding company for subsidiary and associated company shares	Peat, Marwick, Mitchell & Co	
72%	Endeavour Investments (NZ)	Holding company for subsidiary and associated company shares	Price Waterhouse & Co	
72%	UDC Group Holdings Limited	General finance facilities	Price Waterhouse & Co	
72%	UDC Group Holdings Limited	Merchant bank	Price Waterhouse & Co	
72%	UDC Group Holdings Limited	Property holding company	Price Waterhouse & Co	
72%	UDC Group Holdings Limited	Property development and management	Price Waterhouse & Co	
72%	UDC Group Holdings Limited	Nominee services	Price Waterhouse & Co	
72%	UDC Group Holdings Limited	Holding company for subsidiary and associated company shares	Price Waterhouse & Co	
72%	UDC Group Holdings Limited	Non-operative	Price Waterhouse & Co	
72%	UDC Group Holdings Limited	Non-operative	Price Waterhouse & Co	
72%	UDC Group Holdings Limited	Non-operative	Price Waterhouse & Co	
72%	UDC Group Holdings Limited	Non-operative	Price Waterhouse & Co	
54%	UDC Group Holdings Limited	Rental of colour television sets	Price Waterhouse & Co	
14.11%	ANZ Banking Group	Property owning company	Giffillan Morris & Co	
36%	UDC Group Holdings Limited	Hiring of radio telephones		
21.78%	ANZ Banking Group	Finance for Australian capital goods exports		
20.09%				
25%	ANZ Banking Group	Short and medium term lending and related financial services		
14.29%	ANZ Banking Group	Financing development of Australia's natural resources		
12.50%	ANZ Banking Group	Service company for administration and provision of bank charge cards		
50%	ANZ Investments	Owner of 351 Collins Street property in Melbourne		
20%	ANZ Banking Group	Nationwide computer network jointly owned by the trading banks		
20%	ANZ Investments			
22.2%	ANZ Investments	Hire purchase finance		
38.0%	ANZ Investments	Trustee, corporate and financial services.		

† See Page 26.

TEN YEAR SUMMARY

Where applicable the summary comprises 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 year figures.

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

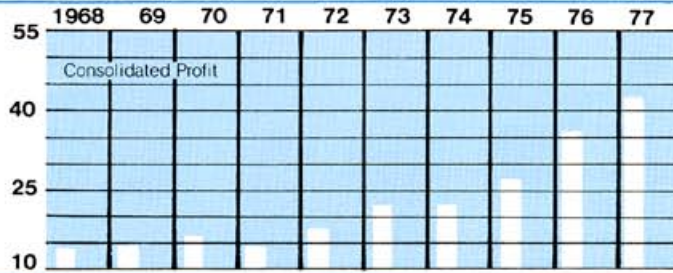
§These items show decreases on previous years' figures because of significant alterations in exchange rates.

† This figure is based on shares of \$1 each, whereas previous years' figures are based on shares of £1 each. The 1976 dividend comprised an interim dividend of 4.7p net (7.23p gross) paid on shares of £1 each and a final dividend of 10c paid on shares of \$1 each. The 14.2c comprises the 10c final dividend plus the 4.7p interim, adjusted from a £1 share basis to a \$1 share basis and converted to Australian currency at the rate ruling on balance date.

1968	1969	1970	1971	1972	1973	1974	1975	1976	1977
Amounts in S'millions									
51.2§	69.1	69.1	69.1	65.3§	52.1§	65.4	59.6§	60.1	72.1
114.0§	122.3	131.2	138.0	142.7	155.4	206.7	221.3	258.5	325.0
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	9,521.3
13.7	14.9*	15.8	13.7	17.1	22.3	22.6	27.4	36.9	43.7
4.0	6.6	6.9	6.9	6.5	3.8	5.9	5.8	8.3	13.9
25.8c	20.5c	21.5c	21.5c	20.3c	11.9c	16.2c	15.8c	14.2c†	20.0c †
89.0c	46.4c	49.2c	42.6c	53.2c	69.4c	61.5c	72.9c	64.9c†	65.6c †
Amounts in S'millions									
10.7	10.9*	11.1	8.3	10.2	14.0	13.7	11.8	12.7	23.0
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	4,859.5
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	3,205.4
Amounts in S'millions									
2.0	2.1*	2.1	2.6	3.2	4.0	3.7	4.4	7.2	10.0
599.3	671.3	712.6	783.8	895.7	1,138.2	1,128.3	1,334.8	1,560.0	1,694.8
171.3	208.8	236.9	267.1	299.8	382.8	469.1	558.3	689.6	805.0
Amounts in S'millions									
2.5	4.0*	3.5	4.2	5.8	6.4	7.1	13.3	18.5	20.2
118.2	136.9	178.1	214.0	236.2	302.7	458.1	527.6	703.6	943.2
140.7	163.0	208.3	250.9	279.2	357.7	538.5	622.5	835.1	1,120.8
Amounts in N.Z.\$'millions									
0.2	0.2	0.3	0.3	0.3	0.5	0.6	0.6	0.5	0.6
65.8	78.3	88.5	88.3	94.2	112.5	114.4	124.9	144.2	155.9
5.9	8.2	11.3	12.2	17.0	23.6	31.2	38.4	45.9	50.4

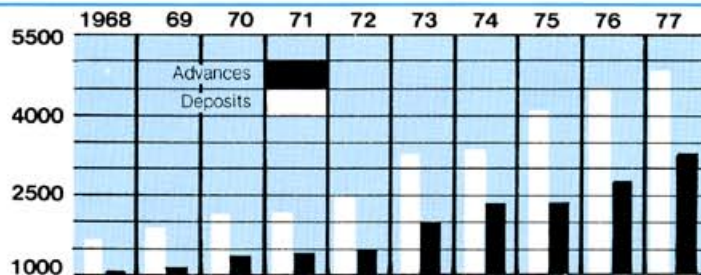
Consolidated

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



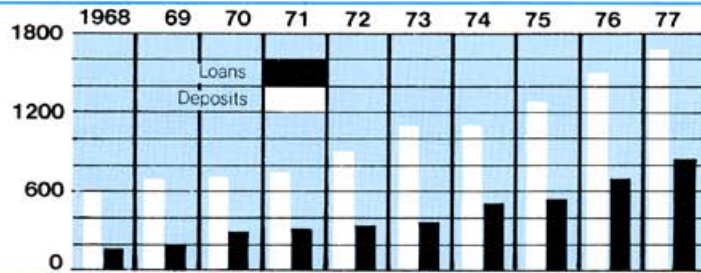
Trading Bank

Net profit
 Deposits and other accounts
 Advances, loans etc.



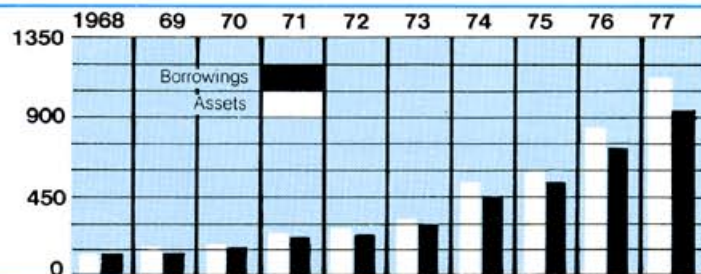
Australian Savings Bank

Net profit
 Deposits and other accounts
 Loans and other accounts



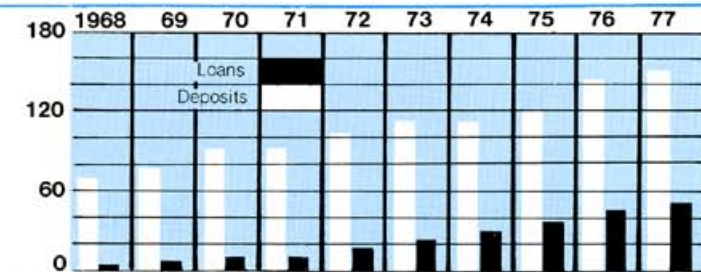
Esanda

Net profit
 Total borrowings
 Total assets



New Zealand Savings Bank

Net profit
 Deposits and other accounts
 Loans and other accounts



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. Ashton, R. T. Brunskill

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

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

A. G. Kilpatrick, C. W. McInnes, K. O. Wilks

Controller: D. Nicolson

Secretary: L. C. Graham

Victoria

Administrative Offices:

287 Collins Street, Melbourne

State Manager: K. R. Porter

Principal Banking Offices in Melbourne:

388 Collins Street

Manager: A. G. Wiltshire

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: R. G. McKinnon

Australian Capital Territory

Canberra Area Branch:

City Walk and Ainslie Avenue

Area 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: B. O'Callaghan

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: B. B. Dickinson

Wellington Central Area Branch
Lambton Quay and Featherston Street
Area Manager: R. B. McArtney

Auckland Central Area Branch
Queen and Victoria Streets
Area Manager: T. N. Lynch

Christchurch Area Branch
85 Hereford Street
Area Manager: I. G. McLeod

Dunedin Area Branch
Princes and Liverpool Streets
Area Manager: C. L. Wetherell

United Kingdom and Europe

Administrative Offices:
71 Cornhill, London, EC3V 3PR
General Manager — Europe: R. C. Wheeler-Bennett
Chief Manager (International): W. J. Bailey
Chief Manager (Banking & Services): J. D. Sanders
Chief Manager (Corporate Banking): J. R. Lovesey

Principal Banking Office in London:
71 Cornhill, London, EC3V 3PR
Manager: R. Isherwood

Pacific Islands

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
Regional 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

Agencies:
New York
63 Wall Street
Chief Agent: T. G. Williams
Los Angeles
Suite 4350, 707 Wilshire Boulevard
Agent and Manager: R. C. Thomas

Singapore

Representative Office:
Suite 601, Sixth Floor, Ocean Building,
Collyer Quay, Singapore 1
Regional Representative: W. M. Vincent

Papua New Guinea

Australia and New Zealand Banking Group (PNG) Limited
Administrative Offices and Main Banking Office:
ANG House, Hunter Street, Port Moresby
Chief Manager: T. A. Wightman

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

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 scheme.
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.
Leverage leasing
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.

General Finance

Esanda (in Australia)

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.

UDC (in New Zealand)

Instalment finance — credit sale and lease facilities
Loans for working capital
Bridging finance and bonding
Merchant bank facilities
Property development and management
Colour television rental

