

## EXPLANATORY NOTE

*(This note is not part of the regulations, but is intended to indicate their general purport.)*

The directors of every building society are required to lay before their society at the annual general meeting a Revenue and Appropriation Account and a Balance Sheet.

These regulations prescribe the form of, and the particulars to be contained in, the Account and Balance Sheet.

1964. No. 152

[C]

## BUILDING SOCIETIES

## Authorised Investments

ORDER, DATED 28TH SEPTEMBER, 1964, MADE BY THE REGISTRAR OF BUILDING SOCIETIES, WITH THE CONSENT OF THE MINISTRY OF COMMERCE, UNDER SECTION 18 OF THE BUILDING SOCIETIES ACT (NORTHERN IRELAND) 1964.

The Registrar, with the consent of the Ministry of Commerce, in exercise of the powers conferred upon him by section 18 of the Building Societies Act (Northern Ireland) 1964(a) hereby makes the following Order:—

*Citation and Commencement*

1. This Order may be cited as the Building Societies (Authorised Investments) Order (Northern Ireland) 1964 and shall come into operation on the 1st October, 1964.

*Interpretation*

2.—(1) In this Order “value” in relation to the assets or the investments of a building society means the value at which the assets or the investments, as the case may be, are taken into account in the books of the building society.

(2) Reference in this Order to investing funds or the making of an investment shall include investing funds or the making of an investment by way of reinvestment.

*Manner of Investment*

3.—(1) The manner in which a building society may invest any part of its surplus funds is specified in Parts I, II and III of the Schedule, subject however so far as the making of any investment in any manner specified in Parts II and III of that Schedule is concerned to the following article.

(2) Part IV of the Schedule shall have effect for the purposes of Parts I, II and III thereof and for the interpretation of those Parts.

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(a) 1964. c. 15 (N.I.).

*Restrictions on Investment*

4. A building society shall not—

- (a) make an investment in any manner specified in Part II of the Schedule unless at the time of the making of such investment it holds investments of any kinds specified in Part I of that Schedule amounting in value to not less than seven and one half per cent. of the value of the assets of the building society at the end of its last financial year before that time;
- (b) make an investment in any manner specified in Part III of that Schedule unless at the time of the making of such investment—
  - (i) it holds investments of any kinds specified in Parts I and II of that Schedule amounting in value to not less than fifteen per cent. of the value of the assets of the building society at the end of its last financial year before that time, and
  - (ii) the value of the investments specified in Part I of that Schedule held by it amounts to not less than seven and one half per cent. of the value of the said assets.

Dated this 28th day of September, 1964.

*Ernest Simpson,*  
Registrar of Building Societies.

The Ministry of Commerce hereby consents to this Order.

Sealed with the Official Seal of the Ministry of Commerce for Northern Ireland this 28th day of September, 1964.

(L.S.)

*H. Ruben,*  
Assistant Secretary.

## SCHEDULE

## Manner of Investment

## PART I

1. In tax Reserve Certificates issued by the Treasury, Defence Bonds, National Development Bonds, Ulster Development Bonds and Treasury Bills.

2. In marketable fixed-interest securities of the following descriptions which will mature for repayment in not more than five years from the relevant date, that is to say—

- (a) securities issued by Her Majesty's Government in the United Kingdom or by the Government of Northern Ireland;
- (b) securities the repayment of the principal of which and the payment of interest on which is guaranteed by Her Majesty's Government in the United Kingdom or by the Government of Northern Ireland;
- (c) securities issued in the United Kingdom by the Government of any overseas territory (as defined by the Overseas Service Act 1958(a)), within the Commonwealth, being securities registered in the United Kingdom;
- (d) securities issued in the United Kingdom the repayment of the principal of which and the payment of interest on which is guaranteed by the Government of any overseas territory (as defined by the Overseas Service Act 1958), within the Commonwealth, being securities registered in the United Kingdom;
- (e) securities issued in the United Kingdom by any relevant authority, or public authority or nationalised industry or undertaking in the United Kingdom;
- (f) securities issued in the United Kingdom by any river or water board in the United Kingdom;
- (g) securities issued in the United Kingdom by the International Bank for Reconstruction and Development, being securities registered in the United Kingdom.

3. In loans to any relevant authority in the United Kingdom which are charged on all or any of the revenues of the authority, or on a fund into which all or any of its revenues are payable, and which are repayable—

- (a) in not more than six months after the relevant date, or
- (b) by notice to the authority requiring it to repay the loan, such notice being a notice which will expire in not more than six months from the giving thereof and which may be given at any time after the relevant date.

4. In deposits with any relevant authority in the United Kingdom by way of temporary loan—

- (a) which is made on the giving of—
  - (i) a receipt for the loan by the Treasurer or other similar officer of the authority, and
  - (ii) an undertaking by the authority that, if requested to charge the loan on all or any of the revenues of the authority or on a fund into which all or any of its revenues are payable, it will either comply with the request or repay the loan, and
- (b) which is repayable by notice to the authority requiring it to repay the loan, such notice being a notice which will expire in not more than seven days from the giving thereof and which may be given at any time—
  - (i) after the making of the loan, or
  - (ii) after a period not exceeding twelve weeks from the making of the loan.

## PART II

5. In marketable fixed-interest securities of the descriptions contained in subparagraphs (a) to (g) of paragraph 2 of Part I which will mature for repayment in more than five years but in not more than fifteen years from the relevant date.

6. In loans to any relevant authority in the United Kingdom which are charged on all or any of the revenues of the authority, or on a fund into which all or any of its revenues are payable, and which are repayable in more than six months but in not more than two years from the relevant date.

## PART III

7. In marketable fixed-interest securities of the description contained in subparagraphs (a) to (g) of paragraph 2 of Part I which will mature for repayment in more than fifteen years but in not more than twenty-five years from the relevant date.

8. In loans to any relevant authority in the United Kingdom which are charged on all or any of the revenues of the authority, or on a fund into which all or any of its revenues are payable, and which are repayable in more than two years but in not more than five years from the relevant date.

## PART IV

## Interpretation

9. The securities mentioned in Parts I to III do not include any securities where the holder is not entitled to require the repayment of the principal, and the payment of interest, in sterling.

10. In this Schedule—

“relevant authority” means any of the following authorities—

- (a) any local authority in the United Kingdom;
- (b) any authority all the members of which are appointed or elected by one or more local authorities in the United Kingdom;
- (c) any authority the majority of the members of which are appointed or elected by one or more local authorities in the United Kingdom, being an authority which by virtue of any enactment has power to issue a precept to a local authority in England, Wales and Northern Ireland, or a requisition to a local authority in Scotland, or to the expenses of which, by virtue of any enactment, a local authority in the United Kingdom is or can be required to contribute;
- (d) the Receiver for the Metropolitan Police District or a combined police authority (within the meaning of the Police Act 1964(a));
- (e) the Belfast City and District Water Commissioners;
- (f) the Great Ouse Water Authority;

“local authority” means any of the following authorities—

- (a) in England and Wales, the council of a county, a county metropolitan or other borough (including a borough which has been included in a rural district), an urban or rural district or a parish, the Common Council of the City of London and the Council of the Isles of Scilly;

(b) in Scotland, a local authority within the meaning of the Local Government (Scotland) Act 1947(a); or

(c) in Northern Ireland, the council of a county, a county or other borough, or an urban or rural district;

“marketable fixed-interest securities” means securities the price of which is quoted on the Belfast Stock Exchange or on a recognised stock exchange within the meaning of the Prevention of Fraud (Investments) Act 1958(b) and on which the rate of interest is fixed by the terms of their issue;

“relevant date”, in relation to any security or loan in which an investment is at any time to be made, means the date on which that investment is to be made, and in relation to any security or loan held for the time being as an investment whose value is to be taken into account for the purposes of determining whether an investment specified in Part II or III may be made, the date on which that investment is to be made;

“river or water board” includes a river purification board, the Metropolitan Water Board, the Conservators of the River Thames, the Lee Conservancy Catchment Board and the Belfast City and District Water Commissioners;

“securities” includes stock, debentures, debenture stock and bonds;

“Treasury Bills” includes Exchequer Bills and other Bills issued by Her Majesty’s Government in the United Kingdom or by the Government of Northern Ireland.

11. For the purposes of this Schedule—

(a) the date on which any security will mature for repayment shall be the last or only date on which that security shall be repayable by or under its terms of issue;

(b) the date on which a loan will be repayable shall be the last or only date on which that loan shall be repayable by or under the terms of the making of the loan, except that if under the terms of any loan the lender may require its repayment at any date, the date shall be the earliest date on which repayment may be so required.

### EXPLANATORY NOTE

*(This Note is not part of the Order, but is intended to indicate its general purport.)*

This Order prescribes the manner in which building societies may invest such of their funds as are not immediately required for their purposes.