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The Commonwealth of Massachusetts

ANNUAL REPORT

OF THE

BUREAU OF LOAN AGENCIES

FOR THE

Year Ended December 31, 1960

Mass.: DEPARTMENT OF BANKING AND INSURANCE :

DIVISION OF BANKS AND LOAN AGENCIES

EDWARD A. COUNIHAN, III

COMMISSIONER OF BANKS



STATE LIBRARY OF MASSACHUSETTS

FEB 20 1962

The Commonwealth of Massachusetts

STATE HOUSE, BOSTON

BUREAU OF LOAN AGENCIES

FOURTH FLOOR, 150 CAUSEWAY STREET, BOSTON

MASS. OFFICIALS

ANNUAL REPORT FOR THE YEAR ENDED DECEMBER 31, 1960

(Pursuant to provisions of Section 98 of General Laws, (Ter. Ed.)
Chapter 140)*To the Honorable Senate and House of Representatives
of the Commonwealth of Massachusetts:*

As of December 31, 1960 there were three hundred and eighteen small loan licenses outstanding.

The figures contained in this report include loans of \$1,500.00 or less, loans in excess of \$1,500.00 and other finance business. They are all general in nature. This is due to the fact that the Rate Order, with respect to loans of \$1,500.00 or less, promulgated by the Small Loans Regulatory Board, became effective April 1, 1960 and for the first three months a legal maximum rate prevailed only on loans of \$300.00 or less.

Various schedules that were required in previous years with respect to loans of \$300.00 or less, would have no significance; therefore, a simplified report was required for the year ended December 31, 1960. The calendar year ending December 31, 1962 will yield the first clear figures under the new rates.

A revised annual report form is presently being prepared by this Bureau for the year ending December 31, 1961.

The figures included in the following schedules are compiled from annual reports to the Supervisor of Loan Agencies as represented by all licensed lenders and are tested by accountants of this Bureau by examination of the original records and by statistical comparisons.

Respectfully submitted,

MARTIN J. HANLEY

*Supervisor of Loan Agencies
and Deputy Commissioner*

Approved:

EDWARD A. COUNIHAN, III

Commissioner of Banks

TABLE OF EXHIBITS

- EXHIBIT A. Consolidated Statement of Financial Condition
(Small Loan, Large Loan and Other Finance Business).
- EXHIBIT B. Consolidated Statement of Profit and Loss
(Small Loan, Large Loan and Other Finance Business).

EXHIBIT A

CONSOLIDATED STATEMENT OF FINANCIAL CONDITION DECEMBER 31, 1960
 Small Loan, Large Loan and Other Finance Business Conducted in Massachusetts

ASSETS AND LIABILITIES	LICENSED AGENCIES 318
<i>Assets</i>	
Cash in Office and in Banks	\$ 3,889,765.30
Receivables	164,566,400.70
Real Estate (Less-Accumulated Depreciation-Buildings)	306,062.00
Furniture, Fixtures, Equipment and Automobiles (Less-Accumulated Depreciation)	1,326,064.05
Deferred Charges and Prepaid Expenses	335,279.59
Organization and Development Expense	332,172.75
Cost of Financing	15,464.01
Prepaid Expense on Accounts Purchased	159,538.19
Other Assets:	
(a) Miscellaneous Accounts Receivable	\$ 942,226.00
(b) Accrued Interest Receivable	83,469.66
(c) Investments	3,712,291.66
(d) Miscellaneous	189,067.49
	4,927,054.81
Total Assets	\$175,857,801.40
Home Office Assets Apportioned to Branches in Massachusetts	\$ 12,945,325.82
<i>Liabilities and Capital</i>	
Accounts and Notes Payable:	
(a) Banks	\$ 8,403,156.79
(b) Due to Parent Company or Affiliates	43,033,521.62
(c) Other Notes and Accounts	6,585,537.51
	\$ 58,022,215.92
Bonds	2,736,889.50
Treasury Certificates	2,338,085.00
Other Liabilities:	
(a) Accrued Expenses	462,867.80
(b) Unearned Charges	26,445,072.68
(c) Other	162,221.68
	27,070,162.16
Valuation Reserves:	
(a) Bad Debts	4,482,150.26
(b) Purchased Accounts (Face Value Less Purchase Price)	20,651.00
(c) Other	294,003.03
	4,796,804.29
Expense Reserves:	
(a) Taxes	1,716,705.11
(b) Other	49,046.91
	1,765,752.02
Branch Office Capital (Home Office Control)	54,260,571.97
Net Worth (If Individual or Partnership)	234,355.00
Capital Stock (If Corporation):	
(a) Preferred	2,523,951.01
(b) Common	8,646,124.64
	11,170,075.65
Appropriated Surplus or Capital Reserves	1,296,243.31
Additional Paid-in Capital	3,047,074.38
Retained Earnings	9,119,572.20
Total Liabilities and Capital	\$175,857,801.40

EXHIBIT B

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR
ENDED DECEMBER 31, 1960

Small Loan, Large Loan and Other Finance Business Conducted in Massachusetts

<i>Gross Income</i>	LICENSED AGENCIES 318	
Charges on Receivables	\$32,005,733.33	
Fees Collected (When Authorized)	1,233,630.02	
Collections on Accounts Previously Charged Off	165,307.60	
Other Income:		
Gain on Sale of Assets	23,411.39	
Dividends and Interest on Investments	85,128.51	
Miscellaneous	150,656.75	
Total Gross Income		<u>\$33,663,867.60</u>
<i>Expenses of Conducting Business in Massachusetts</i>		
Advertising	\$ 984,209.95	
Auditing	95,645.08	
Bad Debts:		
(a) Charged Off	\$ 531,426.25	
(b) Addition to Reserve	2,340,691.32	2,872,117.57
Depreciation of Furniture, Fixtures, Equipment and Automobiles		325,449.49
Insurance and Fidelity Bonds		100,829.04
Legal Fees and Disbursements		284,789.18
License Fees		98,696.25
Postage and Express		247,233.74
Printing, Stationery and Supplies		268,263.39
Recording and Acknowledging Fees		12,365.19
Rent, Heat, Light and Janitor Service		1,099,330.91
Salaries		6,377,120.48
Taxes (Excluding Federal Taxes on Income):		
(a) State Income	285,311.84	
(b) Pay Roll	241,060.75	
(c) State and Local	105,548.43	
(d) Miscellaneous	131.00	632,052.02
Telephone and Telegraph		713,448.76
Travel, Automobile Expenses and Allowances		363,473.48
Other Expenses:		
(a) Bookkeeping and Corporation Services	120,913.77	
(b) Dues and Subscriptions	99,893.64	
(c) Credit Reports	133,730.02	
(d) Pension Fund Contribution	169,110.92	
(e) Miscellaneous	560,469.36	1,084,117.71
Total		<u>\$15,559,142.24</u>
Total Home Office Expenses		2,456,644.20
Total Expenses Before Federal Income Taxes and Cost of Borrowed Funds		18,015,786.44
Federal Taxes on Income		4,834,185.58
Total Expenses, After Income Taxes, but Before Cost of Borrowed Funds		<u>22,849,972.02</u>
Net Earnings After Income Taxes, but Before Cost of Borrowed Funds		10,813,895.58
Cost of Borrowed Funds		5,272,913.11
Net Earnings After Income Taxes and Cost of Borrowed Funds		<u>\$ 5,540,982.47</u>



