

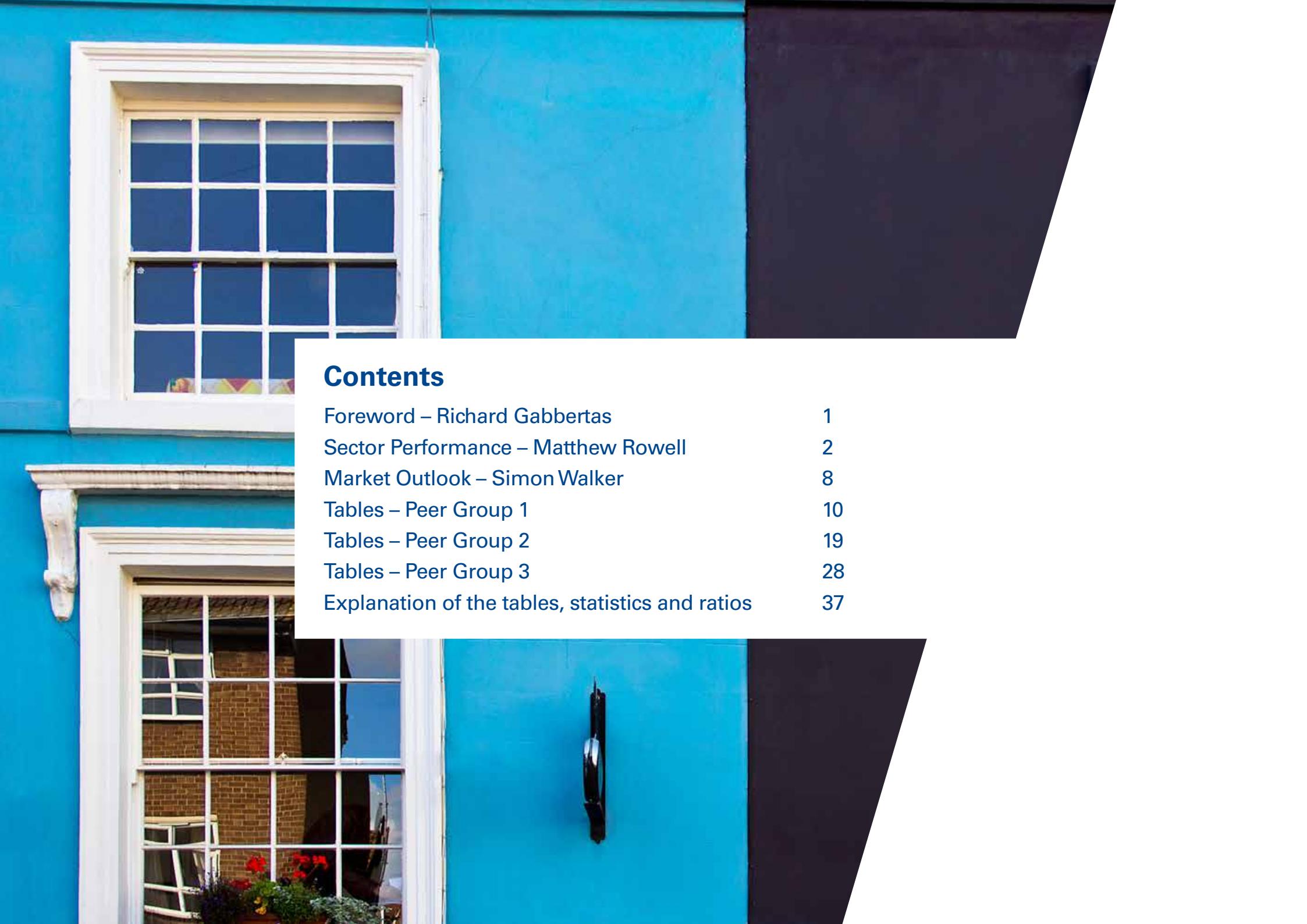


*cutting through complexity*

# Building Societies Database 2014

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# Building Societies Database 2014



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Welcome to the 24th edition of KPMG's annual Building Societies Database

**I am delighted to introduce the current year edition of the KPMG Building Societies Database, which summarises the results of the Building Society sector reported between August 2013 and April 2014.**

The statistics present a picture of an industry returning to growth following the stresses of the financial crisis and continuing to offer a genuine choice to consumers.

If you would like to know more about the services KPMG provides to both the Building Society sector and the wider retail banking market, then please feel free to contact me using the details below.

**Richard Gabbertas**  
Partner, Financial Services  
September 2014

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## Sector performance

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The data contained in the 2014 Database has been extracted from public information sources for building societies with financial year ends between August 2013 and April 2014.

### Highlights

35 out of 45 Societies increased profit before tax compared to Database 2013

Sector reserves increase to an all time high of £13.7 billion

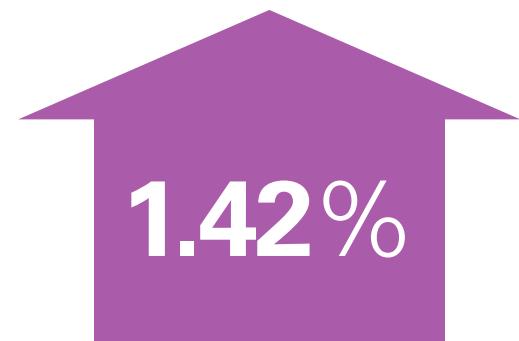
New post-crisis peak in average net interest margin at 1.42%, the highest since 2005



**35 SOCIETIES**



**SECTOR RESERVES**



**NET INTEREST MARGIN**



### Asset base

The current reporting season has undoubtedly been a strong one for the building society sector, with 32 of 45 societies reporting increases in total assets. This marked increase in total assets is even more noticeable when the impact of the sector's largest participant, Nationwide, is excluded: the remaining 44 societies increased total assets by £3.8 billion, or 3.1%.

As in previous years, many of the most impressive rates of increase in total assets continue to be seen at some of the smallest societies, with the largest growth rate across the industry being seen at Stafford Railway Building Society.

This increase in total assets continues to be largely fuelled by lending to home-owners, with gross mortgage lending of £44.2 billion undertaken by the sector, constituting 25.1% of UK gross mortgage lending. The sector continues to reduce its exposure to the commercial property market, with loans secured on land other than residential property declining from Database 2013.

## 32 of 45 Societies reported increases in total assets

### Total asset growth





### Profitability

Although the profitability of the sector remains below its pre-financial crisis peak, the current reporting season has once again been a strong one for the sector with 38 out of 45 societies increasing their net interest margin and the sector's simple average net interest margin rising to 1.42% from 1.25%.

This strong performance has been assisted by government initiatives, most notably in the form of the Funding for Lending Scheme ('FLS') which has served to depress both the retail and wholesale borrowing costs of the sector.

These continued improvements have driven increases in profit before tax at 35 societies. However, inflationary and regulatory pressures continue to increase the cost base of the sector with 31 societies reporting an increase in their management expenses ratio.

Contributions to the Financial Services Compensation Scheme continue to weigh heavily on the building society sector, as a reflection of its heavy reliance on funding from retail depositors, although changes in accounting policies at a number of societies have reduced the level of provision at the balance sheet date for societies with year ends on or after December 2013.

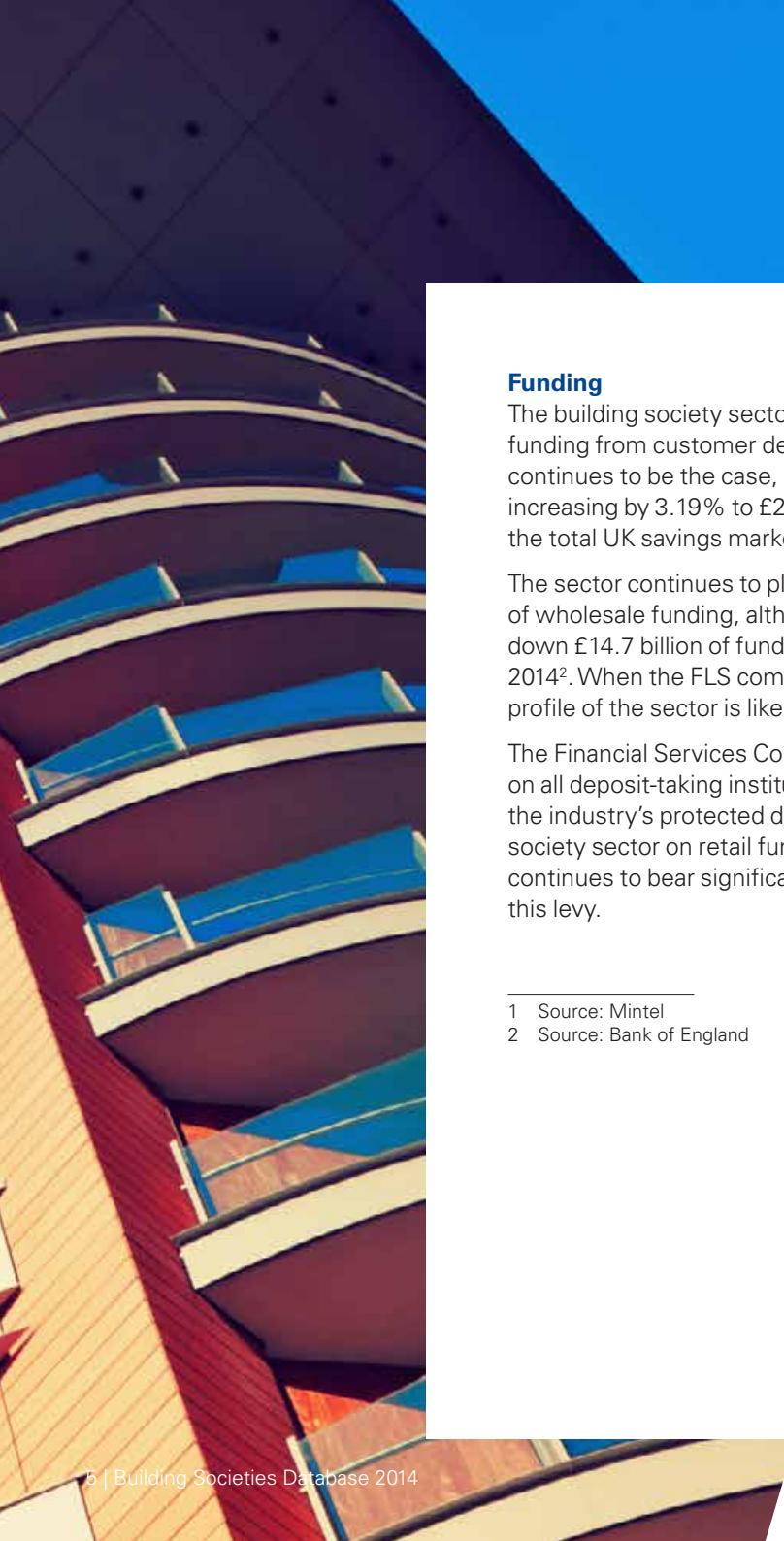
**38 out of 45 societies increased their net interest margin**



**PROFIT BEFORE TAX**



**NET INTEREST MARGIN**



## Funding

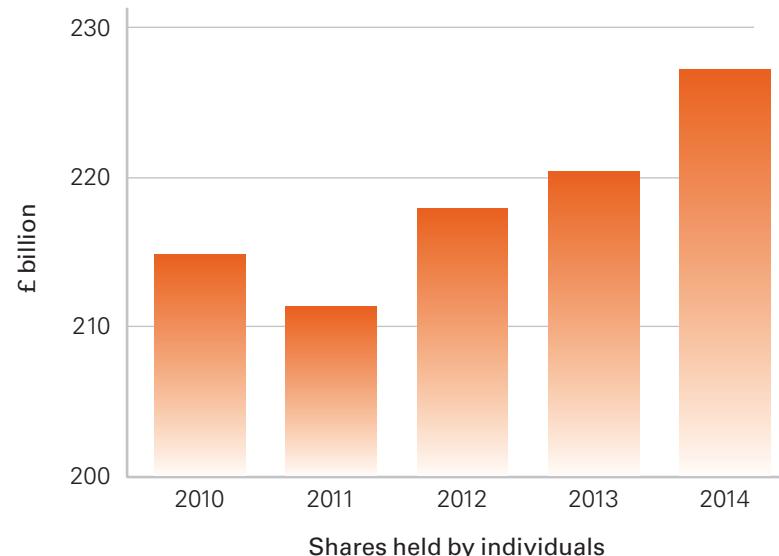
The building society sector is founded upon the bedrock of funding from customer deposits, in the form of shares. This continues to be the case, with shares held by individuals increasing by 3.19% to £227.5 billion, representing 19%<sup>1</sup> of the total UK savings market.

The sector continues to place only limited reliance on sources of wholesale funding, although building societies had drawn down £14.7 billion of funding from the FLS at 31 January 2014<sup>2</sup>. When the FLS comes to an end in 2015, the funding profile of the sector is likely to change once again.

The Financial Services Compensation Scheme Levy is levied on all deposit-taking institutions according to their share of the industry's protected deposits. The reliance of the building society sector on retail funding has meant that the sector continues to bear significant on-going costs in relation to this levy.

1 Source: Mintel

2 Source: Bank of England



### Lending

During 2013, the sector played a pivotal role in supporting the recovering UK housing market. The sector advanced £44.2 billion in gross mortgage advances, representing 25.1% of UK mortgage advances.

The sector continues its trend towards moving away from lending secured on non-residential property, with loans fully secured on residential property (FSRP) now accounting for 97% of outstanding balances within the sector.

FSRP provisions have declined, with total FSRP provisions reported within Database 2014 amounting to £251 million, down from £328 million in Database 2013. This reflects improving house price growth and a return to wider economic growth within the UK.



**FSRP** – Full secured on residential property

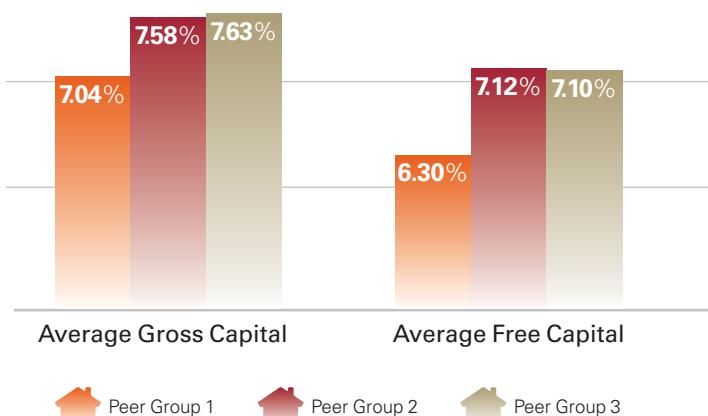
**FSOL** – Fully secured on land

## Capital

Most societies in the sector continue to rely upon retained earnings as the main source of regulatory capital. The strong levels of profitability in the sector during the year have supported a strengthening of capital ratios with 26 societies increasing either gross or free capital ratios.

The building society sector continues to face challenges surrounding the methods which can be used to raise high quality, loss absorbing regulatory capital. Last year, Nationwide issued a new form of regulatory capital, Core Capital Deferred Shares (CCDS), which present a new avenue for societies wishing to raise regulatory capital other than through retained earnings. Since the issue by Nationwide, a number of other societies have moved to amend their rules to allow the issuance of CCDS if desired.

The improving economic position of the UK is likely to allow most societies to continue to rely upon retained earnings as the primary source of regulatory capital. However, should the UK economy experience further shocks, it is possible that more societies might turn to CCDS or similar instruments as a core source of funding.



## Future outlook

Although the current reporting season has undoubtedly been a strong one for the building society sector, a number of unquantifiable issues are on the horizon which could adversely impact its future performance.

The impact of future increases in the Bank of England's base rate from its historically unprecedented low of 0.5% is unknown. The ability of borrowers to afford a significant increase in the cost of mortgages is, as yet, unproven and even gradual increases in interest rates may flow through into increased arrears, repossession and impairment provisions.

Meanwhile, inflationary cost pressures are likely to continue to affect the sector, with the regulatory agenda adding further upward pressure to the existing cost base.

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## Market outlook

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Summer 2014 found building societies in a quietly confident mood. 2013 was another good year for societies, with bad debts continuing to fall and the sector continuing to grow. 2014 has started well, societies have come through the challenges of implementing the Mortgage Market Review ('MMR') well, the recovery in the housing market has both boosted demand for mortgages and lowered further the prospects of bad debts within historic portfolios and the savings market remains less cut throat than three years ago thanks to the continuation of the Bank of England's Funding for Lending Scheme. A number of societies have taken advantage of the more settled global financial situation to reduce the level of liquidity they hold, so making their balance sheets work harder and improving net interest margins.

The short term outlook is relatively benign. The housing market is forecast to continue to be solid, with a leading property firm forecasting this month that house prices will rise by 25% by the end of 2017 and that the rise will cover the whole of the UK and not just London, a less frothy and slightly more sustainable level of growth than last year. With personal income levels not expected to grow strongly for some time to come, this will lead to a fall in affordability, but not quite to the much stretched levels of 2008.

The MMR has had the expected impact of consolidating the tightening of mortgage lending criteria that has been happening for the last few years, creating opportunities for smaller more flexible lenders to take a more personal view of borrowers' circumstances, something societies are good at. This may help both relative growth and margins, with the opportunity to risk-price such lending. The expectation that

regulators globally will continue to press larger banks to hold more capital and reduce their leverage may also have the effect of limiting some competitive pressures on societies as large banks think carefully about how best to deploy their capital and seek higher levels of profitability to improve their returns on capital.

On the savings side of their balance sheets, societies do face a couple of challenges. The first is the new larger ISA allowance of £15,000 which may tempt some savers to move more of their monies out of building societies into equities. The second is the continuation of the low interest rate environment, which is widely expected to remain unusually low for several more years yet, so continuing the incentive for savers to look for higher returns from forms of savings other than deposit accounts.

Across the banking market there is much talk and some evidence of innovation and new entrants with different business models. This is most evident in unsecured lending with crowd sourced funding models becoming established and there is some movement in the payments sector as internet based businesses grow and diversify. So far, however, in the mortgage market, there has been little evidence of either significant new entrants or talk of new innovative technology based business models. Consequently for now there is little short to midterm risk of mortgage or saving margins being rapidly eroded by a wave of new entrants as they were in 2003 to 2008.

In the mid to long term though there is the possibility of some challenges to societies.



If the impact of MMR continues to be perceived as tighter lending criteria then it is likely that some new entrants will arrive in the mortgage market, tempted by the opportunities to premium price in niche markets. The number and scale of new entrants might also be encouraged by the second of the challenges that societies will face in the midterm.

Societies are as a sector well capitalised and relatively untroubled by the current Basel leverage ratio limit of 3%. However, worldwide some regulators are taking a view that for large banks a higher leverage ratio is required and higher capital levels too. There must be a reasonable probability that these higher hurdles will become more widespread and first be applied to larger UK banks and then ultimately to smaller ones including building societies. This would have two effects.

For the market as a whole, higher capital and leverage ratios will drive banks to put up prices to maintain or improve returns on capital. This improvement in margins will benefit societies and encourage non-banks to enter the mortgage market. Although non-banks do require capital to undertake mortgage lending, and substantially more capital than in the last decade, it will still be materially less than for a bank or society doing the same lending.

The second impact is society specific because, as mutuals they have more difficulty in raising fresh capital other than through retained profits. Nationwide has pioneered a way forward in raising fresh capital from the market, but there is a prevailing view that this route is only open to the larger societies. Rising capital hurdles are likely to limit midterm ability to grow until a cost effective route is found for societies to go to market and raise capital.

In conclusion, the short to midterm forecast for societies is good with one or two squalls to face in the longer term.

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# Peer Group 1

**Table 1: Total Assets, Shares, Members and Branches**

Asset Ranking	Society	IFRS Year End	Group Total Assets	Group Asset Growth	Rank	Society Total Assets	Society Asset Growth	Rank	Society Shares	Society Shares Growth	Number of Society Shareholders	Average Balance per Shareholder	Funding Limit	Liquid Assets Ratio	Number of Society Branches	Total Society Assets per Branch	Society Shareholders per Branch	Society Borrowers per Branch	
			£'000	%		£'000	%		£'000	%		£	%	%		£'000			
1	Nationwide	Apr 2014	189,926,000	(0.42%)	9	188,889,000	(0.23%)	9	130,468,000	3.90%	11,000,000	11,861	19.60%	10.30%	700	269,841	15,714	2,714	
2	Yorkshire	Dec 2013	34,453,400	2.85%	7	34,853,300	2.34%	7	26,415,300	(2.03%)	3,100,000	8,521	18.40%	13.73%	228	152,865	13,596	1,425	
3	Coventry	Dec 2013	28,253,300	4.90%	5	27,842,600	5.60%	4	21,311,700	5.97%	1,323,000	16,109	20.40%	14.50%	70	397,751	18,900	5,071	
4	Skipton	Dec 2013	14,486,700	5.28%	4	14,053,600	4.52%	5	10,246,100	8.78%	616,704	16,459	15.37%	18.61%	99	141,956	6,229	1,246	
5	Leeds	Dec 2013	11,194,200	8.51%	3	11,230,900	8.69%	3	8,586,400	11.69%	579,037	14,816	16.90%	17.63%	67	167,625	8,642	1,137	
6	Principality	Dec 2013	7,058,100	4.04%	6	6,933,000	4.00%	6	5,555,300	2.00%	461,184	12,036	14.00%	16.10%	53	130,811	8,702	951	
7	West Bromwich	Mar 2014	5,650,500	(8.90%)	13	5,630,300	(8.44%)	13	4,235,600	(8.95%)	435,000	9,734	5.30%	17.15%	37	152,170	11,757	1,514	
8	Newcastle	Dec 2013	3,669,700	(9.17%)	14	3,676,700	(9.26%)	14	3,236,100	(6.07%)	385,803	8,388	4.19%	26.28%	31	118,603	12,445	949	
9	Nottingham	Dec 2013	3,015,900	10.40%	1	3,016,300	10.39%	1	2,319,600	2.36%	156,470	14,825	17.24%	17.69%	31	97,300	5,047	1,062	
10	Cumberland	Mar 2014	1,692,889	8.98%	2	1,693,118	8.99%	2	1,433,199	5.85%	156,145	9,179	8.10%	17.56%	33	51,307	4,732	538	
11	Progressive*	Dec 2013	1,619,916	(0.52%)	10	1,619,916	(0.52%)	10	1,420,870	(3.32%)	85,034	15,780	12.54%	19.42%	12	134,993	7,086	1,169	
12	National Counties	Dec 2013	1,278,833	(3.23%)	12	1,261,094	(3.08%)	12	878,996	(4.44%)	40,072	21,935	23.88%	24.74%	1	1,261,094	40,072	10,711	
13	Saffron	Dec 2013	1,187,538	(1.64%)	11	1,185,955	(1.66%)	11	915,829	(0.60%)	117,715	7,780	18.90%	29.10%	12	98,830	9,810	639	
14	Cambridge	Dec 2013	1,154,981	1.20%	8	1,159,319	1.20%	8	978,298	4.05%	124,700	7,799	10.42%	17.49%	18	64,407	6,928	700	
Total Peer Group				Total Peer Group															
304,641,957				303,045,102															
Average of Peer Group Societies				1.59%				1.61%				1.37%				12,516			
																14.66%			
																18.59%			
																231,397			
																12,119			
																2,130			

\* Denotes no Group: therefore Society total assets included as Group

# Peer Group 1

**Table 2: Group/Society Profitability Ratios**

Asset Ranking	Society	IFRS Year End	Exceptional Items in addition to FSCS Levy Current Year	Group Profit for Year	Profit Change	Group/Society Profit for Year/Mean Assets	Group Net Interest Margin/ Mean Assets	Group Cost/ Income Ratio	Group ManEx/ Mean Assets	Rank	Group ManEx – Other Income/ Mean Assets	Mortgage Loss Provisions Charge/(Credit) for Year	Mortgage Loss Provisions Charge/(Credit) for Year/Profit Pre-Provision	Recurring Profit Including Mortgage Loss Provisions Current Year	Recurring Profit Including Mortgage Loss Provisions Prior Year	Change	FSCS levy Charge/ (Credit)	FSCS levy Provision
																	£'000	£'000
1	Nationwide	Apr 2014	X	549,000	208.43%	0.29%	1.26%	56.65%	0.85%	7	0.61%	380,000	30.82%	853,000	311,000	174.28%	104,000	142,000
2	Yorkshire	Dec 2013	-	148,100	19.53%	0.44%	1.56%	51.00%	0.88%	8	0.72%	22,800	9.31%	222,200	187,500	18.51%	11,800	25,900
3	Coventry	Dec 2013	-	101,300	45.76%	0.37%	0.92%	41.06%	0.39%	1	0.35%	6,300	4.07%	148,400	89,400	66.00%	15,400	8,700
4	Skipton	Dec 2013	X	76,300	186.84%	0.54%	1.01%	78.99%	3.22%	14	0.15%	21,500	17.75%	99,600	68,100	46.26%	7,700	12,300
5	Leeds	Dec 2013	-	49,000	18.93%	0.46%	1.52%	31.30%	0.52%	2	0.38%	47,900	39.33%	73,900	59,300	24.62%	5,700	2,900
6	Principality	Dec 2013	-	22,200	16.84%	0.32%	1.68%	54.31%	1.09%	11	0.76%	22,400	35.22%	41,200	36,100	14.13%	4,200	2,300
7	West Bromwich	Mar 2014	X	1,000	121.28%	0.02%	0.81%	72.46%	0.76%	4	0.52%	13,600	80.47%	3,300	(6,500)	150.77%	3,800	2,100
8	Newcastle	Dec 2013	X	100	100.00%	0.00%	0.61%	75.93%	0.96%	9	0.30%	6,700	57.26%	5,000	3,100	61.29%	2,000	3,100
9	Nottingham	Dec 2013	X	10,200	59.38%	0.35%	1.33%	66.06%	1.13%	13	0.74%	900	5.39%	15,800	10,500	50.48%	1,800	3,600
10	Cumberland	Mar 2014	-	7,657	24.26%	0.47%	1.48%	61.30%	1.13%	12	0.77%	137	1.18%	11,428	9,084	25.80%	1,162	1,640
11	Progressive*	Dec 2013	-	4,048	81.20%	0.25%	1.45%	36.96%	0.56%	3	0.49%	8,184	52.52%	7,400	3,593	105.96%	960	518
12	National Counties	Dec 2013	-	1,019	(40.09%)	0.08%	0.83%	78.53%	0.77%	5	0.62%	1,152	41.97%	1,593	686	132.22%	694	388
13	Saffron	Dec 2013	-	2,320	174.88%	0.19%	1.18%	74.25%	0.84%	6	0.83%	399	9.62%	3,750	1,839	103.92%	699	439
14	Cambridge	Dec 2013	-	1,925	230.76%	0.17%	1.24%	76.88%	1.02%	10	0.94%	235	6.67%	3,286	1,629	101.72%	729	1,210

Average of Peer Group Societies

89.14% 0.28% 1.21% 61.12% 1.01% 0.59%

\* Denotes no Group: therefore Society profitability measures included as Group

# Peer Group 1

**Table 3: Group/Society Reserves and Capital**

Asset Ranking	Society	IFRS Year End	General Reserves	IFRS Reserves	Revaluation Reserve	Other Reserves/ Minority Interests	Total Reserves	Total Reserves/ Total Assets	Rank	Total Reserves Change on Prior Year	Prior Year		Other Capital	Subordinated Debt	Gross Capital	Free Capital
			£'000	£'000	£'000	£'000	£'000	%		£'000	£'000	%				
1	Nationwide	Apr 2014	7,363,000	(51,000)	71,000	0	7,383,000	3.89%	12	12.20%	6,580,000	3.45%	2,085,000	2,198,000	6.80%	5.90%
2	Yorkshire	Dec 2013	1,805,900	3,500	0	0	1,809,400	5.25%	6	10.23%	1,641,500	4.90%	6,200	50,000	5.79%	5.27%
3	Coventry	Dec 2013	914,600	(19,600)	0	0	895,000	3.17%	14	10.15%	812,500	3.02%	161,500	58,200	4.17%	4.05%
4	Skipton	Dec 2013	911,600	9,500	0	5,200	926,300	6.39%	3	11.11%	833,700	6.06%	88,200	120,000	8.97%	7.11%
5	Leeds	Dec 2013	612,100	(4,100)	12,400	14,300	634,700	5.67%	4	7.23%	591,900	5.74%	25,000	900	6.44%	6.34%
6	Principality	Dec 2013	357,700	(3,000)	0	0	354,700	5.03%	7	3.47%	342,800	5.05%	59,500	92,300	8.00%	8.10%
7	West Bromwich	Mar 2014	234,900	4,600	3,400	0	242,900	4.30%	11	(3.34%)	251,300	4.05%	249,600	0	11.01%	8.18%
8	Newcastle	Dec 2013	167,400	600	0	0	168,000	4.58%	10	(2.38%)	172,100	4.26%	29,700	59,000	7.60%	7.02%
9	Nottingham	Dec 2013	162,500	(200)	0	0	162,300	5.38%	5	8.56%	149,500	5.47%	23,900	0	6.73%	5.92%
10	Cumberland	Mar 2014	124,300	-	0	816	125,116	7.39%	2	7.38%	116,518	7.50%	0	0	8.02%	7.38%
11	Progressive*	Dec 2013	81,354	-	(546)	0	80,808	4.99%	8	0.83%	80,146	4.92%	0	0	5.27%	4.87%
12	National Counties	Dec 2013	112,598	-	0	0	112,598	8.80%	1	1.36%	111,091	8.41%	0	0	9.75%	9.22%
13	Saffron	Dec 2013	44,026	-	828	0	44,854	3.78%	13	4.42%	42,956	3.56%	0	10,000	4.90%	4.10%
14	Cambridge	Dec 2013	55,959	-	0	0	55,959	4.85%	9	4.45%	53,574	4.69%	0	0	5.12%	4.67%

Average of Peer Group Societies

5.25%

7.04%

6.30%

\* Denotes no Group: therefore Society reserves and capital included as Group

# Peer Group 1

**Table 4: Society Profitability Ratios**

Asset Ranking	Society	IFRS Year End	Exceptional Items in addition to FSCS Levy Current Year	Society Profit for Year	Profit Change	Net Interest Margin/ Mean Assets	Interest Receivable/ Mean FSRP	Interest Payable/ Mean Shares	Interest Spread for Members	Other Income and Charges/ Total Income	Cost/ Income Ratio	Mortgage Loss Provisions Charge/(Credit) for Year	Charge/(Credit) for Year/Profit Pre-Provision	Total ManEx	ManEx/ Mean Assets	Rank	ManEx – Other Income/ Mean Assets
				X	£'000	%	%	%	%	%	%	£'000	%	£'000	%		%
1	Nationwide	Apr 2014	X	562,000	287.59%	1.12%	n/a	1.52%	n/a	23.11%	57.19%	371,000	31.39%	1,579,000	0.83%	7	0.50%
2	Yorkshire	Dec 2013	X	96,300	(48.99%)	1.18%	5.03%	3.04%	1.99%	17.00%	60.90%	4,200	2.58%	299,100	0.87%	9	0.63%
3	Coventry	Dec 2013	-	41,600	(18.27%)	0.61%	2.87%	2.20%	0.67%	6.38%	57.85%	2,900	3.97%	102,400	0.38%	1	0.34%
4	Skipton	Dec 2013	X	63,300	59.05%	0.82%	3.29%	1.80%	1.49%	34.49%	39.84%	17,400	16.80%	68,600	0.50%	2	0.07%
5	Leeds	Dec 2013	-	56,500	53.12%	1.51%	4.03%	2.09%	1.94%	10.68%	30.03%	47,900	37.51%	54,800	0.51%	3	0.33%
6	Principality	Dec 2013	-	8,700	55.36%	1.17%	3.89%	2.34%	1.55%	12.32%	63.81%	17,100	51.98%	58,000	0.85%	8	0.69%
7	West Bromwich	Mar 2014	-	(11,000)	(129.17%)	0.65%	2.18%	1.58%	0.60%	14.48%	87.87%	(400)	(7.69%)	39,100	0.66%	6	0.56%
8	Newcastle	Dec 2013	X	500	n/a	0.61%	3.07%	1.87%	1.20%	51.54%	71.25%	6,700	47.86%	34,700	0.90%	11	0.25%
9	Nottingham	Dec 2013	X	10,700	62.12%	1.33%	4.15%	2.36%	1.79%	9.50%	59.86%	900	5.33%	25,200	0.88%	10	0.74%
10	Cumberland	Mar 2014	-	7,789	25.57%	1.48%	3.51%	1.67%	1.84%	14.75%	58.36%	137	1.17%	16,430	1.01%	13	0.76%
11	Progressive	Dec 2013	-	4,048	81.20%	1.45%	4.11%	2.21%	1.90%	4.82%	36.96%	8,184	52.52%	9,136	0.56%	4	0.49%
12	National Counties	Dec 2013	-	1,020	(47.31%)	0.77%	3.25%	2.60%	0.65%	14.47%	69.54%	1,141	32.46%	8,026	0.63%	5	0.50%
13	Saffron	Dec 2013	-	2,044	188.29%	1.11%	3.79%	1.90%	1.89%	14.83%	76.25%	349	9.39%	11,930	1.00%	12	0.80%
14	Cambridge	Dec 2013	-	1,870	258.24%	1.24%	3.63%	2.03%	1.60%	9.59%	77.39%	235	6.82%	11,788	1.02%	14	0.94%
Average of Peer Group Societies				63.60%	1.08%	3.60%	2.09%	1.42%	17.00%	60.51%		20.86%		0.76%		0.54%	

# Peer Group 1

**Table 5: Society Staff Ratios, Pension Costs & Pension Disclosures**

Asset Ranking	Society	IFRS	Year End	Society staff costs					Society pension costs			Group Defined Benefit Pension Scheme					
				Total Number of Staff	Total Staff Costs	Staff Costs per Staff Member	Profit for Year per Staff Member	Total Assets per Staff Member	Total Wages and Salaries (TW&S)	Other Pension Costs	Pension Costs/(TW&S)	Defined Benefit Scheme?	Scheme (Deficit)/Surplus		Key Assumptions		
					£'000	£'000/staff	£'000/staff	£'000/staff					£'000	% of Gen Reserves	Salary Increase	Discount Rate	Inflation Rate
1	Nationwide	I	Apr 2014	15,166	624,000	41.14	37.06	12,455	493,000	84,000	17.04%	Yes – Closed	(235,000)	3.19%	3.30%	4.50%	3.30%
2	Yorkshire	I	Dec 2013	3,773	137,500	36.45	25.53	9,239	115,900	8,800	7.59%	Yes – Closed	400	(0.02%)	4.70%	4.50%	3.70%
3	Coventry	I	Dec 2013	1,661	60,100	36.19	25.05	16,768	51,700	3,200	6.19%	Yes – Closed	5,100	(0.56%)	2.40%	4.55%	3.40%
4	Skipton	I	Dec 2013	1,488	48,500	32.59	42.54	9,445	41,600	2,900	6.97%	Yes – Closed	(53,300)	(5.85%)	n/a	4.55%	3.50%
5	Leeds	I	Dec 2013	996	31,500	31.63	56.73	11,276	25,300	3,900	15.42%	Yes – Closed	(3,300)	0.54%	5.15%	4.45%	3.40%
6	Principality	I	Dec 2013	863	32,600	37.78	10.08	8,034	28,100	1,700	6.05%	Yes – Closed	(17,100)	4.78%	3.50%	4.50%	3.50%
7	West Bromwich	I	Mar 2014	697	25,500	36.59	(15.78)	8,078	22,100	1,500	6.79%	Yes – Closed	1,400	(0.60%)	n/a	4.60%	3.30%
8	Newcastle	I	Dec 2013	743	21,500	28.94	0.67	4,948	17,900	2,100	11.73%	Yes – Closed	2,000	(1.19%)	n/a	4.60%	3.40%
9	Nottingham	I	Dec 2013	325	12,500	38.46	32.92	9,281	11,100	600	5.41%	Yes – Closed	(4,600)	2.83%	3.75%	4.40%	3.25%
10	Cumberland		Mar 2014	344	9,117	26.50	22.64	4,922	7,828	672	8.58%	Yes – Closed	(2,498)	2.01%	3.25%	4.40%	3.50%
11	Progressive		Dec 2013	119	4,525	38.03	34.02	13,613	3,608	625	17.32%	Yes – Closed	(1,964)	2.41%	3.80%	4.50%	3.30%
12	National Counties		Dec 2013	100	4,979	49.79	10.20	12,611	3,980	576	14.47%	Yes – Closed	(1,208)	1.07%	2.50%	4.60%	3.40%
13	Saffron		Dec 2013	165	5,672	34.38	12.39	7,188	4,880	326	6.68%	Yes – Closed	1,235	(2.81%)	2.50%	4.50%	3.50%
14	Cambridge		Dec 2013	165	5,427	32.99	11.37	7,048	4,553	396	8.70%	Yes – Closed	(2,472)	4.42%	5.00%	4.60%	3.40%
Average of Peer Group Societies				35.82	21.82	9,636			9.92%				1.57%	2.85%	4.52%	3.42%	

# Peer Group 1

**Table 6: Loans and Advances (1): Group Lending and Provisions**

Asset Ranking	Society	IFRS Year End	Lending Limit	Group/Society Gross Mortgage Lending		No. Group/Society Arrears 12 mths and over	Group/Society Total Year End Mortgage Provisions	Group/Society											
				% to total P/Yr loans				Loans				FSRP Provisions				FSOL Provisions			
				%	£'000			£'000	£'000	%	£'000	%	£'000	£'000	%	%	%		
1	Nationwide	Apr 2014	10.16%	21,600,000	14.01%	2,349	1,288,000	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a		
2	Yorkshire	Dec 2013	2.50%	6,800,000	24.78%	435	46,200	29,151,800	7.64%	370,400	4.57%	7,900	68.09%	22,400	46,200	0.08%	0.16%	0.11% <span>0.83%</span>	
3	Coventry	Dec 2013	1.30%	5,900,000	26.80%	332	27,400	24,054,200	9.58%	7,300	(26.26%)	55,600	(2.63%)	6,000	25,300	0.02%	0.11%	0.00% <span>0.00%</span>	
4	Skipton	Dec 2013	8.36%	2,415,400	23.26%	363	59,100	10,858,300	10.12%	400,300	(7.59%)	99,000	10.74%	15,800	48,500	0.14%	0.44%	1.34% <span>2.32%</span>	
5	Leeds	Dec 2013	8.50%	2,159,000	26.49%	372	74,500	8,591,300	13.48%	503,900	(12.99%)	2,500	525.00%	11,900	38,100	0.14%	0.44%	6.61% <span>6.74%</span>	
6	Principality	Dec 2013	8.50%	1,353,900	24.22%	788	59,900	5,464,000	8.32%	430,700	(13.83%)	49,100	8.63%	(600)	44,100	(0.01%)	0.80%	5.15% <span>3.54%</span>	
7	West Bromwich	Mar 2014	19.10%	213,600	4.30%	118	85,200	3,832,600	(3.32%)	847,800	(15.79%)	100	0.00%	2,900	27,500	0.08%	0.71%	1.18% <span>6.37%</span>	
8	Newcastle	Dec 2013	13.22%	350,000	12.83%	n/a	30,500	2,416,400	0.44%	261,900	(10.46%)	22,400	(23.55%)	600	2,100	0.02%	0.09%	2.10% <span>9.69%</span>	
9	Nottingham	Dec 2013	5.91%	693,000	32.83%	20	3,900	2,396,200	17.36%	77,000	11.11%	0	n/a	300	1,400	0.01%	0.06%	0.75% <span>3.14%</span>	
10	Cumberland	Mar 2014	11.50%	331,920	26.53%	5	6,607	1,247,908	13.27%	150,305	2.09%	1,688	(22.21%)	94	1,819	0.01%	0.15%	0.04% <span>3.04%</span>	
11	Progressive*	Dec 2013	0.52%	118,000	9.03%	52	16,891	1,307,710	0.54%	5,966	(5.17%)	0	n/a	8,184	16,768	0.62%	1.27%	0.00% <span>2.02%</span>	
12	National Counties	Dec 2013	5.16%	175,400	18.69%	15	4,289	938,323	6.27%	33,533	(22.87%)	7,124	(40.90%)	(34)	1,495	0.00%	0.16%	2.79% <span>4.55%</span>	
13	Saffron	Dec 2013	1.00%	172,000	20.59%	0	2,990	838,401	1.09%	5,355	(10.12%)	0	n/a	402	2,990	0.05%	0.36%	(0.06%) <span>0.00%</span>	
14	Cambridge	Dec 2013	2.53%	201,000	22.74%	5	1,532	935,063	8.82%	22,444	(8.43%)	0	n/a	314	1,239	0.03%	0.13%	(0.35%) <span>1.29%</span>	
Average of Peer Group Societies				7.02%	20.51%			7.20%		(8.90%)		58.13%		0.09%	0.37%	1.51%	3.35%		

\* Denotes no Group: therefore Society balances included as Group

# Peer Group 1

**Table 7: Loans and Advances (2): Society Lending and Provisions**

Asset Ranking	Society	IFRS Year End	Lending Limit (Group)	Number of Society Borrowers	Total Year End Mortgage Provisions	Society											
						Loans						FSRP Provisions				FSOL Provisions	
						FSRP Loans	Increase	FSOL Loans	Increase	Other Loans	Increase	Charge/ (Credit)	Year End Provision	Charge (Credit) to FSRP Loans	Provision to FSRP Loans	Charge (Credit) to FSOL Loans	Provision to FSOL Loans
					£'000	£'000	%	£'000	%	£'000	%	£'000	£'000	%	%	%	%
1	Nationwide	Apr 2014	10.16%	1,900,000	1,195,000	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2	Yorkshire	Dec 2013	2.50%	325,000	9,700	17,547,600	1.24%	373,500	5.33%	7,900	68.09%	4,200	9,700	0.02%	0.06%	0.11%	0.83%
3	Coventry	Dec 2013	1.30%	355,000	13,300	16,155,600	8.45%	1,300	(13.33%)	38,300	0.00%	2,800	12,600	0.02%	0.08%	0.00%	0.00%
4	Skipton	Dec 2013	8.36%	123,309	33,400	8,646,300	14.06%	400,300	(7.59%)	500	(79.17%)	11,800	23,500	0.14%	0.27%	1.34%	2.32%
5	Leeds	Dec 2013	8.50%	76,170	74,500	8,591,300	13.48%	503,900	(12.99%)	2,500	525.00%	11,900	38,100	0.14%	0.44%	6.61%	6.74%
6	Principality	Dec 2013	8.50%	50,398	32,700	4,898,100	9.64%	430,700	(13.83%)	0	n/a	(5,900)	16,900	(0.12%)	0.34%	5.15%	3.54%
7	West Bromwich	Mar 2014	19.10%	56,000	16,100	1,714,600	1.05%	18,500	(41.46%)	0	n/a	(400)	16,100	(0.02%)	0.93%	0.00%	0.00%
8	Newcastle	Dec 2013	13.22%	29,410	30,500	2,402,900	0.73%	261,900	(10.46%)	22,400	(23.55%)	600	2,100	0.02%	0.09%	2.10%	9.69%
9	Nottingham	Dec 2013	5.91%	32,929	3,900	2,396,200	17.36%	77,000	11.11%	0	n/a	300	1,400	0.01%	0.06%	0.75%	3.14%
10	Cumberland	Mar 2014	11.50%	17,766	6,607	1,247,908	13.27%	150,305	2.09%	1,688	(22.21%)	94	1,819	0.01%	0.15%	0.04%	3.04%
11	Progressive*	Dec 2013	0.52%	14,025	16,891	1,307,710	0.54%	5,966	(5.17%)	0	n/a	8,184	16,768	0.62%	1.27%	0.00%	2.02%
12	National Counties	Dec 2013	5.16%	10,711	2,180	833,383	7.34%	26,774	(16.80%)	3,521	117,266.67%	10	1,298	0.00%	0.16%	3.10%	2.40%
13	Saffron	Dec 2013	1.00%	7,662	2,451	791,144	1.44%	5,355	(10.12%)	0	n/a	352	2,451	0.04%	0.31%	(0.06%)	0.00%
14	Cambridge	Dec 2013	2.53%	12,600	1,532	935,063	8.82%	22,444	(8.43%)	0	n/a	314	1,239	0.03%	0.13%	(0.35%)	1.29%

Average of Peer Group Societies	7.02%	7.49%	(9.36%)	16,819.26%	0.07%	0.33%	1.45%	2.63%
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\* Denotes no Group: therefore Society balances included as Group

# Peer Group 1

**Table 8: Loans and Advances (3): FSRP Provisions**

Asset Ranking	Society	IFRS	Year End	Group: Loans Fully Secured on Residential Property (FSRP)							Society: Loans Fully Secured on Residential Property (FSRP)						
				General Provision	Specific Provision	General to Specific Provision	General Provision/Total FSRP	Rank	Specific Provision/Total FSRP	Rank	General Provision	Specific Provision	General to Specific Provision	General Provision/Total FSRP	Rank	Specific Provision/Total FSRP	Rank
				£'000	£'000	%	%		£'000		£'000	£'000	%	%		£'000	
1	Nationwide	I	Apr 2014	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2	Yorkshire	I	Dec 2013	12,700	33,500	37.91%	0.04%	6	0.11%	7	8,200	1,500	546.67%	0.05%	6	0.01%	1
3	Coventry	I	Dec 2013	9,100	16,200	56.17%	0.04%	4	0.07%	3	3,400	9,200	36.96%	0.02%	2	0.06%	5
4	Skipton	I	Dec 2013	18,600	29,900	62.21%	0.17%	10	0.27%	9	15,800	7,700	205.19%	0.18%	10	0.09%	8
5	Leeds	I	Dec 2013	12,300	25,800	47.67%	0.14%	9	0.30%	10	12,300	25,800	47.67%	0.14%	9	0.30%	11
6	Principality	I	Dec 2013	15,800	28,300	55.83%	0.29%	12	0.51%	11	14,600	2,300	634.78%	0.30%	13	0.05%	4
7	West Bromwich	I	Mar 2014	7,200	20,300	35.47%	0.19%	11	0.53%	12	4,600	11,500	40.00%	0.27%	12	0.66%	12
8	Newcastle	I	Dec 2013	400	1,700	23.53%	0.02%	1	0.07%	5	400	1,700	23.53%	0.02%	1	0.07%	6
9	Nottingham	I	Dec 2013	600	800	75.00%	0.03%	2	0.03%	2	600	800	75.00%	0.03%	3	0.03%	3
10	Cumberland		Mar 2014	1,619	200	809.50%	0.13%	8	0.02%	1	1,619	200	809.50%	0.13%	8	0.02%	2
11	Progressive*		Dec 2013	1,167	15,601	7.48%	0.09%	7	1.18%	13	1,167	15,601	7.48%	0.09%	7	1.18%	13
12	National Counties		Dec 2013	359	1,136	31.60%	0.04%	5	0.12%	8	332	966	34.37%	0.04%	5	0.12%	10
13	Saffron		Dec 2013	2,417	573	421.82%	0.29%	13	0.07%	4	1,883	568	331.51%	0.24%	11	0.07%	7
14	Cambridge		Dec 2013	302	937	32.23%	0.03%	3	0.10%	6	302	937	32.23%	0.03%	4	0.10%	9
				Total	Total	Peer Group Ratio					Total	Total	Peer Group Ratio				
				82,564	174,947	47.19%					65,203	78,772	82.71%				
Average of Peer Group Societies															0.12%	0.21%	

\* Denotes no Group: therefore Society balances included as Group

# Peer Group 1

**Table 9: Loans and Advances (4): FSOL Provisions**

Asset Ranking	Society	IFRS	Year End	Group: Loans Fully Secured on Land (FSOL)							Society: Loans Fully Secured on Land (FSOL)						
				General Provision	Specific Provision	General to Specific Provision	General Provision/Total FSOL	Rank	Specific Provision/Total FSOL	Rank	General Provision	Specific Provision	General to Specific Provision	General Provision/Total FSOL	Rank	Specific Provision/Total FSOL	Rank
				£'000	£'000	%	%		%		£'000	%	%	%		%	
1	Nationwide	I	Apr 2014	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
2	Yorkshire	I	Dec 2013	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
3	Coventry	I	Dec 2013	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
4	Skipton	I	Dec 2013	5,400	4,100	131.71%	1.32%	11	1.00%	5	5,400	4,100	131.71%	1.32%	11	1.00%	6
5	Leeds	I	Dec 2013	9,800	26,600	36.84%	1.81%	12	4.92%	11	9,800	26,600	36.84%	1.81%	12	4.92%	12
6	Principality	I	Dec 2013	0	15,800	n/a	0.00%	1	3.54%	9	0	15,800	n/a	0.00%	1	3.54%	11
7	West Bromwich	I	Mar 2014	8,500	49,200	17.28%	0.94%	8	5.43%	12	0	0	n/a	0.00%	1	0.00%	1
8	Newcastle	I	Dec 2013	5,500	22,600	24.34%	1.90%	13	7.79%	13	5,500	22,600	24.34%	1.90%	13	7.79%	13
9	Nottingham	I	Dec 2013	1,000	1,500	66.67%	1.26%	10	1.89%	7	1,000	1,500	66.67%	1.26%	10	1.89%	8
10	Cumberland		Mar 2014	1,748	2,965	58.95%	1.13%	9	1.91%	8	1,748	2,965	58.95%	1.13%	9	1.91%	9
11	Progressive*		Dec 2013	33	90	36.67%	0.54%	6	1.48%	6	33	90	36.67%	0.54%	7	1.48%	7
12	National Counties		Dec 2013	28	1,572	1.78%	0.08%	5	4.47%	10	28	631	4.44%	0.10%	6	2.30%	10
13	Saffron		Dec 2013	0	0	n/a	0.00%	1	0.00%	1	0	0	n/a	0.00%	1	0.00%	1
14	Cambridge		Dec 2013	181	112	161.61%	0.80%	7	0.49%	4	181	112	161.61%	0.80%	8	0.49%	5
				Total	Total	Peer Group Ratio					Total	Total	Peer Group Ratio				
				32,190	124,539	25.85%					23,690	74,398	31.84%				
Average of Peer Group Societies															0.68%	1.95%	

\* Denotes no Group: therefore Society balances included as Group

# Peer Group 2

**Table 1: Total Assets, Shares, Members and Branches**

Asset Ranking	Society	IFRS Year End	Group Total Assets	Group Asset Growth	Rank	Society Total Assets	Society Asset Growth	Rank	Society Shares	Society Shares Growth	Number of Society Shareholders	Average Balance per Shareholder	Funding Limit	Liquid Assets Ratio	Number of Society Branches	Total Society Assets per Branch	Society Shareholders per Branch	Society Borrowers per Branch
			£'000	%		£'000	%		£'000	%		£	%	%		£'000		
15	Monmouthshire	Apr 2014	975,950	10.26%	1	975,587	10.26%	1	763,036	8.60%	55,116	13,844	17.58%	25.28%	11	88,690	5,011	632
16	Leek United	Dec 2013	853,368	5.57%	4	853,118	5.56%	4	770,455	7.03%	75,670	10,182	3.24%	22.02%	12	71,093	6,306	570
17	Furness	Dec 2013	846,249	1.08%	9	844,752	1.07%	9	674,742	2.85%	94,164	7,152	13.23%	25.08%	11	76,796	8,560	751
18	Newbury	Oct 2013	781,360	6.84%	3	779,720	6.83%	3	627,871	4.97%	49,044	12,802	14.40%	21.49%	11	70,884	4,459	438
19	Manchester	Dec 2013	646,430	(16.81%)	15	648,599	(16.63%)	15	502,586	(18.54%)	26,556	18,926	16.15%	29.50%	1	648,599	26,556	4,909
20	Ipswich*	Nov 2013	601,374	4.37%	5	601,374	4.37%	5	481,102	5.62%	59,952	8,024	14.70%	19.98%	9	66,819	6,661	784
21	Hinckley & Rugby*	Nov 2013	556,388	(4.15%)	14	556,388	(4.15%)	14	445,511	(0.14%)	50,000	8,908	13.40%	21.00%	10	55,639	5,000	650
22	Darlington	Dec 2013	519,840	1.68%	8	522,929	1.63%	8	442,064	3.94%	65,008	6,800	7.75%	21.88%	12	43,577	5,417	490
23	Market Harborough	Dec 2013	402,676	(2.64%)	13	402,088	(2.51%)	13	318,052	(5.96%)	47,896	6,640	14.46%	19.08%	6	67,015	7,983	661
24	Scottish	Jan 2014	397,232	2.43%	6	396,124	2.46%	6	360,085	4.71%	34,179	10,519	2.08%	32.45%	6	66,021	5,697	981
25	Melton Mowbray	Dec 2013	387,788	(1.49%)	12	387,948	(1.54%)	12	300,452	(3.62%)	50,647	5,828	16.76%	22.20%	4	96,987	12,662	1,376
26	Tipton & Coseley	Dec 2013	373,076	0.43%	10	373,075	0.43%	10	322,884	2.60%	32,704	9,872	5.21%	25.39%	4	93,269	8,176	1,432
27	Marsden*	Dec 2013	358,221	7.32%	2	358,221	7.32%	2	286,979	9.00%	41,827	6,854	11.36%	27.29%	6	59,704	6,971	648
28	Hanley Economic	Aug 2013	337,010	1.79%	7	334,760	1.78%	7	259,432	4.73%	16,943	15,312	15.57%	25.77%	6	55,793	2,824	357
29	Dudley*	Mar 2014	319,016	(0.10%)	11	319,016	(0.10%)	11	296,605	0.07%	24,871	11,926	0.77%	26.50%	6	53,169	4,145	543
			Total Peer Group 8,355,978			Total Peer Group 8,353,699												
Average of Peer Group Societies			1.11%			1.12%			1.72%			10,239	11.11%	24.33%		107,604	7,762	1,015

\* Denotes no Group: therefore Society total assets included as Group

## Peer Group 2

**Table 2: Group/Society Profitability Ratios**

Asset Ranking	Society	IFRS Year End	Exceptional Items in addition to FSCS Levy Current Year	Group Profit for Year	Profit Change	Group/Society Profit for Year/Mean Assets	Group Net Interest Margin/ Mean Assets	Group Cost/ Income Ratio	Group ManEx/ Mean Assets	Rank	Group ManEx – Other Income/ Mean Assets	Mortgage Loss Provisions Charge/(Credit) for Year	Mortgage Loss Provisions Charge/(Credit) for Year/Profit Pre-Provision	Recurring Profit Including Mortgage Loss Provisions Current Year	Recurring Profit Including Mortgage Loss Provisions Prior Year	Change	FSCS Levy Charge/ (Credit)	FSCS Levy Provision
																	£'000	£'000
15	Monmouthshire	Apr 2014	-	4,001	28.69%	0.43%	1.35%	49.64%	0.67%	1	0.66%	750	11.78%	5,618	4,267	31.66%	725	958
16	Leek United	Dec 2013	-	3,206	41.23%	0.39%	1.23%	60.55%	0.84%	3	0.69%	(232)	(5.12%)	4,764	3,442	38.41%	500	851
17	Furness	Dec 2013	-	2,031	33.88%	0.24%	1.46%	71.97%	1.10%	10	1.03%	319	8.86%	3,280	2,455	33.60%	527	839
18	Newbury	Oct 2013	-	2,698	45.76%	0.36%	1.43%	61.24%	0.90%	5	0.86%	352	8.17%	3,958	2,820	40.35%	389	347
19	Manchester	Dec 2013	I	(7,093)	(116.25%)	(1.00%)	2.02%	40.29%	0.83%	2	0.79%	9,292	121.96%	(1,673)	(3,246)	(48.46%)	489	275
20	Ipswich*	Nov 2013	-	2,398	15.57%	0.41%	1.55%	63.04%	1.06%	9	0.92%	122	3.32%	3,554	3,060	16.14%	372	236
21	Hinckley & Rugby*	Nov 2013	-	67	(28.72%)	0.01%	0.91%	89.78%	0.87%	4	0.81%	0	0.00%	561	485	15.67%	300	189
22	Darlington	Dec 2013	X	668	108.75%	0.13%	1.39%	74.18%	1.13%	12	1.00%	830	41.05%	1,192	705	69.08%	274	500
23	Market Harborough	Dec 2013	-	650	116.67%	0.16%	1.38%	76.18%	1.10%	11	1.04%	230	16.35%	1,177	590	99.49%	295	430
24	Scottish	Jan 2014	X	1,019	75.09%	0.26%	1.71%	75.62%	1.27%	14	1.30%	43	2.68%	1,559	973	60.23%	258	425
25	Melton Mowbray	Dec 2013	-	777	128.53%	0.20%	1.04%	77.13%	1.01%	7	0.74%	51	4.31%	1,133	610	85.74%	226	399
26	Tipton & Coseley	Dec 2013	-	1,923	6.30%	0.52%	1.68%	52.96%	0.99%	6	0.80%	377	11.53%	2,893	2,659	8.80%	331	604
27	Marsden*	Dec 2013	-	927	50.00%	0.27%	1.49%	71.61%	1.16%	13	1.03%	251	15.73%	1,345	1,054	27.61%	295	424
28	Hanley Economic	Aug 2013	-	203	(47.00%)	0.06%	1.15%	88.42%	1.03%	8	1.01%	0	0.00%	452	718	(37.05%)	168	290
29	Dudley*	Mar 2014	-	402	240.68%	0.13%	1.76%	77.57%	1.40%	15	1.36%	530	41.12%	759	384	97.66%	203	355

Average of Peer Group Societies 62.11% 0.17% 1.44% 68.68% 1.02% 0.94%

\* Denotes no Group: therefore Society profitability measures included as Group

# Peer Group 2

**Table 3: Group/Society Reserves and Capital**

Asset Ranking	Society	IFRS Year End	General Reserves	IFRS Reserves	Revaluation Reserve	Other Reserves/ Minority Interests	Total Reserves	Total Reserves/ Total Assets	Rank	Total Reserves Change on Prior Year	Prior Year		Other Capital	Subordinated Debt	Gross Capital	Free Capital
			£'000	£'000	£'000	£'000	£'000	%		£'000	£'000	£'000	£'000	%	%	
15	Monmouthshire	Apr 2014	46,537	-	0	0	46,537	4.77%	13	8.65%	42,833	4.84%	0	0	5.03%	4.33%
16	Leek United	Dec 2013	53,587	-	1,113	0	54,700	6.41%	10	1.88%	53,692	6.64%	0	0	6.87%	6.67%
17	Furness	Dec 2013	58,220	-	0	0	58,220	6.88%	9	5.40%	55,236	6.60%	0	4,981	8.14%	8.06%
18	Newbury	Oct 2013	43,429	-	1,706	0	45,135	5.78%	11	6.36%	42,437	5.80%	0	0	6.15%	5.50%
19	Manchester	Dec 2013	(4,053)	0	0	0	(4,053)	(0.63%)	15	(213.21%)	3,580	0.46%	32,249	15,700	7.30%	8.20%
20	Ipswich*	Nov 2013	23,870	-	0	0	23,870	3.97%	14	9.99%	21,702	3.77%	0	9,571	5.86%	5.24%
21	Hinckley & Rugby*	Nov 2013	38,359	-	0	0	38,359	6.89%	8	(1.43%)	38,914	6.70%	0	0	7.50%	7.10%
22	Darlington	Dec 2013	38,397	-	0	0	38,397	7.39%	5	2.03%	37,632	7.36%	0	0	8.01%	7.62%
23	Market Harborough	Dec 2013	28,218	-	0	0	28,218	7.01%	7	2.69%	27,478	6.64%	0	0	7.59%	7.22%
24	Scottish	Jan 2014	28,289	-	0	0	28,289	7.12%	6	6.61%	26,536	6.84%	0	0	7.70%	7.20%
25	Melton Mowbray	Dec 2013	31,391	-	625	0	32,016	8.26%	3	2.90%	31,115	7.90%	0	0	9.03%	7.66%
26	Tipton & Coseley	Dec 2013	30,525	-	(337)	0	30,188	8.09%	4	6.39%	28,375	7.64%	0	0	8.86%	8.66%
27	Marsden*	Dec 2013	32,538	-	214	0	32,752	9.14%	1	2.39%	31,988	9.58%	0	0	10.13%	9.64%
28	Hanley Economic	Aug 2013	28,799	-	0	0	28,799	8.55%	2	0.71%	28,596	8.64%	0	0	9.37%	8.33%
29	Dudley*	Mar 2014	18,266	-	0	0	18,266	5.73%	12	2.25%	17,864	5.59%	0	0	6.11%	5.41%
Average of Peer Group Societies								6.36%						7.58%	7.12%	

\* Denotes no Group: therefore Society reserves and capital included as Group

## Peer Group 2

**Table 4: Society Profitability Ratios**

Asset Ranking	Society	IFRS Year End	Exceptional Items in addition to FSCS Levy Current Year	Society Profit for Year	Profit Change	Net Interest Margin/ Mean Assets	Interest Receivable/ Mean FSRP	Interest Payable/ Mean Shares	Interest Spread for Members	Other Income and Charges/ Total Income	Cost/ Income Ratio	Mortgage Loss Provisions Charge/ (Credit) for Year	Mortgage Loss Provisions Charge/ (Credit) for Year/ Profit Pre-Provision	Total ManEx	ManEx/ Mean Assets	Rank	ManEx – Other Income/ Mean Assets
X	£'000	%	%	%	%	%	%	%	%	%	%	£'000	%	£'000	%		%
15	Monmouthshire	Apr 2014	-	4,027	35.04%	1.35%	4.07%	2.22%	1.85%	1.36%	47.56%	750	11.24%	6,051	0.65%	1	0.63%
16	Leek United	Dec 2013	-	3,349	39.25%	1.23%	3.51%	1.89%	1.62%	12.94%	59.27%	(232)	(4.99%)	6,762	0.81%	3	0.67%
17	Furness	Dec 2013	-	1,904	30.32%	1.43%	3.83%	1.89%	1.94%	2.75%	72.24%	322	9.37%	8,948	1.06%	9	1.02%
18	Newbury	Oct 2013	-	2,565	49.82%	1.41%	3.64%	1.76%	1.88%	2.46%	62.18%	351	8.48%	6,806	0.90%	5	0.87%
19	Manchester	Dec 2013	I	(5,749)	(115.00%)	1.90%	4.61%	1.83%	2.78%	8.42%	37.17%	2,561	31.89%	5,423	0.76%	2	0.61%
20	Ipswich	Nov 2013	-	2,398	15.57%	1.55%	4.50%	2.27%	2.23%	7.97%	63.04%	122	3.32%	6,270	1.06%	10	0.92%
21	Hinckley & Rugby	Nov 2013	-	67	(28.72%)	0.91%	2.43%	1.54%	0.89%	5.96%	89.78%	0	0.00%	4,927	0.87%	4	0.81%
22	Darlington	Dec 2013	X	553	100.36%	1.38%	3.36%	1.61%	1.75%	7.48%	74.46%	830	41.94%	5,771	1.11%	12	1.00%
23	Market Harborough	Dec 2013	-	641	140.07%	1.38%	3.31%	1.50%	1.81%	7.22%	76.27%	230	16.48%	4,488	1.10%	11	1.04%
24	Scottish	Jan 2014	X	1,017	74.74%	1.70%	4.47%	1.80%	2.67%	(1.62%)	75.42%	43	2.69%	4,910	1.25%	14	1.29%
25	Melton Mowbray	Dec 2013	-	637	176.96%	0.90%	2.49%	1.57%	0.92%	31.49%	79.59%	77	7.58%	3,962	1.01%	8	0.64%
26	Tipton & Coseley	Dec 2013	-	1,918	8.48%	1.68%	3.95%	1.76%	2.19%	9.20%	52.57%	377	11.55%	3,617	0.97%	6	0.80%
27	Marsden	Dec 2013	-	927	50.00%	1.49%	3.50%	1.47%	2.03%	8.38%	71.61%	251	15.73%	4,025	1.16%	13	1.03%
28	Hanley Economic	Aug 2013	-	118	(52.80%)	1.10%	3.37%	2.00%	1.37%	2.98%	90.59%	0	0.00%	3,313	1.00%	7	1.00%
29	Dudley	Mar 2014	-	402	240.68%	1.76%	4.08%	1.61%	2.47%	4.36%	77.57%	530	41.12%	4,459	1.40%	15	1.36%
Average of Peer Group Societies				66.32%	1.41%	3.67%	1.78%	1.89%	7.42%	68.62%		13.09%		1.01%		0.91%	

# Peer Group 2

**Table 5: Society Staff Ratios, Pension Costs & Pension Disclosures**

Asset Ranking	Society	IFRS	Year End	Society staff costs					Society pension costs			Group Defined Benefit Pension Scheme					
				Total Number of Staff	Total Staff Costs	Staff Costs per Staff Member	Profit for Year per Staff Member	Total Assets per Staff	Total Wages and Salaries (TW&S)	Other Pension Costs	Pension Costs/(TW&S)	Defined Benefit Scheme?	Scheme (Deficit)/Surplus		Key Assumptions		
					£'000	£'000/staff	£'000/staff	£'000/staff					£'000	% of Gen Reserves	Salary Increase	Discount Rate	Inflation Rate
15	Monmouthshire		Apr 2014	101	3,445	34.11	39.87	9,659	2,877	279	9.70%	Yes – Closed	(347)	0.75%	3.20%	4.50%	3.20%
16	Leek United		Dec 2013	116	3,793	32.84	29.00	7,386	3,193	297	9.30%	Yes – Closed	0	0.00%	4.60%	4.40%	3.60%
17	Furness		Dec 2013	133	4,102	30.84	14.32	6,352	3,470	295	8.50%	Yes – Closed	(3,440)	5.91%	2.50%	4.40%	2.90%
18	Newbury		Oct 2013	104	3,516	33.81	24.66	7,497	2,848	374	13.13%	No	n/a	n/a	n/a	n/a	n/a
19	Manchester	I	Dec 2013	47	2,499	53.17	(122.32)	13,800	2,110	171	8.10%	No	n/a	n/a	n/a	n/a	n/a
20	Ipswich		Nov 2013	86	3,007	35.17	28.05	7,034	2,520	234	9.29%	Yes – Closed	(1,075)	4.50%	n/a	4.55%	3.50%
21	Hinckley & Rugby		Nov 2013	86	2,847	33.10	0.78	6,470	2,358	277	11.75%	Yes – Closed	(2,300)	6.00%	n/a	4.40%	3.35%
22	Darlington		Dec 2013	90	2,841	31.57	6.14	5,810	2,414	206	8.53%	Yes – Closed	(767)	2.00%	n/a	4.45%	3.45%
23	Market Harborough		Dec 2013	68	2,431	35.75	9.43	5,913	2,070	167	8.07%	Yes – Closed	(1,444)	5.12%	4.50%	4.40%	3.50%
24	Scottish		Jan 2014	55	2,525	45.91	18.49	7,202	2,091	222	10.62%	No	n/a	n/a	n/a	n/a	n/a
25	Melton Mowbray		Dec 2013	65	2,261	34.78	9.80	5,968	1,908	191	10.01%	Yes – Closed	6,256	(19.93%)	n/a	4.70%	3.25%
26	Tipton & Coseley		Dec 2013	64	2,116	33.06	29.97	5,829	1,742	198	11.37%	Yes – Closed	(443)	1.45%	4.05%	4.40%	3.55%
27	Marsden		Dec 2013	64	2,079	32.48	14.48	5,597	1,629	282	17.31%	No	n/a	n/a	n/a	n/a	n/a
28	Hanley Economic		Aug 2013	52	1,369	26.33	2.27	6,438	1,100	111	10.09%	No	n/a	n/a	n/a	n/a	n/a
29	Dudley		Mar 2014	63	2,325	36.90	6.38	5,064	2,024	107	5.29%	No	n/a	n/a	n/a	n/a	n/a
Average of Peer Group Societies				35.32	7.42	7,068			10.07%				0.64%	2.09%	4.47%	3.37%	

## Peer Group 2

**Table 6: Loans and Advances (1): Group Lending and Provisions**

Asset Ranking	Society	IFRS Year End	Lending Limit	Group/Society Gross Mortgage Lending			Group/Society Total Year End Mortgage Provisions	Group/Society											
				% to total P/Yr loans		No. Group/Society Arrears 12 mths and over		Loans					FSRP Provisions			FSOL Provisions			
				£'000	%			FSRP Loans	Increase	FSOL Loans	Increase	Other Loans	Increase	Charge/(Credit)	Year End Provision	Charge/(Credit) to FSRP Loans	Provision to FSRP Loans	Charge/(Credit) to FSOL Loans	Provision to FSOL Loans
15	Monmouthshire	Apr 2014	5.56%	157,000	22.36%	7	1,886	693,259	9.61%	39,746	0.28%	0	n/a	506	1,531	0.07%	0.22%	0.61%	0.89%
16	Leek United	Dec 2013	0.28%	138,900	22.40%	2	918	673,722	8.78%	544	(21.95%)	0	n/a	(224)	918	(0.03%)	0.14%	0.00%	0.00%
17	Furness	Dec 2013	2.34%	117,000	18.63%	14	2,958	634,185	3.52%	12,893	(16.44%)	0	n/a	316	2,586	0.05%	0.41%	0.02%	2.80%
18	Newbury	Oct 2013	2.30%	145,000	25.72%	5	1,215	604,619	10.13%	12,883	(11.98%)	0	(100.00%)	147	642	0.02%	0.11%	(0.13%)	1.00%
19	Manchester	Dec 2013	9.84%	10,100	1.77%	18	18,219	416,480	(21.17%)	35,439	(10.25%)	2,128	(21.79%)	8,410	15,608	1.95%	3.61%	2.45%	6.84%
20	Ipswich*	Nov 2013	0.70%	89,000	19.20%	17	709	481,396	4.61%	3,260	(1.72%)	0	n/a	122	709	0.03%	0.15%	0.00%	0.00%
21	Hinckley & Rugby*	Nov 2013	0.40%	103,700	23.83%	0	400	444,641	2.27%	390	(18.41%)	0	n/a	0	370	0.00%	0.08%	0.00%	7.14%
22	Darlington	Dec 2013	8.36%	83,700	21.49%	19	3,201	381,102	3.60%	22,288	11.23%	1,608	2.55%	665	1,765	0.17%	0.46%	0.90%	1.61%
23	Market Harborough	Dec 2013	0.71%	72,800	23.04%	5	905	327,121	3.83%	1,679	85.52%	0	n/a	230	905	0.07%	0.28%	0.00%	0.00%
24	Scottish	Jan 2014	6.64%	23,600	8.53%	11	341	257,716	(0.01%)	17,668	(6.56%)	0	n/a	43	341	0.02%	0.13%	0.00%	0.00%
25	Melton Mowbray	Dec 2013	4.19%	50,000	17.33%	8	1,381	291,252	2.58%	4,424	(3.32%)	0	n/a	(18)	1,229	(0.01%)	0.42%	1.55%	3.32%
26	Tipton & Coseley	Dec 2013	2.55%	47,200	16.78%	4	2,503	278,197	1.72%	6,077	(21.77%)	0	n/a	291	1,808	0.10%	0.65%	(3.78%)	10.26%
27	Marsden*	Dec 2013	2.19%	76,400	30.91%	2	914	262,699	8.66%	4,929	(9.31%)	0	n/a	81	342	0.03%	0.13%	3.09%	10.40%
28	Hanley Economic	Aug 2013	2.28%	47,000	19.65%	0	2,535	248,624	6.45%	5,400	(5.05%)	0	n/a	0	2,523	0.00%	1.00%	0.00%	0.22%
29	Dudley*	Mar 2014	0.30%	31,000	12.93%	6	1,572	234,683	(0.90%)	2,188	(26.77%)	0	n/a	943	1,567	0.40%	0.66%	(1.96%)	0.23%
Average of Peer Group Societies				3.24%	19.04%				2.91%	(3.77%)	(39.75%)			0.19%	0.56%	0.18%	2.98%		

\* Denotes no Group: therefore Society balances included as Group

# Peer Group 2

**Table 7: Loans and Advances (2): Society Lending and Provisions**

Asset Ranking	Society	IFRS Year End	Lending Limit	Number of Society Borrowers	Total Year End Mortgage Provisions £'000	Group/Society											
						Loans						FSRP Provisions				FSOL Provisions	
						FSRP Loans £'000	Increase %	FSOL Loans £'000	Increase %	Other Loans £'000	Increase %	Charge/ (Credit) £'000	Year End Provision £'000	Charge/ (Credit) % to FSRP Loans	Provision to FSRP Loans %	Charge/ (Credit) % to FSOL Loans	Provision to FSOL Loans %
15	Monmouthshire	Apr 2014	5.56%	6,955	1,886	693,259	9.61%	39,746	0.28%	0	n/a	506	1,531	0.07%	0.22%	0.61%	0.89%
16	Leek United	Dec 2013	0.28%	6,842	918	673,568	8.79%	544	(21.95%)	0	n/a	(224)	918	(0.03%)	0.14%	0.00%	0.00%
17	Furness	Dec 2013	2.34%	8,262	2,938	627,438	3.73%	12,893	(16.44%)	0	n/a	319	2,566	0.05%	0.41%	0.02%	2.80%
18	Newbury	Oct 2013	2.30%	4,813	1,111	562,751	12.18%	5,565	(1.52%)	0	(100.00%)	130	612	0.02%	0.11%	(0.02%)	1.00%
19	Manchester	Dec 2013	9.84%	4,909	10,474	408,294	(20.53%)	35,439	(10.25%)	2,128	(21.79%)	1,678	7,862	0.40%	1.89%	2.45%	6.84%
20	Ipswich	Nov 2013	0.70%	7,056	709	481,396	4.61%	3,260	(1.72%)	0	n/a	122	709	0.03%	0.15%	0.00%	0.00%
21	Hinckley & Rugby	Nov 2013	0.40%	6,500	400	444,641	2.27%	390	(18.41%)	0	n/a	0	370	0.00%	0.08%	0.00%	7.14%
22	Darlington	Dec 2013	8.36%	5,879	3,201	381,102	3.60%	22,288	11.23%	1,608	2.55%	665	1,765	0.17%	0.46%	0.90%	1.61%
23	Market Harborough	Dec 2013	0.71%	3,968	905	326,920	3.98%	1,679	85.52%	0	n/a	230	905	0.07%	0.28%	0.00%	0.00%
24	Scottish	Jan 2014	6.64%	5,884	341	256,598	0.01%	17,668	(6.56%)	0	n/a	43	341	0.02%	0.13%	0.00%	0.00%
25	Melton Mowbray	Dec 2013	4.19%	5,505	344	247,088	3.73%	4,424	(3.32%)	0	n/a	6	192	0.00%	0.08%	1.55%	3.32%
26	Tipton & Coseley	Dec 2013	2.55%	5,727	2,503	278,197	1.72%	6,077	(21.77%)	0	n/a	291	1,808	0.10%	0.65%	(3.78%)	10.26%
27	Marsden	Dec 2013	2.19%	3,887	914	262,699	8.66%	4,929	(9.31%)	0	n/a	81	342	0.03%	0.13%	3.09%	10.40%
28	Hanley Economic	Aug 2013	2.28%	2,141	2,485	240,785	7.30%	5,400	(5.05%)	0	n/a	0	2,473	0.00%	1.02%	0.00%	0.22%
29	Dudley	Mar 2014	0.30%	3,260	1,572	234,683	(0.90%)	2,188	(26.77%)	0	n/a	943	1,567	0.40%	0.66%	(1.96%)	0.23%
Average of Peer Group Societies						3.24%		3.25%		(3.07%)		(39.75%)		0.09%	0.43%	0.19%	2.98%

## Peer Group 2

**Table 8: Loans and Advances (3): FSRP Provisions**

Asset Ranking	Society	IFRS	Year End	Group: Loans Fully Secured on Residential Property (FSRP)							Society: Loans Fully Secured on Residential Property (FSRP)						
				General Provision	Specific Provision	General to Specific Provision	General Provision/Total FSRP	Rank	Specific Provision/Total FSRP	Rank	General Provision	Specific Provision	General to Specific Provision	General Provision/Total FSRP	Rank	Specific Provision/Total FSRP	Rank
				£'000	£'000	%	%		%		£'000	%	%	%		%	
15	Monmouthshire		Apr 2014	782	749	104.41%	0.11%	8	0.11%	8	782	749	104.41%	0.11%	8	0.11%	9
16	Leek United		Dec 2013	900	18	5,000.00%	0.13%	11	0.00%	3	900	18	5,000.00%	0.13%	11	0.00%	3
17	Furness		Dec 2013	1,590	996	159.64%	0.25%	12	0.16%	9	1,570	996	157.63%	0.25%	12	0.16%	10
18	Newbury		Oct 2013	552	90	613.33%	0.09%	6	0.01%	5	547	65	841.54%	0.10%	7	0.01%	5
19	Manchester	I	Dec 2013	13,616	1,992	683.53%	3.15%	15	0.46%	13	5,869	1,993	294.48%	1.41%	15	0.48%	13
20	Ipswich*		Nov 2013	384	325	118.15%	0.08%	4	0.07%	6	384	325	118.15%	0.08%	5	0.07%	7
21	Hinckley & Rugby*		Nov 2013	370	0	n/a	0.08%	5	0.00%	1	370	0	n/a	0.08%	6	0.00%	1
22	Darlington		Dec 2013	440	1,325	33.21%	0.11%	9	0.35%	12	440	1,325	33.21%	0.11%	9	0.35%	12
23	Market Harborough		Dec 2013	905	0	n/a	0.28%	13	0.00%	1	905	0	n/a	0.28%	13	0.00%	1
24	Scottish		Jan 2014	160	181	88.40%	0.06%	3	0.07%	7	160	181	88.40%	0.06%	4	0.07%	8
25	Melton Mowbray		Dec 2013	314	915	34.32%	0.11%	7	0.31%	11	122	70	174.29%	0.05%	2	0.03%	6
26	Tipton & Coseley		Dec 2013	949	859	110.48%	0.34%	14	0.31%	10	949	859	110.48%	0.34%	14	0.31%	11
27	Marsden*		Dec 2013	314	28	1,121.43%	0.12%	10	0.01%	4	314	28	1,121.43%	0.12%	10	0.01%	4
28	Hanley Economic		Aug 2013	138	2,385	5.79%	0.05%	1	0.95%	15	88	2,385	3.69%	0.04%	1	0.98%	15
29	Dudley*		Mar 2014	133	1,434	9.27%	0.06%	2	0.61%	14	133	1,434	9.27%	0.06%	3	0.61%	14
				Total 21,547	Total 11,297	Peer Group Ratio 190.73%					Total 13,533	Total 10,428	Peer Group Ratio 129.78%				
Average of Peer Group Societies				0.34%				0.23%				0.21%				0.21%	

\* Denotes no Group: therefore Society balances included as Group

# Peer Group 2

**Table 9: Loans and Advances (4): FSOL Provisions**

Asset Ranking	Society	IFRS	Year End	Group: Loans Fully Secured on Land (FSOL)							Society: Loans Fully Secured on Land (FSOL)						
				General Provision	Specific Provision	General to Specific Provision	General Provision/Total FSOL	Rank	Specific Provision/Total FSOL	Rank	General Provision	Specific Provision	General to Specific Provision	General Provision/Total FSOL	Rank	Specific Provision/Total FSOL	Rank
				£'000	£'000	%	%		%		£'000	%	%	%		%	
15	Monmouthshire		Apr 2014	355	0	n/a	0.89%	11	0.00%	1	355	0	n/a	0.89%	11	0.00%	1
16	Leek United		Dec 2013	0	0	n/a	0.00%	1	0.00%	1	0	0	n/a	0.00%	1	0.00%	1
17	Furness		Dec 2013	250	122	204.92%	1.88%	13	0.92%	10	250	122	204.92%	1.88%	13	0.92%	10
18	Newbury		Oct 2013	130	0	n/a	1.00%	12	0.00%	1	56	0	n/a	1.00%	12	0.00%	1
19	Manchester	I	Dec 2013	72	2,529	2.85%	0.19%	8	6.65%	13	72	2,530	2.85%	0.19%	8	6.65%	13
20	Ipswich*		Nov 2013	0	0	n/a	0.00%	1	0.00%	1	0	0	n/a	0.00%	1	0.00%	1
21	Hinckley & Rugby*		Nov 2013	30	0	n/a	7.14%	15	0.00%	1	30	0	n/a	7.14%	15	0.00%	1
22	Darlington		Dec 2013	0	365	n/a	0.00%	1	1.61%	11	0	365	n/a	0.00%	1	1.61%	11
23	Market Harborough		Dec 2013	0	0	n/a	0.00%	1	0.00%	1	0	0	n/a	0.00%	1	0.00%	1
24	Scottish		Jan 2014	0	0	n/a	0.00%	1	0.00%	1	0	0	n/a	0.00%	1	0.00%	1
25	Melton Mowbray		Dec 2013	2	150	1.33%	0.04%	6	3.28%	12	2	150	1.33%	0.04%	6	3.28%	12
26	Tipton & Coseley		Dec 2013	135	560	24.11%	1.99%	14	8.27%	14	135	560	24.11%	1.99%	14	8.27%	14
27	Marsden*		Dec 2013	44	528	8.33%	0.80%	10	9.60%	15	44	528	8.33%	0.80%	10	9.60%	15
28	Hanley Economic		Aug 2013	12	0	n/a	0.22%	9	0.00%	1	12	0	n/a	0.22%	9	0.00%	1
29	Dudley*		Mar 2014	4	1	400.00%	0.18%	7	0.05%	9	4	1	400.00%	0.18%	7	0.05%	9
				Total 1,034	Total 4,255	Peer Group Ratio 24.30%					Total 960	Total 4,256	Peer Group Ratio 22.56%				
Average of Peer Group Societies				0.96%				2.02%				0.96%				2.02%	

\* Denotes no Group: therefore Society balances included as Group

# Peer Group 3

**Table 1: Total Assets, Shares, Members and Branches**

Asset Ranking	Society	IFRS Year End	Group Total Assets		Society Total Assets		Society Asset Growth		Society Shares	Society Shares Growth	Number of Society Shareholders	Average Balance per Shareholder	Funding Limit	Liquid Assets Ratio	Number of Society Branches	Total Society Assets per Branch	Society Shareholders per Branch		Society Borrowers per Branch		
			£'000	%	£'000	%	£'000	%									£'000	3,608	176		
30	Harpenden*	Dec 2013	284,883	13.66%	3	284,883	13.66%	3	242,139	25.82%	21,645	11,187	8.57%	32.86%	6	47,481	3,608	176			
31	Loughborough*	Oct 2013	280,531	1.76%	12	280,531	1.76%	12	242,783	4.44%	26,214	9,262	6.41%	27.88%	3	93,510	8,738	749			
32	Vernon	Dec 2013	273,231	2.02%	11	273,240	2.02%	11	225,037	5.96%	30,370	7,265	12.98%	24.67%	7	39,034	4,339	340			
33	Bath Investment	Dec 2013	272,541	0.95%	14	272,245	0.93%	14	188,223	4.05%	20,894	9,008	25.10%	23.50%	4	68,061	5,224	446			
34	Mansfield*	Dec 2013	270,380	(3.85%)	16	270,380	(3.85%)	15	214,670	(10.04%)	13,257	16,191	13.86%	18.00%	4	67,595	3,314	678			
35	Stafford Railway*	Oct 2013	247,931	15.02%	1	247,931	15.02%	1	207,526	14.36%	12,387	16,754	10.40%	35.53%	1	247,931	12,387	1,448			
36	Buckinghamshire*	Dec 2013	242,575	13.08%	4	242,575	13.08%	4	176,492	7.13%	8,222	21,333	22.62%	21.10%	1	242,575	8,222	1,082			
37	Swansea*	Dec 2013	225,648	9.83%	5	225,648	9.83%	5	185,427	17.67%	9,561	19,394	12.95%	37.24%	2	112,824	4,781	652			
38	Teachers	Dec 2013	224,977	(3.10%)	15	222,977	(3.96%)	16	187,956	(4.38%)	13,836	13,585	9.68%	8.54%	1	222,977	13,836	2,214			
39	Chorley & District*	Feb 2014	210,529	8.03%	7	210,529	8.03%	7	186,723	11.78%	26,479	7,052	4.40%	24.83%	3	70,176	8,826	630			
40	Beverley*	Dec 2013	181,331	1.03%	13	181,331	1.03%	13	137,718	8.18%	10,922	12,602	18.37%	23.72%	1	181,331	10,922	1,050			
41	Holmesdale*	Mar 2014	146,664	6.93%	8	146,664	6.93%	8	125,239	4.56%	6,096	20,545	5.74%	38.15%	1	146,664	6,096	1,056			
42	Ecology*	Dec 2013	124,801	13.73%	2	124,801	13.73%	2	109,532	13.54%	8,067	13,578	6.03%	34.27%	1	124,801	8,067	776			
43	Earl Shilton*	Mar 2014	115,520	6.32%	10	115,520	6.32%	10	99,389	6.58%	12,594	7,892	6.62%	25.84%	2	57,760	6,297	670			
44	Penrith*	Dec 2013	93,382	6.91%	9	93,382	6.91%	9	81,713	7.42%	5,845	13,941	1.87%	37.73%	1	93,382	5,845	740			
45	City of Derry*	Dec 2013	46,108	8.21%	6	46,108	8.21%	6	43,398	8.93%	2,020	21,484	0.00%	30.63%	1	46,108	2,020	441			
			Total Peer Group	3,241,031				Total Peer Group	3,238,744												
Average of Peer Group Societies			6.28%		6.23%		7.88%		13,817		10.35%		27.78%		116,388		7,033		822		

\* Denotes no Group: therefore Society total assets included as Group

# Peer Group 3

**Table 2: Group/Society Profitability Ratios**

Asset Ranking	Society	IFRS Year End	Exceptional Items in addition to FSCS Levy Current Year	Group Profit for Year	Profit Change	Group/Society Profit for Year/Mean Assets	Group Net Interest Margin/ Mean Assets	Group Cost/ Income Ratio	Group ManEx/ Mean Assets	Rank	Group ManEx – Other Income/ Mean Assets	Mortgage Loss Provisions Charge/(Credit) for Year	Mortgage Loss Provisions Charge/(Credit) for Year/Profit Pre-Provision	Recurring Profit Including Mortgage Loss Provisions Current Year	Recurring Profit Including Mortgage Loss Provisions Prior Year	Change	FSCS levy Charge/ (Credit)	FSCS levy Provision	
																	£'000	£'000	
30	Harpenden*	Dec 2013	-	1,146	(29.26%)	0.43%	1.74%	63.65%	1.25%	12	1.02%	236	12.30%	1,682	2,280	(26.23%)	179	275	
31	Loughborough*	Oct 2013	-	381	2.70%	0.14%	1.41%	78.76%	1.15%	7	1.10%	200	23.20%	662	616	7.47%	149	112	
32	Vernon	Dec 2013	-	566	(9.87%)	0.21%	1.34%	79.95%	1.15%	8	1.05%	10	1.28%	773	930	(16.88%)	197	313	
33	Bath Investment	Dec 2013	-	2,103	27.76%	0.78%	2.34%	49.80%	1.29%	14	1.04%	630	17.86%	2,898	2,370	22.28%	145	87	
34	Mansfield*	Dec 2013	-	816	318.46%	0.30%	1.45%	67.78%	1.08%	6	0.94%	133	9.42%	1,279	395	223.80%	204	308	
35	Stafford Railway*	Oct 2013	-	1,024	(1.54%)	0.44%	1.23%	48.80%	0.60%	1	0.60%	(19)	(1.31%)	1,472	1,471	0.07%	125	81	
36	Buckinghamshire*	Dec 2013	-	2,422	85.59%	1.06%	2.24%	39.61%	0.99%	5	0.73%	48	1.39%	3,415	1,832	86.41%	150	207	
37	Swansea*	Dec 2013	-	1,157	(6.99%)	0.54%	1.60%	55.03%	0.94%	3	0.83%	23	1.39%	1,634	1,713	(4.61%)	118	174	
38	Teachers	Dec 2013	-	970	359.72%	0.42%	1.69%	71.57%	1.22%	11	1.20%	11	0.99%	1,101	460	139.35%	134	135	
39	Chorley & District*	Feb 2014	X	1,720	195.20%	0.85%	1.65%	66.93%	1.20%	9	1.06%	(79)	(6.57%)	1,281	867	47.80%	133	201	
40	Beverley*	Dec 2013	-	254	23.30%	0.14%	1.02%	70.91%	0.76%	2	0.71%	99	17.52%	466	362	28.73%	140	180	
41	Holmesdale*	Mar 2014	X	(191)	(2,877.87%)	(0.13%)	1.27%	93.23%	1.22%	10	1.18%	100	79.63%	26	66	(60.94%)	85	127	
42	Ecology*	Dec 2013	-	402	(12.42%)	0.34%	1.88%	69.85%	1.34%	16	1.30%	50	7.37%	628	648	(3.09%)	91	137	
43	Earl Shilton*	Mar 2014	-	317	(21.06%)	0.28%	1.74%	71.19%	1.31%	15	1.21%	106	17.94%	487	474	2.62%	81	126	
44	Penrith*	Dec 2013	-	53	(124.13%)	0.06%	1.39%	90.52%	1.28%	13	1.25%	(2)	(1.41%)	123	(212)	(158.02%)	56	98	
45	City of Derry*	Dec 2013	X	(42)	(357.87%)	(0.10%)	1.47%	63.62%	0.96%	4	0.92%	205	83.76%	40	38	5.72%	31	18	
Average of Peer Group Societies				(151.77%)		0.36%	1.59%	67.58%	1.11%	1.01%									

\* Denotes no Group: therefore Society profitability measures included as Group

## Peer Group 3

**Table 3: Group/Society Reserves and Capital**

Asset Ranking	Society	IFRS Year End	General Reserves	IFRS Reserves	Revaluation Reserve	Other Reserves/ Minority Interests	Total Reserves	Total Reserves/ Total Assets	Rank	Total Reserves Change on Prior Year	Prior Year		Other Capital	Subordinated Debt	Gross Capital	Free Capital
			£'000	£'000	£'000	£'000	£'000				£'000	%				
30	Harpenden*	Dec 2013	18,841	-	365	0	19,206	6.74%	9	10.83%	17,330	6.91%	0	0	7.25%	6.17%
31	Loughborough*	Oct 2013	19,365	-	724	0	20,089	7.16%	6	1.37%	19,817	7.19%	0	0	7.74%	7.37%
32	Vernon	Dec 2013	18,408	-	0	0	18,408	6.74%	10	3.17%	17,842	6.66%	0	0	7.26%	6.68%
33	Bath Investment	Dec 2013	20,583	-	431	22	21,036	7.72%	3	11.60%	18,849	6.98%	0	0	8.40%	7.30%
34	Mansfield*	Dec 2013	19,283	-	594	0	19,877	7.35%	5	4.28%	19,061	6.78%	0	0	7.98%	7.56%
35	Stafford Railway*	Oct 2013	15,520	-	0	0	15,520	6.26%	11	7.06%	14,496	6.72%	0	0	6.70%	6.51%
36	Buckinghamshire*	Dec 2013	14,108	-	374	0	14,482	5.97%	12	19.99%	12,069	5.63%	0	0	6.39%	5.80%
37	Swansea*	Dec 2013	11,640	-	33	0	11,673	5.17%	14	9.93%	10,619	5.17%	0	0	5.48%	5.16%
38	Teachers	Dec 2013	15,624	-	93	0	15,717	6.99%	7	(17.82%)	19,126	8.24%	0	0	7.55%	7.53%
39	Chorley & District*	Feb 2014	14,255	-	0	0	14,255	6.77%	8	13.72%	12,536	6.43%	0	0	7.30%	6.40%
40	Beverley*	Dec 2013	8,760	-	488	0	9,248	5.10%	16	2.88%	8,989	5.01%	0	2,750	7.11%	6.73%
41	Holmesdale*	Mar 2014	12,987	-	457	0	13,444	9.17%	2	(1.36%)	13,630	9.94%	0	0	10.12%	9.50%
42	Ecology*	Dec 2013	6,375	-	0	0	6,375	5.11%	15	6.73%	5,973	5.44%	0	1,247	6.37%	5.29%
43	Earl Shilton*	Mar 2014	8,754	-	0	0	8,754	7.58%	4	3.76%	8,437	7.77%	0	0	8.23%	8.02%
44	Penrith*	Dec 2013	10,157	-	0	0	10,157	10.88%	1	0.52%	10,104	11.57%	0	0	12.23%	12.12%
45	City of Derry*	Dec 2013	2,612	-	0	0	2,612	5.66%	13	(1.59%)	2,654	6.23%	0	0	6.02%	5.49%
Average of Peer Group Societies							6.90%								7.63%	7.10%

\* Denotes no Group: therefore Society reserves and capital included as Group

# Peer Group 3

**Table 4: Society Profitability Ratios**

Asset Ranking	Society	IFRS Year End	Exceptional Items in addition to FSCS Levy Current Year	Society Profit for Year	Profit Change	Net Interest Margin/ Mean Assets	Interest Receivable/ Mean FSRP	Interest Payable/ Mean Shares	Interest Spread for Members	Other Income and Charges/ Total Income	Cost/ Income Ratio	Mortgage Loss Provisions Charge/(Credit) for Year	Charge/(Credit) for Year/Profit Pre-Provision	Total ManEx	ManEx/ Mean Assets	Rank	ManEx – Other Income/ Mean Assets
			X	£'000	%	%	%	%	%	%	%	£'000	%	£'000	%		%
30	Harpenden	Dec 2013	-	1,146	(29.26%)	1.74%	4.73%	1.96%	2.77%	11.84%	63.65%	236	12.30%	3,359	1.25%	13	1.02%
31	Loughborough	Oct 2013	-	381	2.70%	1.41%	3.81%	1.96%	1.85%	3.57%	78.76%	200	23.20%	3,197	1.15%	7	1.10%
32	Vernon	Dec 2013	-	566	(9.87%)	1.34%	3.67%	1.90%	1.77%	8.10%	79.95%	10	1.28%	3,122	1.15%	8	1.05%
33	Bath Investment	Dec 2013	-	2,012	25.59%	2.35%	4.81%	1.62%	3.19%	2.86%	47.92%	630	18.51%	3,132	1.16%	9	1.09%
34	Mansfield	Dec 2013	-	816	318.46%	1.45%	3.79%	1.93%	1.86%	8.72%	67.78%	133	9.42%	2,971	1.08%	6	0.94%
35	Stafford Railwa	Oct 2013	-	1,024	(1.54%)	1.23%	3.66%	1.96%	1.70%	0.35%	48.80%	(19)	(1.31%)	1,385	0.60%	1	0.60%
36	Buckinghamshire	Dec 2013	-	2,422	85.59%	2.24%	5.68%	2.39%	3.29%	10.62%	39.61%	48	1.39%	2,271	0.99%	5	0.73%
37	Swansea	Dec 2013	-	1,157	(6.99%)	1.60%	4.51%	1.90%	2.61%	6.62%	55.03%	23	1.39%	2,028	0.94%	3	0.83%
38	Teachers	Dec 2013	-	970	132.06%	1.70%	3.84%	1.98%	1.86%	2.23%	71.57%	11	0.99%	2,799	1.23%	12	1.21%
39	Chorley & District	Feb 2014	X	1,720	195.20%	1.65%	4.52%	2.13%	2.39%	7.83%	66.93%	(79)	(6.57%)	2,433	1.20%	10	1.06%
40	Beverley	Dec 2013	-	254	23.30%	1.02%	2.91%	1.72%	1.19%	6.52%	70.91%	99	17.52%	1,377	0.76%	2	0.71%
41	Holmesdale	Mar 2014	X	(191)	(2,877.87%)	1.27%	3.67%	1.73%	1.94%	3.52%	93.23%	100	79.63%	1,737	1.22%	11	1.18%
42	Ecology	Dec 2013	-	402	(12.42%)	1.88%	4.69%	1.70%	2.99%	2.05%	69.85%	50	7.37%	1,571	1.34%	16	1.30%
43	Earl Shilton	Mar 2014	-	317	(21.06%)	1.74%	4.08%	1.59%	2.49%	8.27%	71.19%	106	17.94%	1,466	1.31%	15	1.21%
44	Penrith	Dec 2013	-	53	(124.13%)	1.39%	3.58%	1.67%	1.91%	2.10%	90.52%	(2)	(1.41%)	1,158	1.28%	14	1.25%
45	City of Derry	Dec 2013	X	(42)	(357.87%)	1.47%	4.60%	2.24%	2.36%	2.86%	63.62%	205	83.76%	428	0.96%	4	0.92%
Average of Peer Group Societies				(166.13%)	1.59%	4.16%	1.90%	2.26%	5.50%	67.46%		16.59%		1.10%		1.01 %	

# Peer Group 3

**Table 5: Society Staff Ratios, Pension Costs & Pension Disclosures**

Asset Ranking	Society	IFRS	Year End	Society staff costs					Society pension costs			Group Defined Benefit Pension Scheme					
				Total Number of Staff	Total Staff Costs	Staff Costs per Staff Member	Profit for Year per Staff Member	Total Assets per Staff Member	Total Wages and Salaries (TW&S)	Other Pension Costs	Pension Costs/(TW&S)	Defined Benefit Scheme?	Scheme (Deficit)/Surplus		Key Assumptions		
					£'000	£'000/staff	£'000/staff	£'000/staff					£'000	% of Gen Reserves	Salary Increase	Discount Rate	Inflation Rate
30	Harpdenen		Dec 2013	42	1,761	41.93	27.29	6,783	1,442	175	12.14%	No	n/a	n/a	n/a	n/a	n/a
31	Loughborough		Oct 2013	45	1,491	33.51	8.56	6,304	1,250	116	9.28%	No	n/a	n/a	n/a	n/a	n/a
32	Vernon		Dec 2013	59	1,971	33.41	9.59	4,631	1,689	121	7.16%	No	n/a	n/a	n/a	n/a	n/a
33	Bath Investment		Dec 2013	40	1,636	40.90	50.30	6,806	1,408	68	4.83%	No	n/a	n/a	n/a	n/a	n/a
34	Mansfield		Dec 2013	53	1,776	33.51	15.40	5,102	1,522	109	7.16%	Yes – Closed	0	0.00%	n/a	4.55%	3.30%
35	Stafford Railway		Oct 2013	15	375	25.00	68.27	16,529	324	27	8.33%	No	n/a	n/a	n/a	n/a	n/a
36	Buckinghamshire		Dec 2013	27	1,140	43.02	91.40	9,154	960	76	7.92%	No	n/a	n/a	n/a	n/a	n/a
37	Swansea		Dec 2013	22	850	39.53	53.81	10,495	700	66	9.43%	No	n/a	n/a	n/a	n/a	n/a
38	Teachers		Dec 2013	35	1,661	48.14	28.12	6,463	1,418	88	6.21%	Yes – Closed	0	0.00%	n/a	4.60%	3.70%
39	Chorley & District		Feb 2014	43	1,342	31.20	40.01	4,896	1,146	86	7.48%	No	n/a	n/a	n/a	n/a	n/a
40	Beverley		Dec 2013	16	632	39.50	15.88	11,333	525	48	9.14%	No	n/a	n/a	n/a	n/a	n/a
41	Holmesdale		Mar 2014	22	1,006	45.71	(8.67)	6,667	804	116	14.41%	Yes – Closed	0	0.00%	n/a	4.50%	3.50%
42	Ecology		Dec 2013	20	766	38.30	20.10	6,240	650	49	7.54%	No	n/a	n/a	n/a	n/a	n/a
43	Earl Shilton		Mar 2014	20	705	35.27	15.87	5,776	587	60	10.24%	No	n/a	n/a	n/a	n/a	n/a
44	Penrith		Dec 2013	15	596	41.09	3.64	6,440	454	63	13.82%	No	n/a	n/a	n/a	n/a	n/a
45	City of Derry		Dec 2013	6	220	39.94	(7.68)	8,383	182	22	12.23%	No	n/a	n/a	n/a	4.55%	3.50%
Average of Peer Group Societies					35.55	26.97	7,625				9.21%		0.00%	n/a			

# Peer Group 3

**Table 6: Loans and Advances (1): Group Lending and Provisions**

Asset Ranking	Society	IFRS Year End	Lending Limit	Group/Society Gross Mortgage Lending		No. Group/Society Arrears 12 mths and over	Group/Society Total Year End Mortgage Provisions	Group/Society											
				% to total P/Yr loans				Loans				FSRP Provisions				FSOL Provisions			
				%	£'000			£'000	%	£'000	%	£'000	%	£'000	%	Charge/(Credit) to FSOL Loans	Provision to FSOL Loans		
30	Harpden*	Dec 2013	6.19%	47,200	25.80%	3	834	183,391	7.07%	11,042	(5.26%)	0	n/a	258	267	0.14%	0.15%		
31	Loughborough*	Oct 2013	5.67%	32,600	15.99%	6	1,360	195,161	1.85%	11,196	(8.51%)	0	n/a	260	949	0.13%	0.48%		
32	Vernon	Dec 2013	6.41%	34,600	17.23%	0	343	195,578	4.24%	12,925	(2.19%)	0	n/a	(9)	227	0.00%	0.12%		
33	Bath Investment	Dec 2013	9.90%	38,600	19.96%	6	1,768	189,640	9.62%	20,558	0.68%	0	n/a	457	1,118	0.24%	0.59%		
34	Mansfield*	Dec 2013	1.04%	58,100	27.49%	3	442	221,810	5.98%	2,046	(1.82%)	0	n/a	137	437	0.06%	0.20%		
35	Stafford Railway*	Oct 2013	2.00%	29,400	18.48%	1	238	161,708	3.93%	3,254	(6.66%)	0	n/a	(19)	234	(0.01%)	0.14%		
36	Buckinghamshire*	Dec 2013	1.87%	69,900	47.47%	0	313	189,621	32.37%	3,244	(18.80%)	0	n/a	48	202	0.03%	0.11%		
37	Swansea*	Dec 2013	4.32%	27,900	20.72%	0	43	139,356	9.10%	6,093	(12.41%)	0	n/a	23	43	0.02%	0.03%		
38	Teachers	Dec 2013	2.26%	48,400	26.60%	0	461	202,051	14.02%	3,553	(25.06%)	0	n/a	(40)	461	(0.02%)	0.23%		
39	Chorley & District*	Feb 2014	1.08%	37,800	25.66%	5	373	158,393	8.50%	1,233	(6.68%)	0	n/a	(79)	373	(0.05%)	0.24%		
40	Beverley*	Dec 2013	7.62%	20,543	15.77%	0	1,115	129,531	8.38%	10,332	(3.61%)	0	n/a	103	997	0.08%	0.76%		
41	Holmesdale*	Mar 2014	5.55%	17,000	17.52%	0	210	89,946	(1.94%)	4,975	(6.54%)	0	n/a	100	180	0.11%	0.20%		
42	Ecology*	Dec 2013	12.52%	18,400	23.79%	0	248	73,308	8.67%	9,901	0.62%	41	0.00%	(3)	19	0.00%	0.03%		
43	Earl Shilton*	Mar 2014	3.49%	22,410	28.88%	0	574	84,331	13.14%	2,836	(7.34%)	0	n/a	117	548	0.14%	0.65%		
44	Penrith*	Dec 2013	3.34%	9,190	14.90%	3	220	59,965	(0.13%)	1,383	(15.74%)	0	n/a	85	98	0.14%	0.16%		
45	City of Derry*	Dec 2013	1.09%	3,600	11.71%	18	1,014	32,019	5.36%	364	3.02%	0	n/a	205	1,014	0.62%	3.07%		
Average of Peer Group Societies				4.65%	22.37%			8.13%		(7.27%)		0.00%		0.10%	0.45%	(0.37%)	1.79%		

\* Denotes no Group: therefore Society balances included as Group

# Peer Group 3

**Table 7: Loans and Advances (2): Society Lending and Provisions**

Asset Ranking	Society	IFRS Year End	Lending Limit	Number of Society Borrowers	Total Year End Mortgage Provisions	Society											
						Loans						FSRP Provisions				FSOL Provisions	
						FSRP Loans	Increase	FSOL Loans	Increase	Other Loans	Increase	Charge/ (Credit)	Year End Provision	Charge/ (Credit) to FSRP Loans	Provision to FSRP Loans	Charge/ (Credit) to FSOL Loans	Provision to FSOL Loans
			%		£'000	£'000	%	£'000	%	£'000	%	£'000	£'000	%	%	%	%
30	Harpenden	Dec 2013	6.19%	1,055	834	183,391	7.07%	11,042	(5.26%)	0	n/a	258	267	0.14%	0.15%	(0.19%)	4.88%
31	Loughborough	Oct 2013	5.67%	2,248	1,360	195,161	1.85%	11,196	(8.51%)	0	n/a	260	949	0.13%	0.48%	(0.56%)	3.54%
32	Vernon	Dec 2013	6.41%	2,383	343	195,578	4.24%	12,925	(2.19%)	0	n/a	(9)	227	0.00%	0.12%	0.15%	0.89%
33	Bath Investment	Dec 2013	9.90%	1,784	1,768	189,640	9.62%	20,558	0.68%	0	n/a	457	1,118	0.24%	0.59%	0.82%	3.06%
34	Mansfield	Dec 2013	1.04%	2,711	442	221,810	5.98%	2,046	(1.82%)	0	n/a	137	437	0.06%	0.20%	(0.20%)	0.24%
35	Stafford Railway	Oct 2013	2.00%	1,448	238	161,708	3.93%	3,254	(6.66%)	0	n/a	(19)	234	(0.01%)	0.14%	0.00%	0.12%
36	Buckinghamshire	Dec 2013	1.87%	1,082	313	189,621	32.37%	3,244	(18.80%)	0	n/a	48	202	0.03%	0.11%	0.00%	3.31%
37	Swansea	Dec 2013	4.32%	1,304	43	139,356	9.10%	6,093	(12.41%)	0	n/a	23	43	0.02%	0.03%	0.00%	0.00%
38	Teachers	Dec 2013	2.26%	2,214	461	202,051	14.02%	3,553	(25.06%)	0	n/a	(40)	461	(0.02%)	0.23%	0.00%	0.00%
39	Chorley & District	Feb 2014	1.08%	1,890	373	158,393	8.50%	1,233	(6.68%)	0	n/a	(79)	373	(0.05%)	0.24%	0.00%	0.00%
40	Beverley	Dec 2013	7.62%	1,050	1,115	129,531	8.38%	10,332	(3.61%)	0	n/a	103	997	0.08%	0.76%	(0.30%)	1.13%
41	Holmesdale	Mar 2014	5.55%	1,056	210	89,946	(1.94%)	4,975	(6.54%)	0	n/a	100	180	0.11%	0.20%	0.00%	0.60%
42	Ecology	Dec 2013	12.52%	776	248	73,308	8.67%	9,901	0.62%	41	0.00%	(3)	19	0.00%	0.03%	0.56%	1.92%
43	Earl Shilton	Mar 2014	3.49%	1,339	574	84,331	13.14%	2,836	(7.34%)	0	n/a	117	548	0.14%	0.65%	(0.35%)	0.92%
44	Penrith	Dec 2013	3.34%	740	220	59,965	(0.13%)	1,383	(15.74%)	0	n/a	85	98	0.14%	0.16%	(5.79%)	8.10%
45	City of Derry	Dec 2013	1.09%	441	1,014	32,019	5.36%	364	3.02%	0	n/a	205	1,014	0.62%	3.07%	0.00%	0.00%
Average of Peer Group Societies		4.65%				8.13%		(7.27%)		0.00%		0.10%	0.45%	(0.38%)	1.79%		

# Peer Group 3

**Table 8: Loans and Advances (3): FSRP Provisions**

Asset Ranking	Society	IFRS Year End	Group: Loans Fully Secured on Residential Property (FSRP)							Society: Loans Fully Secured on Residential Property (FSRP)						
			General Provision	Specific Provision	General to Specific Provision	General Provision/Total FSRP	Rank	Specific Provision/Total FSRP	Rank	General Provision	Specific Provision	General to Specific Provision	General Provision/Total FSRP	Rank	Specific Provision/Total FSRP	Rank
			£'000	£'000	%	%		£'000		£'000	£'000	%	%		£'000	
30	Harpden*	Dec 2013	0	267	n/a	0.00%	1	0.15%	11	0	267	n/a	0.00%	1	0.15%	11
31	Loughborough*	Oct 2013	473	476	99.37%	0.24%	13	0.24%	13	473	476	99.37%	0.24%	13	0.24%	13
32	Vernon	Dec 2013	206	21	980.95%	0.11%	7	0.01%	4	206	21	980.95%	0.11%	7	0.01%	4
33	Bath Investment	Dec 2013	177	941	18.81%	0.09%	5	0.49%	15	177	941	18.81%	0.09%	5	0.49%	15
34	Mansfield*	Dec 2013	304	133	228.57%	0.14%	11	0.06%	7	304	133	228.57%	0.14%	11	0.06%	7
35	Stafford Railway*	Oct 2013	194	40	485.00%	0.12%	9	0.02%	5	194	40	485.00%	0.12%	9	0.02%	5
36	Buckinghamshire*	Dec 2013	202	0	n/a	0.11%	8	0.00%	1	202	0	n/a	0.11%	8	0.00%	1
37	Swansea*	Dec 2013	0	43	n/a	0.00%	1	0.03%	6	0	43	n/a	0.00%	1	0.03%	6
38	Teachers	Dec 2013	440	21	2,095.24%	0.22%	12	0.01%	3	440	21	2,095.24%	0.22%	12	0.01%	3
39	Chorley & District*	Feb 2014	153	221	69.19%	0.10%	6	0.14%	9	153	221	69.19%	0.10%	6	0.14%	9
40	Beverley*	Dec 2013	411	586	70.14%	0.31%	14	0.45%	14	411	586	70.14%	0.31%	14	0.45%	14
41	Holmesdale*	Mar 2014	115	65	175.70%	0.13%	10	0.07%	8	115	65	175.70%	0.13%	10	0.07%	8
42	Ecology*	Dec 2013	19	0	n/a	0.03%	4	0.00%	1	19	0	n/a	0.03%	4	0.00%	1
43	Earl Shilton*	Mar 2014	392	156	250.55%	0.46%	16	0.18%	12	392	156	250.55%	0.46%	16	0.18%	12
44	Penrith*	Dec 2013	13	85	15.73%	0.02%	3	0.14%	10	13	85	15.73%	0.02%	3	0.14%	10
45	City of Derry*	Dec 2013	121	893	13.58%	0.37%	15	2.70%	16	121	893	13.58%	0.37%	15	2.70%	16
			Total 3,220	Total 3,948	Peer Group Ratio 81.56%					Total 3,220	Total 3,948	Peer Group Ratio 81.56%				
Average of Peer Group Societies						0.15%			0.29%				0.15%			0.29%

\* Denotes no Group: therefore Society balances included as Group

# Peer Group 3

**Table 9: Loans and Advances (4): FSOL Provisions**

Asset Ranking	Society	IFRS Year End	Group: Loans Fully Secured on Land (FSOL)							Society: Loans Fully Secured on Land (FSOL)						
			General Provision	Specific Provision	General to Specific Provision	General Provision/Total FSOL	Rank	Specific Provision/Total FSOL	Rank	General Provision	Specific Provision	General to Specific Provision	General Provision/Total FSOL	Rank	Specific Provision/Total FSOL	Rank
			£'000	£'000	%	%		%		£'000	%	%	%		%	
30	Harpden*	Dec 2013	47	520	9.04%	0.40%	8	4.48%	16	47	520	9.04%	0.40%	8	4.48%	16
31	Loughborough*	Oct 2013	239	172	138.95%	2.06%	14	1.48%	12	239	172	138.95%	2.06%	14	1.48%	12
32	Vernon	Dec 2013	83	33	251.52%	0.64%	11	0.25%	11	83	33	251.52%	0.64%	11	0.25%	11
33	Bath Investment	Dec 2013	101	549	18.40%	0.48%	9	2.59%	14	101	549	18.40%	0.48%	9	2.59%	14
34	Mansfield*	Dec 2013	5	0	n/a	0.24%	7	0.00%	1	5	0	n/a	0.24%	7	0.00%	1
35	Stafford Railway*	Oct 2013	4	0	n/a	0.12%	6	0.00%	1	4	0	n/a	0.12%	6	0.00%	1
36	Buckinghamshire*	Dec 2013	111	0	n/a	3.31%	15	0.00%	1	111	0	n/a	3.31%	15	0.00%	1
37	Swansea*	Dec 2013	0	0	n/a	0.00%	1	0.00%	1	0	0	n/a	0.00%	1	0.00%	1
38	Teachers	Dec 2013	0	0	n/a	0.00%	1	0.00%	1	0	0	n/a	0.00%	1	0.00%	1
39	Chorley & District*	Feb 2014	0	0	n/a	0.00%	1	0.00%	1	0	0	n/a	0.00%	1	0.00%	1
40	Beverley*	Dec 2013	103	15	686.67%	0.99%	13	0.14%	10	103	15	686.67%	0.99%	13	0.14%	10
41	Holmesdale*	Mar 2014	30	0	n/a	0.60%	10	0.00%	1	30	0	n/a	0.60%	10	0.00%	1
42	Ecology*	Dec 2013	6	188	3.19%	0.06%	5	1.86%	13	6	188	3.19%	0.06%	5	1.86%	13
43	Earl Shilton*	Mar 2014	26	0	n/a	0.92%	12	0.00%	1	26	0	n/a	0.92%	12	0.00%	1
44	Penrith*	Dec 2013	77	45	171.10%	5.11%	16	2.99%	15	77	45	171.10%	5.11%	16	2.99%	15
45	City of Derry*	Dec 2013	0	0	n/a	0.00%	1	0.00%	1	0	0	n/a	0.00%	1	0.00%	1
			Total	Total	Peer Group Ratio					Total	Total	Peer Group Ratio				
			832	1,522	54.67%					832	1,522	54.67%				
Average of Peer Group Societies																

\* Denotes no Group: therefore Society balances included as Group

# Explanatory notes

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## Sources

The data is drawn from publicly available financial statements of each Society. Data on the number of branches, saving and borrowing members are drawn from the most up to date Building Societies Association Yearbook.

## Group or Society data

A mixture of Group and Society data is used in the tables. The table headings and the column headers all state clearly whether data is 'Group' or 'Society'. The statutory ratios extracted directly from each Society's Annual Business Statement will be 'Group' where a Society has subsidiary undertakings; otherwise these will be 'Society' only.

Asterisks (\*) are used to identify Societies that are not Group Societies and therefore Society data is included as Group data.

## Averages

For each page of statistics an average for each ratio is provided. This is calculated from the societies on that particular page and are all presented as simple averages.

## Terminology

In these explanations:

- 'Income and Expenditure Account' includes 'Income Statement' for an IFRS Society.
- 'Balance Sheet' includes 'Statement of Financial Position' for an IFRS Society.

## Rankings

Where given, rankings have been calculated using absolute numbers, whereas the figures used to calculate the rankings have been rounded for presentational purposes. As a result, Societies with balances that appear identical may be assigned different ranks.

### Table 1: Total Assets, Shares, Members and Branches

#### Asset rankings and total assets

For all three Peer Groups the asset ranking shows the position of each Society in terms of total Group assets or total Society assets as appropriate.

#### Society shares

This is the total value of shares, usually as disclosed in the Society balance sheet; and includes shares held by individuals, other shares and any accrued interest. For IFRS Societies, in order to retain comparability with UK GAAP societies, total shares exclude any fair value adjustments disclosed within the shares note. The percentage disclosure represents the increase from the equivalent prior year Society total shares.

#### Average balance per shareholder

This comprises the total Society shareholders (from the latest available Building Societies Association Yearbook), divided into shares held by individuals (including accrued interest) as disclosed in the relevant note to the accounts. For IFRS societies, shares exclude any disclosed fair value adjustments.

#### Funding limit

This is a statutorily defined ratio (Building Societies Act 1986, Section 7) and is as disclosed in the Society's Annual Business Statement; this ratio is required to be on a Group basis where a Society prepares consolidated Group financial statements.

The purpose of this ratio is to disclose the proportion of total shares and deposits that are not represented by shares held by individuals. Total shares and deposits include debt securities in issue but exclude derivative financial instruments recorded on the Balance Sheets of Societies reporting under IFRS.

#### Liquid assets

This ratio is as disclosed in the Annual Business Statement: this will be on a Group basis where a Society prepares Group accounts.

The ratio basis is also disclosed in the Annual Business Statement and comprises liquid assets, as disclosed in the Balance Sheet as a percentage of total shares and deposit liabilities. Liquid assets include any debt securities held but exclude derivative financial instruments recorded on the Balance Sheets of Societies reporting under IFRS.

Total shares and deposits include any debt securities in issue but, for IFRS societies, exclude derivative financial instruments.

#### Data source for society branches and shareholding and borrowing members

These are taken from the latest available Building Societies Association Yearbook.

#### Branches

Where a Society does not have any branches and therefore carries out all its business from its principal office, this is regarded as being a single branch. Therefore all Societies are regarded as having at least one branch and this basis is used in all ratios based on the number of Society branches. Branches of subsidiary companies, for example estate agencies, are ignored for these purposes.

## Table 2: Group or Society Profitability Ratios

Asterisks (\*) are applied to those Societies that are not Group Societies and therefore Society profitability data is included as Group data.

### Exceptional items

Where the consolidated Income and Expenditure Account in the case of Group Societies or the individual Income and Expenditure Account of non-Group Societies discloses an exceptional item other than the FSCS Levy, this is denoted by an 'X' in this column. In such cases, key profitability measures can be distorted and reference should be made to the relevant published accounts.

### Group profit for the year

Profit for the year is always the bottom line profit for the year; after all charges, exceptional items, taxation and extraordinary items.

### Group or Society profit for year/mean assets

This is the ratio as disclosed by Societies in the Annual Business Statement. Where a Society does not have subsidiaries, this will be a Society only ratio.

### Group net interest margin as a percentage of mean assets

This is Group net interest receivable expressed as a percentage of the simple average of the Group's total assets as at the end of the current and preceding years. For IFRS Societies this ratio uses the equivalent term net interest income.

### Group cost to income ratio

This ratio expresses the recurring administrative expenses plus depreciation and amortisation as a percentage of total income.

Recurring administrative expenses exclude any exceptional administrative expenses that may be disclosed on the face of the Income and Expenditure Account but include any such exceptional

costs that may be disclosed in the notes to the accounts. For IFRS societies, where separately disclosed, the caption includes amortisation of intangible assets.

Total income consists of net interest receivable plus all the component parts of other income and charges, including income from associated bodies and where stated, income from investments. Total income for this ratio is generally the sub-total before administrative expenses. Therefore total income also includes pension finance charges and, for IFRS societies, any gains or losses relating to financial instruments disclosed after net interest income.

In order to assist comparability, when a Society discloses other operating charges (after administrative expenses) these are deducted from total income for the purpose of this cost to income ratio only. To avoid doubt, other operating charges are not included in the 'cost' side of the cost to income ratio, but included instead as negative income.

### Group management expenses as a percentage of mean assets

This is Group management expenses (as defined below) expressed as a percentage of the simple average of the total Group assets as at the end of the current and preceding years. This is referred to as 'ManEx' in the table.

Management expenses comprise recurring administrative expenses plus depreciation as disclosed on the face of the Group Income and Expenditure Account. For IFRS societies, the equivalent captions are used together with amortisation of intangible assets where disclosed.

Management expenses exclude other operating charges. In order to assist comparability any exceptional or extraordinary administrative expenses shown separately on the face of the Income and Expenditure Account are excluded. Immaterial exceptional expenses disclosed within the administrative expenses note are included in the ratio calculation.



### Group management expenses, less other income, as a percentage of mean assets

This is management expenses (ManEx), less other income and charges (see definition below), expressed as a percentage of the simple average of the total Group assets as at the end of the current and preceding years.

For this particular ratio, other income and charges comprise of income from investments and income from associated bodies (where disclosed), plus fees and commissions receivable, plus other operating income, less pension finance charge and less fees and commissions payable and also less other operating charges where these are disclosed. For IFRS societies, any gains or losses relating to financial instruments disclosed after net interest income, but before management expenses, are also included as other income.

### Group mortgage loss provisions charge/(credit) for year divided into recurring profit pre-provision

This is the charge relating to provisions for mortgage losses as shown on the face of the Income and Expenditure Account, expressed as a percentage of the recurring profit before such provisions. For IFRS Societies the tables use the equivalent impairment loss caption.

Some Societies include provisions against other items in an overall 'Provisions' caption: in such cases the tables only includes the actual mortgage loss or impairment provisions, as disclosed in the relevant note. A negative ratio indicates a mortgage loss or impairment provision credit to the Income and Expenditure Account, caused either by excess recoveries or by the Society reducing the total mortgage loss provisions.

Where practicable and to facilitate comparability, the profit/(loss) pre-provision is the recurring profit/loss – i.e. adjusted to exclude the effect of any exceptional charges or credits disclosed above that caption.

### Recurring profit including mortgage loss provisions

As the title states 'recurring profit' is taken after mortgage loss provisions are charged or credited. Where practicable and to facilitate comparability, recurring profit is adjusted to exclude the effect of any exceptional charges or credits disclosed above that caption.

### FSCS Levy Charge or (credit) and Provision

This disclosure refers to the Financial Services Compensation Scheme (FSCS). The level of FSCS provision between Societies reporting to 31 December year ends and those reporting to earlier balance sheet dates will not be comparable as a liability to contribute to the scheme is triggered by market participation at 31 December.

The Levy charge or (credit) is the Group or Society charge or credit as disclosed in the Income and Expenditure Account.

The Provision is as disclosed on a Society's Balance Sheet or within a provisions note to the accounts.



### **Table 3: Group or Society Reserves and Capital**

Asterisks (\*) are used to identify societies that are not group societies and therefore the Society reserves and capital are included as Group data.

#### **Reserves**

Reserves are disclosed on a consolidated basis for Societies preparing Group financial statements and on a Society only basis for those Societies without subsidiaries. 'IFRS reserves' are only applicable to those Societies reporting under IFRS and represent the sum of the Available for Sale reserve and the Cash flow hedging reserve.

'Other reserves' represent the sum of all other reserves and minority interests as disclosed on the face of the balance sheet.

#### **Group total reserves to total assets**

This ratio is a Group ratio where Group accounts are prepared and is calculated including revaluation reserves, IFRS reserves, other reserves and minority interests, where relevant.

#### **Prior year total reserves**

These are on the same basis as the current year total reserves.

#### **Other capital**

Other capital instrument includes Profit Participating Deferred Shares, Core Capital Deferred Shares and Permanent Interest Bearing Shares. The number presented is from the face of the balance sheet, less any unamortised issue costs and fair value adjustments disclosed within the relevant notes to the financial statements.

#### **Subordinated debt**

Subordinated debt is presented as on the face of the balance sheet, less any unamortised issue costs and fair value adjustments disclosed within the relevant notes to the financial statements.

#### **Gross and free capital ratios**

These ratios are as disclosed in a Society's Annual Business Statement and are Group ratios for a Group accounts Society. The bases for the gross and free capital ratios are defined in the Building Societies Accounts Regulations (Schedule 9(2) and Schedule 11(3)).

Gross capital comprises all reserves (including all IFRS reserves), subordinated debt, PIBS, Profit Participating Deferred Shares and minority interests.

Free capital comprises gross capital plus general/collective mortgage loss provisions, less tangible and intangible fixed assets and investment properties.

Gross and free capital are required by the Accounts Regulations to be expressed as a percentage of total share and deposit liabilities, including debt securities in issue, but excluding derivative financial instruments.



#### **Table 4: Society Profitability Ratios**

These are all society only ratios.

##### **Exceptional items**

Where a Society has exceptional items within its Income and Expenditure Account – other than the FSCS Levy – then this is denoted by an 'X' in this column. In such cases, key profitability measures can be distorted and reference should be made to the relevant published accounts. The ratios stated within this publication exclude such exceptional items.

##### **Society profit for the year**

Profit for the year is always the bottom line profit for the year: i.e. after all charges, exceptional items, taxation and extraordinary items.

##### **Society net interest margin as a percentage of mean assets**

This is net interest receivable expressed as a percentage of the simple average of the Society's total assets as at the end of the current and preceding years. For IFRS societies the equivalent caption of net interest income is used.

##### **Society interest receivable as a percentage of mean FSRP**

Interest receivable comprises the specific caption 'On loans fully secured on residential property' within interest receivable and similar income. Interest receivable on FSRP loans has been calculated as net of net income or expense on financial instruments, as disclosed in the same note.

Mean FSRP is the mean of the current year and prior year gross FSRP, i.e. after adding back FSRP provisions. For IFRS societies, any fair value amounts disclosed in the Loans/FSRP Note are excluded in order to maintain comparability with UK GAAP societies.

Nationwide does not disclose comparable data for this disclosure and, therefore, is indicated as 'n/a'.

##### **Society interest payable as a percentage of mean shares**

Interest payable comprises the interest caption 'On shares held by individuals within interest payable and similar charges. Interest payable on shares held by individuals' has been calculated as net of net income or expense on financial instruments, as disclosed in the same note.

Mean shares are the mean of the current and prior year total shares held by individuals as disclosed in the relevant note to the accounts. For IFRS societies, any fair value amounts disclosed in the Shares Note are excluded, in order to maintain comparability with UK GAAP societies.

##### **Society interest spread for members**

This is the difference achieved by deducting the ratio for interest payable on shares from the ratio for interest receivable from FSRP loans: the result being the interest spread on member transactions.

##### **Society other income and charges divided into total income**

This ratio expresses other income and charges as a percentage of total income. Other income and charges includes every caption after net interest receivable (for IFRS societies - net interest income) but before management expenses, for both UK GAAP and IFRS societies.

Total income comprises net interest receivable plus all the component parts of other income and charges, as explained above. Total income will normally be the sub-total before administrative expenses.

### **Society cost to income ratio**

This ratio is on the same calculation basis as the Group cost to income ratio (see above) except that there may be some income from investments or subsidiaries also included within total income.

### **Society mortgage loss provisions charge (credit) divided into profit pre-provision**

This is the charge relating to provisions for mortgage losses as shown on the face of the Income and Expenditure Account, expressed as a percentage of the recurring profit before such provisions. For IFRS societies Database uses the equivalent impairment captions.

Some societies include provisions against other matters in an overall 'Provisions' caption: in such cases Database only includes the actual mortgage loss or impairment provisions, as disclosed in the relevant note. A negative ratio indicates a mortgage loss or impairment provision credit to the Income and Expenditure Account, caused either by excess recoveries or by the Society reducing the total mortgage loss provisions. Where practicable, and to facilitate comparability, the profit/(loss) pre-provision is the recurring profit/(loss) – i.e. adjusted to exclude the effect of any exceptional charges or credits disclosed above that caption.

### **Society management expenses**

This comprises the recurring administrative expenses plus depreciation as disclosed on the face of each Society's Income and Expenditure Account. For IFRS societies, the equivalent captions include, where disclosed, amortisation of intangible assets. To avoid doubt, management expenses exclude other operating charges where disclosed by a Society.

To assist in comparability any exceptional or extraordinary administrative expenses shown separately on the face of the Income and Expenditure Account have been excluded. Immaterial exceptional

expenses disclosed within the administrative expenses note are included in the ratio calculation.

### **Society management expenses as a percentage of mean assets**

This is recurring management expenses (see Society management expenses) expressed as a percentage of the simple average of the total Society assets as at the end of the current and preceding years.

### **Society management expenses, less other income, as a percentage of mean assets**

This is management expenses (see Society management expenses), less other income and charges (defined below), expressed as a percentage of the simple average of the total Society assets as at the end of the current and preceding years. For this particular ratio, other income and charges comprise of income from investments, or associates, or subsidiaries (where disclosed), plus fees and commissions receivable, plus other operating income, less pension finance charge, less fees and commissions payable and also less other operating charges where these are disclosed. For IFRS societies, any gains or losses relating to financial instruments disclosed after net interest income, but before management expenses, are also included as other income.

**Table 5: Society Staff Ratios, Pension Costs and Pension Disclosures**

The staff numbers, staff costs and pension costs are all Society only ratios: however, the Pension Scheme deficit/surplus and key assumptions disclosures are Group unless a Society does not have subsidiary undertakings.

**Total number of staff**

Staff numbers are calculated on the basis that two part-time staff are equivalent to one full-time staff member. Staff numbers include executive directors when shown separately but exclude non-executive directors if shown separately. Society branch staff are included, but all subsidiary staff are ignored, where disclosed. Some societies do not disclose their part-time staff numbers, which may result in a comparatively higher number of staff being disclosed than for those societies that do provide such analysis.

**Society pension costs**

These are the Society's other pension costs as a percentage of Society total wages and salaries. This is not as a percentage of total staff costs.

**Group Retirement Benefit/Defined Benefit Pension Scheme disclosures**

This information is obtained from a Society's accounting policy and retirement benefits/pensions note. Where it is not clear that a Society has closed its defined benefit scheme to new entrants, it is recorded as still open. The defined benefit asset or liabilities is stated before the effect of deferred tax is included. The gross defined benefit pension scheme deficit or surplus for all societies is also expressed as a percentage of Group general reserves.

Where a Society has disclosed both the RPI and CPI inflation assumption used in calculating the defined benefit pension scheme asset or liability, the Database only discloses the RPI inflation assumption.

**Table 6: Loans and Advances (1): Group Lending and Provisions**

With effect from the April 2010 published accounts, Nationwide Building Society ceased to analyse its lending as FSRP, FSOL and Other and is no longer comparable to other building societies in this respect: therefore Nationwide is indicated as 'n/a' in most of Tables 5 to 8.

Asterisks (\*) are applied to those Societies that are not Group Societies and therefore Society profitability data is included as Group data.

**Lending limit**

This is a statutorily defined ratio (Building Societies Act 1986, Section 6) and is as disclosed in the Annual Business Statement: this ratio is required to be disclosed on a Group basis where a Society prepares Group accounts.

The purpose of this ratio is to disclose how much of a Society's 'Business Assets' are not loans fully secured on residential property. As the statutory limit is 25%, this means that at least 75% of a Society's Business Assets must comprise loans fully secured on residential property. Business Assets are defined as total lending plus certain sundry assets (but not liquid or fixed assets). A higher Lending Limit percentage disclosure indicates a higher proportion of lending other than loans fully secured on residential property. Conversely, a lower lending limit ratio indicates a Society with a higher proportion of loans fully secured on residential property.



#### Group or Society gross mortgage lending

This is Group gross mortgage lending in the year, extracted as disclosed either in the Directors' Report, or elsewhere from the 'front end' of the accounts package, or, in some cases, by KPMG enquiry to the Society. Where a Society does not have subsidiaries then this is a Society only disclosure. This data excludes any mortgage book acquisitions where a Society discloses such acquisitions and states that they have been included within the gross lending disclosure.

Gross mortgage lending is expressed as a percentage of prior year total Group or Society mortgage assets in the balance sheet i.e. FSRP plus FSOL plus Other loans. For IFRS societies, any fair value amounts disclosed in the notes are excluded from the total loan numbers.

#### FSRP loans, FSOL loans and Other loans

These are the total loan categories as disclosed in the Group balance sheet. For IFRS societies, this excludes any related fair value amounts that are disclosed within the relevant notes. The percentage disclosure is the increase from the prior year equivalent Group total FSRP, FSOL or Other loans.

#### Accounts 12 or more months in arrears

In all cases this figure is extracted from the Directors' Report. The disclosure is required by the Building Societies Accounts Regulations to be within the Directors' Report and to be a Group disclosure where applicable.

#### Total year end mortgage loss provisions

This comprises the total provisions against loans and therefore includes mortgage loss provisions relating to FSRP, FSOL and Other loans. Such provisions do not include any 'other provisions' that

may be disclosed in the provisions note to the accounts, nor any provisions against loans and advances to credit institutions. The total mortgage loss provisions include both general and specific mortgage loss provisions.

#### Charges and provisions expressed as a proportion of FSRP and FSOL

In this table the charges or credits to income are as disclosed in the mortgage loss or impairment provision tables and ignore any subsequent adjustments that may be made in arriving at the charge or credit to income, for example relating to recoveries.

The charges and provisions are expressed as a proportion of the gross FSRP and FSOL balances.

#### Table 7: Loans and Advances (2): Society Provisions

With effect from the April 2010 published accounts, Nationwide Building Society ceased to analyse its lending as FSRP, FSOL and Other and is no longer comparable to other building societies in this respect: therefore Nationwide is indicated as 'n/a' in most of Tables 5 to 8.

This table displays Society only data. The definitions of the ratios included in this table are the same as those for the equivalent Group data in Table 6, above.

#### Number of Society borrowers

The number of Society borrowers is as disclosed by the Society in the most recent Building Societies Association Yearbook.



#### **Table 8: Loans and Advances (3): FSRP Provisions**

Tables 8 and 9 are intended to assist societies in comparing their Group and Society general and specific mortgage loss provisions to industry standards.

Asterisks (\*) are applied to those Societies that are not Group Societies and therefore Society profitability data is included as Group data.

The Peer Group ratio disclosures for FSRP and FSOL are the total Peer Group general mortgage loss provisions as a percentage of the total Peer Group specific mortgage loss provisions. Therefore these are not simple averages of the individual Group ratios.

For IFRS Societies collective impairment provisions have been input as general provisions and individual impairment provisions as specific provisions. The ratios are expressed as a proportion of the Gross FSRP balances, before deduction of loss provisions. For IFRS Societies the gross balance is before the inclusion of any fair value adjustments in respect of hedged risk.

#### **Table 9: Society Loans and Advances (4): FSOL Provisions**

Asterisks (\*) are applied to those Societies that are not Group Societies and therefore Society data is included as Group data.

The Peer Group ratio disclosures for FSRP and FSOL are the total Peer Group general mortgage loss provisions as a percentage of the total Peer Group specific mortgage loss provisions. Therefore these are not simple averages of the individual Society ratios; this is a different basis from the simple averages as used for the general and specific FSRP and FSOL provisions to total FSRP or FSOL loans.



**KPMG continues to pride itself on its commitment to the Building Society sector across audit, tax and advisory. If you would like to discuss any issues facing your Society please contact:**

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