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The New Building Society Limited

2018 Annual Report

Contents

Mission Statement

To provide our members the very best Mortgage and Savings products through a large network of branches, modern technology and a disciplined, affable and well trained staff and to uphold our social responsibilities through involvement in worthwhile community projects.

Business Objectives

To provide a broad range of Mortgage and Savings products through a wide network of branches.

To provide independent financial advice on products offered.

To practice prudent management to ensure financial stability.

To provide excellent customer service using technology and a highly efficient and disciplined staff.

To provide employees with very favourable working conditions thereby enhancing their personal growth and development.

To be a respected and appreciated corporate citizen.

Notice of Meeting

Notice is hereby given that the Seventy-Ninth Annual General Meeting of the Members of the New Building Society Limited will be held at 10.30 a.m on Saturday, 23rd March, 2019 at the Society's Chief Office at Lot 1 North Road & Avenue of the Republic, Georgetown.

AGENDA

1. To receive the Financial Statements and the Reports of the Directors and Auditors for the year ended 31st December, 2018.

2. To elect Directors in accordance with Rule 47(1). The Directors retiring by rotation are Messrs. Floyd Mc Donald and Edwin Verasammy who being eligible, offer themselves for re-election - Rule 47(2).

3. To fix the remuneration of the Directors for the year 2019.

4. To appoint Auditors for the year 2019.

5. To fix the remuneration of the Auditors for the year 2019.

6. To approve the sum of **eight million dollars ($8,000,000.00)** for donations to Charity and for Educational purposes for the year 2019.

7. To transact any other business of which due notice shall have been given in accordance with Rule 36.

By Order of the Board,

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Anil Kishun
CEO/Director/Secretary
12th February, 2019

Please Note:

- **Only Members holding at least one of the following Accounts are entitled to attend the meeting –**
  Save & Prosper Accounts - minimum balance $1,000:
  Five Dollar Share Accounts - minimum balance $1,000:

- **Only first named Members** holding any of the Accounts mentioned above will be allowed entry.

- A proxy need not be a member of the Society. A Member may uplift one proxy form from any of the Society's Offices and the form must be returned no later than 2.30 p.m. on **Friday, 15th March, 2019.**

- Any Company which is a Member of the Society may by resolution of its Directors authorize such person as it thinks fit to act as its representative at the meeting.

- Please bring your **Passbook and some form of Identification** to gain entry to the Meeting.

Corporate Information

BOARD of DIRECTORS

Floyd Mc Donald	- Chairman
Seepaul Narine	- Vice-Chairman
Dr. Nanda K. Gopaul	
Edwin Verasammy	
Kalyan Tiwari	
Chandrawati Ramson	
Anil Kishun	- CEO/Director/Secretary

CHIEF OFFICE

1 North Road & Avenue of the Republic
Georgetown, Guyana.
Tel: 227-4444. Fax: 225-0832
Website: www.nbsgy.com
Email: nbsltd@networksgy.com

BRANCHES

New Amsterdam
15-16 New Street, New Amsterdam,
Berbice, Guyana.
Tel: 333-2157, 2893, 5024. Fax: 333-5642

Rosignol
196 Section 'A', Rosignol,
West Coast Berbice, Guyana.
Tel: 330-2341. Fax: 330-2268

Corriverton
31 No. 78 Village, Corriverton,
Corentyne, Berbice, Guyana.
Tel: 335-3239. Fax: 335-3344

Rosehall
26 B Public Road, Williamsburg,
Corentyne, Berbice, Guyana.
Tel: 322-5035. Fax: 322-5036

Mackenzie
34 A Republic Avenue, Mackenzie,
Linden, Guyana.
Tel: 444-6543. Fax: 444-6066

Essequibo
29 Henrietta,
Essequibo Coast, Guyana.
Tel: 771-4956. Fax: 771-4954

ATTORNEY-AT-LAW

Messrs. Cameron & Shepherd
2 Avenue of the Republic,
Georgetown, Guyana.

BANKERS

Bank of Nova Scotia
104 Carmichael Street,
North Cummingsburg,
Georgetown, Guyana.

Republic Bank (Guyana) Limited
38-40 Water Street, Robbstown,
Georgetown, Guyana.

Bank of Baroda (Guyana) Inc.
10 Avenue of the Republic, Robbstown,
Georgetown, Guyana.

Guyana Bank for Trade & Industry Limited
47-48 Water Street, Robbstown,
Georgetown, Guyana.

Demerara Bank Limited
230 Camp & South Streets,
North Cummingsburg,
Georgetown, Guyana.

Citizens Bank Guyana Inc.
231-233 Camp Street & South Road,
Lacytown, Georgetown, Guyana.

AUDITORS

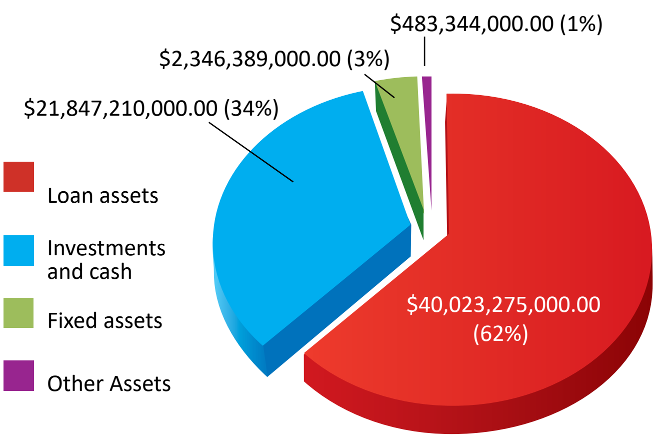
Maurice Soloman & Company
92 Oronoque Street, Queenstown,
Georgetown, Guyana.
Tel: 227-5568. Fax: 227-5564

Five-Year Statistical Information (2014 - 2018)

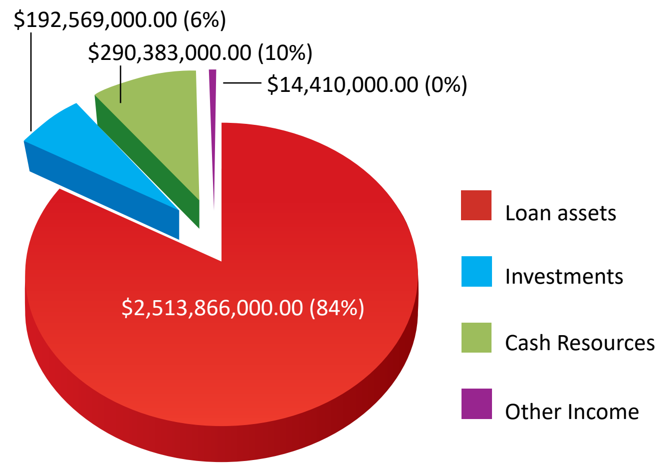
DESCRIPTION	2014 $M	2015 $M	2016 $M	2017 $M	2018 $M
PROFIT	1,447	1,259	1,277	1,279	1,202
TOTAL ASSETS	56,440	58,872	59,811	63,236	64,700
TOTAL MORTGAGE BALANCE	36,946	37,368	37,288	38,513	40,023
INVESTMENTS	16,211	18,130	19,426	21,389	20,271
TOTAL SAVINGS BALANCE	45,883	47,186	47,005	49,055	48,859
RESERVES	10,377	11,455	12,638	14,063	15,709
MORTGAGE LOANS DISBURSED FOR YEAR	6,843	3,623	3,196	4,235	4,822

Financial Highlights

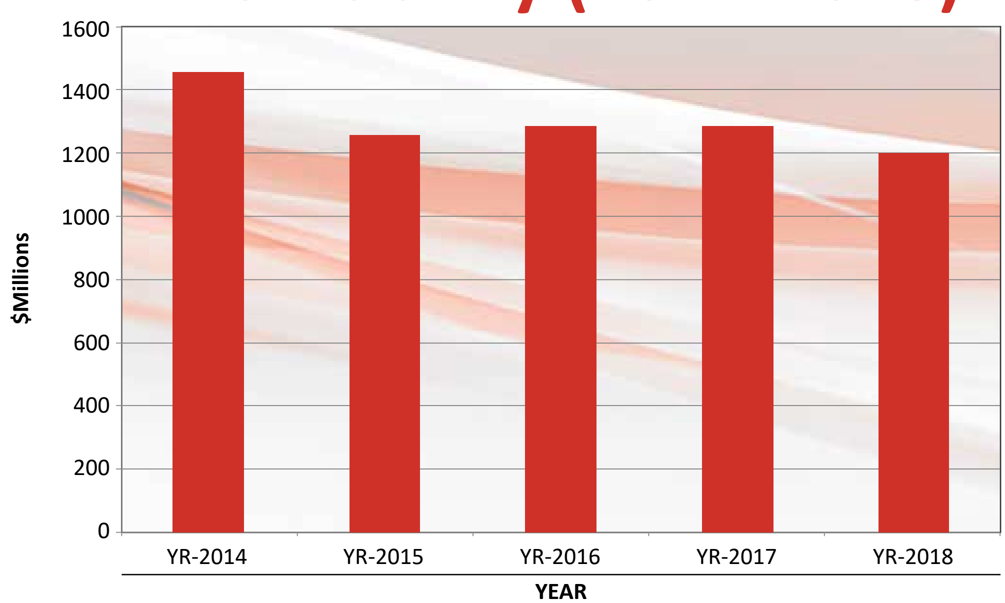
Asset Composition 31st December 2018



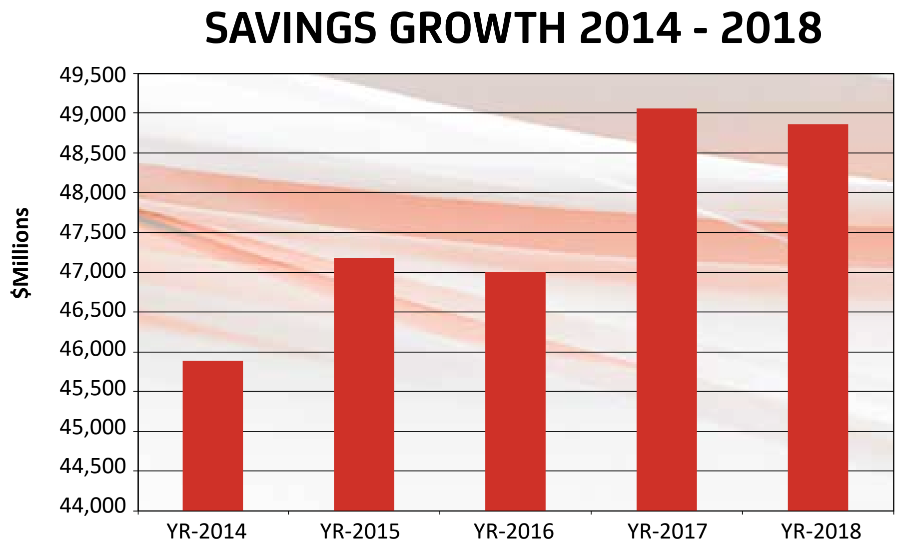
Income Distribution 2018

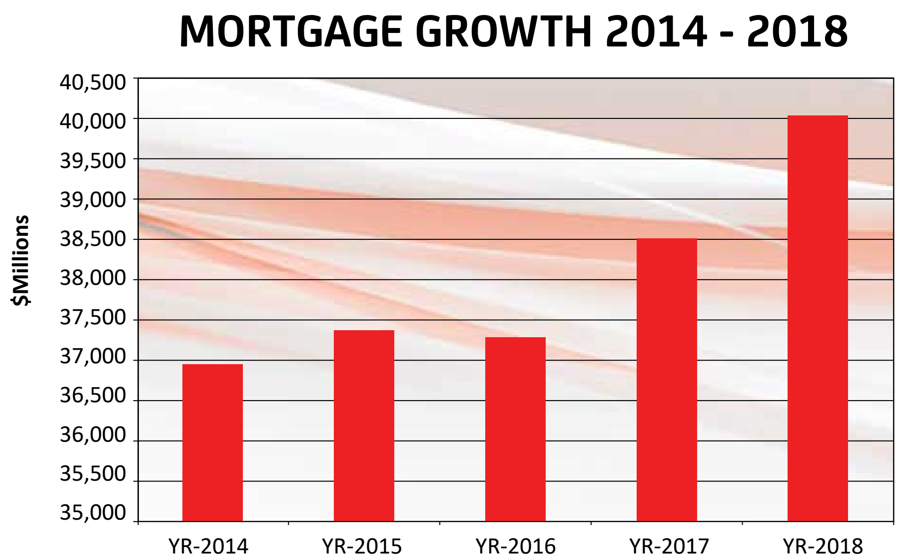


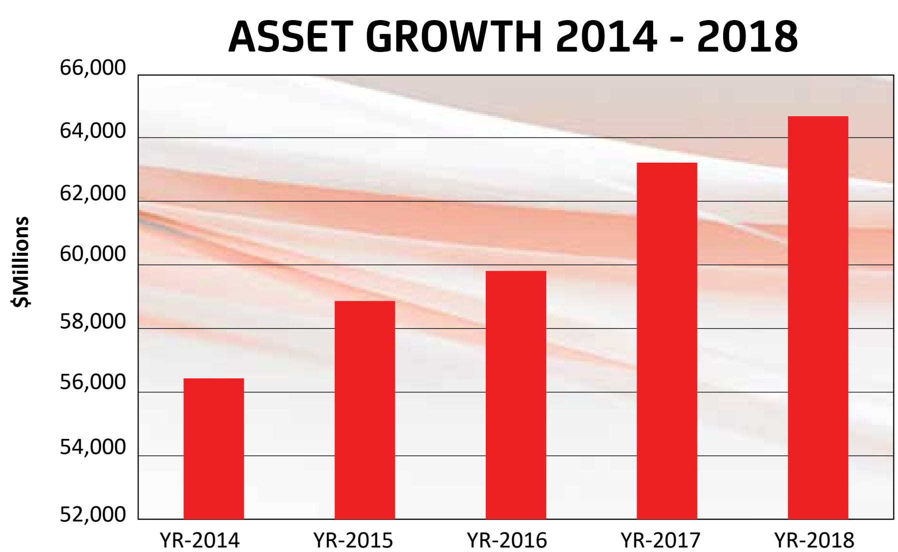
Profitability (2014-2018)



Financial Highlights (Cont'd)







Chairman's Report

> We remain strong financially and we look to the future with great optimism.

On behalf of the Board of Directors of the New Building Society which is celebrating its 79th Anniversary in 2019, I am pleased to report that we have recorded a net profit of $1.202B at the end of the year 2018 despite operating in a very competitive market place.

This profit however, represents a mere 6% percent decrease when compared with the net profit for 2017 which was $1.279B. This was primarily as a result of lower earnings on liquid asset investments inclusive of Treasury Bills in 2018.

The Society maintained a sound financial strength and independence whilst delivering sustainable growth and retaining appropriate levels of capital and reserves in 2018. We strongly embrace the principle that we were established to serve our members; as such we have positively impacted the lives of thousands of people over the years. As a Building Society we keep our strategies in line with our modern mutuality concept.

I am happy to report that the Society is well placed to continue progressing as we remain focused on our role in the future.

The Directors of the Society are cognizant of the fact that this world in which we operate is technologically evolving and experiencing rapid and unprecedented changes. We at the Society are building our capacity to continue to remain relevant and competitive amidst these changes. Central to our development is focusing on the needs of all of our members, some of whom would

Chairman's Report (Cont'd)

want to use the new technologies available to them and with others preferring the more traditional systems that we offer to conduct their financial transactions. A key strength of the Society is its ability to maintain a low risk growth strategy by exercising prudence in our mortgage lending and strict control over our costs.

ECONOMIC REVIEW

According to the World Bank's *Global Economic Prospects*, global growth is projected to moderate to 2.9% in 2019, down from 3% in 2018 with anticipated slow growth rates in many advanced economies as global investment and trade soften, manufacturing activity slows and borrowing conditions tighten further. Global trade growth slowed to an estimated 3.8 % in 2018 down from 5.4% in 2017. Trade tensions between the United States and China and the introduction of new tariffs between the two countries affected about 12% of U.S. goods imports, 6.5% of China's goods imports and 2.5% of global goods trade. It is anticipated that global trade will slow to approximately 3.6% in 2019 down from its 3.8% in 2018.

Uncertainty remains high in the United Kingdom as it prepares to exit the European Union. Growth in Japan slowed to approximately 0.8 % in 2018 as a result of the dampening effect of natural disasters. In South Africa growth deteriorated to 0.9% in the midst of slow mining activity, low business confidence and policy uncertainty, however it is expected to recover to about 1.3% in 2019. Brazil also experienced heightened policy uncertainty in 2018 which led to a slow growth rate of 1.2%, but is expected to rebound to 2.2% in 2019.

Projections for growth in Latin America and the Caribbean are 1.7% for the year 2019 compared to 1.2% for 2018. This is according to the Economic Commission for Latin America and the Caribbean (ECLAC). However, global economic uncertainties will continue to intensify from different angles and this will have an impact on the growth of the economies in Latin America and the Caribbean.

Guyana's economy experienced moderate growth over the past few years. In 2018 growth was recorded at approximately 3.4% up from 2.1% in 2017. This growth was led by solid performances by the livestock, other crops and manufacturing sectors, supported by agriculture, construction and the services sectors.

Performance in the major traditional sectors declined in 2018. The fishing industry, forestry, mining and quarrying sectors and the rice industry which were all booming in 2017 had all contracted in 2018. A downturn in gold, sugar and rice exports was the major reason for a downward revision of the performance target from 3.8% to 3.4% for the year 2018.

FINANCIAL RESULTS

The Society was yet again able to record a profit in excess of $1 Billion dollars for the year 2018 as a result of prudent and efficient management of our assets and liabilities while maintaining a small spread between savings and mortgage rates. This result includes the adoption of the IFRS 9 reporting standard effective from January 1, 2018.

During 2018, the main focus of the Directors was on the management of our savings and mortgage portfolios in line with our strategies; maintaining and refining our risk management framework to protect our members and ensuring our continued operational and financial sustainability. We also ensured that our capital and liquidity ratios were above the regulatory minimum.

We will continue to monitor changes in the regulatory environment and also take all the necessary steps to continue to comply with the Anti Money Laundering and Countering the Financing of Terrorism Act of Guyana.

REVENUE

Interest income for 2018 was $3B. In 2017 interest income was $3.1B. Earnings on loan assets for 2018 were 84% of total interest income (2017 - 78%).

Assets

Assets grew by 2.4% to $64.7B in 2018 when compared with 2017 which was $63.2B.

Savings

The Society's Deposit base as at December 31, 2018 was $48.9B. In 2017 it was to $49B.

Mortgages
The mortgage portfolio at the end of 2018 was $40B as against $38.5B at the end of 2017 representing an increase of 3.9%.

The mortgage market continued to be very competitive, with profit margins remaining low, however, the growth in our mortgage portfolio was as a result of our refined and enhanced lending criteria and processes aimed at attracting more quality borrowers during the year 2018 and at the same time keeping interest rates stable and competitive.

The Society works assiduously to assist persons in managing mortgages in compliance with the various regulations and standards. In our effort to minimize arrears and to help borrowers who may be experiencing financial difficulties, we have employed both consultative and supportive strategies as part of our approach to this issue.

COMPLIANCE

Compliance is central to the Society's values and behaviours and as such we at the Society continue to adhere to all aspects of the legal and regulatory frameworks locally, regionally and internationally especially the Anti Money Laundering and Countering the Financing of Terrorism regulations inclusive of the recent amendments.

CORPORATE SOCIAL RESPONSIBILITY

As part of our commitment to continue to be a responsible business, the New Building Society has a Corporate Responsibility strategy in place. The aim of this strategy is to ensure that we support educational and charitable organizations in tangible ways as part of our quest to ensure that our communities benefit from the operations of the Society.

This strategy includes our donation initiative targeting both charitable and educational institutions on a monthly, quarterly and annual basis. We have actively sponsored a number of charitable, educational and sports related projects over the years.

OUTLOOK TO THE FUTURE

In a competitive and rapidly changing financial industry, the Society was still able to grow its mortgage portfolio and asset base in 2018. Our strategy for 2019 is to capitalize on growth in the housing sector which is our core business activity

We remain strong financially and we look to the future with great optimism. We will continue to monitor our loan portfolio with great emphasis being placed on the non-performing loans as they arise. Our focus will also be on other key financial indicators such as profit margins and return on assets to name a few.

We will continue to monitor changes in legislation affecting the financial sector in Guyana especially as it relates to the Anti Money Laundering and Countering the Financing of Terrorism Act with the aim of implementing same.

ACKNOWLEDGMENT

As Chairman of the Board of Directors, I wish to express my sincere gratitude to our members and other customers for your valuable support throughout the years. As a result of this support and confidence, the Society was able continue to grow and to maintain its financial strength and strong balance sheet.

In this dynamic environment in which we operate, the Society can only achieve success with the commitment and dedication of its workforce. To our members of staff, we are thankful for your commitment without which, the Society would not have been able to achieve all of its objectives.

To my fellow Directors, I thank you for your valuable guidance and support during the year 2018.

Floyd Mc Donald
Chairman
12th February, 2019

Board of Directors

Floyd McDonald, Chairman

Seepaul Narine, Vice - Chairman

Dr. Nanda K. Gopaul, Director

Edwin Verasammy, Director

Kalyan Tiwari, Director

Chandrawati Ramson, Director

Anil Kishun, CEO / Director / Secretary

CEO/Director/ Secretary's Report

> The Society recorded a profit of $1.202B for the year 2018, a mere 6% decrease over the achievement of $1.279B last year, despite continued declining earnings from our Liquid Assets.

I am pleased that we have again delivered another strong financial performance with continued profitability and an increase in our Assets Base in 2018.

A consistently healthy financial result is part of the New Building Society's (NBS) Strategic Plan and is essential for the security and stability of the Society's operations and our sustainable mutual business model. We began the year with greater than normal economic, market and financial uncertainty in the business environment. The Society anticipated that these key areas of uncertainty would have affected our business model and financial performance. Nevertheless, we cushioned the effect of these external factors by maintaining our current interest rates which resulted in our profit being $1.202B for the year 2018, a mere 6% decrease over the previous year. This decline in profit was anticipated as we endeavored to maintain our mutuality concept to ensure that our customers benefitted from the most attractive lending and savings interest rates in the Market.

Our decisions are driven by our purpose. The Society places customers at the heart of everything we do and therefore we tailor our strategy and cultivate a culture that enables us to consistently deliver excellent customer service. We seek to provide the most attractive and competitive savings and mortgage products to support our customers as they build their wealth by saving and acquiring their own homes via mortgages.

Whilst our goal is not to maximize profit, it is prudent for us to maintain a strong financial performance, in order to be here for our members in the long term and also to invest for the future. In 2018 we achieved good financial results despite lower returns on our Investments as we continued to keep our savings and mortgage interest rates attractively priced. These good results are reflected in the growth of our assets from $63.2B in 2017 to $64.7B at the end of 2018.

NBS continues to focus on our strategic objective of growing our savings and mortgage businesses and to deliver long term sustainable value to our members. During the year we continued to (a) improve our office environment to enable us to better serve our existing customers with comfort and attract new ones (b) to invest in our staff so they are adequately trained to fully engage in the Society's business and therefore continue to effectively serve and communicate with our customers.

FINANCIAL RESULTS

The Society recorded a profit of $1.202B for the year 2018, a mere 6% decrease over the achievement of $1.279B last year, despite continued declining earnings from our Liquid Assets.

REVENUE

Revenue from Mortgages was $2.5B or 84 % of Total Revenue of $3B for the year 2018. The Society's mortgage base is our main source of income as mortgage disbursements were $4.8B for the year which is 14% more than the $4.2B disbursed in 2017. This increase in mortgage business is a continuing trend from the previous year.

The rates of return on our Cash Resources and Investment Assets continued to decline. The Revenue earned from these assets was $483M compared to $670M for the previous year, a sharp decrease of 28%. These rates of diminishing returns continued from the previous year.

ASSETS

We measure our Assets growth in our ability to meet the needs of our Savers and to support our Mortgagors. The Society's Assets grew from $63.2B by $1.5B to $64.7B, representing a 2.4% growth for the year 2018 as compared to $3.4B or 6% growth in 2017. This increase was primarily due to the growth in our Mortgage Assets as our mortgage portfolio performance remained strong.

SAVINGS

Despite lower earnings from Cash Resources and Investments the Society was able to sustain its current savings rate which remains competitive and attractive. Our Savings Portfolio base had a small reduction of $196M or 0.2% moving from $49B to $48.9B. Although we were able to generate new savings and deposits as budgeted this was not enough to compensate for a few large deposits lost to a more lucrative Public Investment Instrument. Our members continued to enjoy an equitable share of revenue as our Interest Expense was $1.1 B or 35% of Total Revenue.

MORTGAGES

Overall, the performance of our mortgage portfolio continued to be in line with our expectations. We remained focus on our objective to ensure that mortgage rates were low and affordable so that more persons could acquire their own homes. During the year we processed 976 new mortgage applications, a positive trend continuing from the previous year. Our mortgage portfolio at the end of 2018 stood at $40B representing an increase of $1.5B or 4% over the previous year of $38.5B.

Our delinquent mortgages increased resulting in non-performing loans moving from 1.69% to 2.20% of the mortgage portfolio. This was due to persons experiencing severe financial difficulties due to the prevailing economic circumstances. In all instances the Society exercises forbearance to assist our mortgagors who are experiencing payment difficulties. We continuously monitor Mortgage accounts in arrears and regularly review our impairment provision requirements in keeping with IFRS 9 requirements. Our efforts to address this issue will continue in 2019.

CEO/Director/Secretary's Report (Cont'd)

LIQUIDITY

To maintain the long term success of the Society and the safety and security of our Member's Funds, we ensure that our decisions always strike a balance between the needs of our savings and borrowing members. The Society's Liquid Assets at the end of the year was $20.8 B and covered 43% of Members' Funds (2017-43%). We manage our liquidity risk through continuous forecasting of our cash flow needs and assessments of the market environment.

CAPITAL ADEQUACY RATIO

The Society's Capital position is very strong and this provides a financial cushion against any difficulties which might arise. This level of capital is adequate to provide protection for our depositors. Our capital is made up almost entirely of retained profits accumulated over the years. The Capital adequacy ratio which measures the Society's capital against our risk weighted assets was 53% at the end of 2018 as compared to 48% for the previous year.

CUSTOMER FOCUS

Maintaining a truly customer centred culture is a primary part of our strategy to add value to our customer service. A part of this strategy is to have a good understanding of our customers' needs. This objective is achieved by engaging with our customers on a frequent basis, seeking feedback and insight from them to continuously improve our service.
In 2018 we continued to develop and improve our internal capability and infrastructure. These improvements are helping us to improve the quality of our customer service as we continued our focus on delivering improved customer satisfaction.

EMPLOYEES

The Society continues to invest in our people as part of our corporate culture, ensuring we are always aligned with our objective of a mutual business model and a customer focused organization. Our culture is defined based on our mutual values of the organization. These values are embedded into all aspects of the Society's operations including people management. We ensure that our employees understand what is expected of them and that they believe in our values to contribute to the success of the Society and our customers. Our employees are supported in a purposeful way by providing a safe and secure working environment complimented by attractive remuneration and benefits packages.

OUTLOOK TO THE FUTURE

The year 2018 was another good one for the Society as our Mortgage and Assets bases continued to grow. The business environment is expected to follow the current pattern and with expectation of increased economic activity as the country prepares for its first oil.

NBS will continue to focus on our goals and objectives as we seek to grow our members' wealth and provide the most affordable mortgages. We are currently upgrading our customers' data electronically to position ourselves to capitalize on new market opportunities that may present themselves.

The Society continuously engages with our customers and reviews our operating systems to make adjustments that can improve our service to them.

ACKNOWLEDGEMENT

I would like to thank all Members, Directors, Staff and other Stakeholders for their support throughout the year and look forward to delivering another year of sustainable growth in 2019. Rest assured that the Society will continue to execute its mandate in the most effective and efficient manner.

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Anil Kishun
CEO/Director/Secretary
12th February, 2019

NBS provides loans for various categories of income earners.
These are houses completed with funding from the Society.

Higher Income Residence

Middle Income Residence

Low Income Residence

Management Team

Anil Beharry,
Assistant Secretary

Savitri Samaroo,
Operations Manager

Mohamed Majeed
IT Systems Administrator

Noel Fernandes
Assistant Operations Manager

Rana Persaud
Manager, Berbice Operation

Atma L. Rajaram
Manager - Internal Audit

Guwantie Hiralall
Branch Manager - Rosignol

Sewchan Raghunandan
Branch Manager - Essequibo

Gleniss Ramsahoi
Branch Manager - Mackenzie

Subrena Budhoo
Branch Manager - Rosehall

Sarojne Ramdat
Branch Manager - Corriverton

Report of The Directors

The Directors are pleased to present the 79th Annual Report together with the audited Financial Statements of the New Building Society Limited (NBS) for the year ended December 31, 2018.

Principal Business Activities

The main aim of the New Building Society is to provide a broad range of quality Mortgage and Savings Products that are widely available from our network of branches located across the country. These products and services are delivered with quality, efficiency, courtesy and are reliably supported by our key values of fairness, honesty, corporate responsibility, employees' and customers' prioritization.

Business Highlights:

Residential Mortgage Balances increased from $38.5B in 2017 to $40B at the end of the year 2018.

Investors' Balances decreased from $49B in 2017 to $48.9B in 2018.

Financial Highlights

In the year 2018 NBS:-

	2018	**2017**	**%**
	$ Millions	**$ Millions**	**Change**
- Recorded a profit of	1,202	1,279	- 6.0
- Increased Total Reserves to	15,709	14,063	+ 11.5
- Increased Assets under Management to	64,700	63,236	+ 2.4
- Provided New Advances to Mortgagors totaling	4,822	4,235	+ 13.9

Mortgages:

As at December 31, 2018, there were 9,823 Mortgage Accounts totaling $40,438M which represented 63% of our Total Assets (2017 – 9,808 Mortgage Accounts totaling $38,629M or 61% of our Total Assets).

Savings:

The value of net receipts for the year 2018 saw a deficit of $196M as against a surplus of $2,050M for the corresponding period of 2017. Our Total Investors' Balances as at December 31, 2018 totalled $48,858M (2017 - $49,055M).

Assets:

Total Assets as at December 31, 2018 were $64,700M (2017 - $63,236M), representing an increase of approximately 2.3%. All changes in tangible fixed assets during the year are detailed in the Financial Statements. Freehold Lands and Buildings were re-valued in December 2018 and have been included in the Financial Statements at these valuations. Liquid Assets in the form of Cash and Short Term Securities was $20,807M and represented 43% of our Investors' Balances as at December 31, 2018 (2017 – $21,224M – 43%).

Charitable Donations:

At the end of 2018, the Society made donations to several charitable and educational institutions in the communities across the country totaling $5.9M.

Employees:

The New Building Society recognizes the important role employees play in its continued growth and development and therefore continually trains, motivates and appropriately compensates them.

Going Concern:

The Directors are satisfied that the New Building Society has adequate resources to continue in business for the foreseeable future and it is therefore appropriate to adopt the going concern principle in preparing these Financial Statements.

Directorate:

In accordance with Rule 47(1), the Directors whose names are listed below, will retire after the 79th Annual General Meeting and are eligible for re-election:

- Mr. Floyd Mc Donald
- Mr. Edwin Verasammy

Auditors:

The Auditors Messrs. Maurice Solomon and Company will retire and are eligible for re-election.

By Order of the Board,

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Anil O. Kishun
CEO/Director/Secretary
12th February, 2019

Report of The Directors on Corporate Governance

Corporate Governance and Sub Committees of the Board

The Board ensures our long term sustainability for the good of our customers and members. We do this by formulating our strategy in order to ensure that we meet the needs of our customers, members and regulators, remain competitive and deliver our services adequately with a profit to help build our capital over the long term. The main role of the Board of Directors is to ensure that the Society is designed in such a way to ensure that the financial statements, the management of assets and the general financial condition are controlled in a satisfactory manner.

It is also responsible for the formulation of strategies, reviewing of business performance, overseeing the identification and management of risks, ensuring adherence to the relevant laws and regulations and ensuring that the required internal control systems are in place and aligned to our strategy. Years of successive growth and generation of profits are testament to the success and effectiveness of the policies of the Board and their implementation by Management.

The Directors of the Society are committed to best practices in corporate governance and are dedicated to the principles of good corporate governance in order to achieve the highest level of integrity and to enhance stakeholders value.

In addition to attending Board meetings, Directors are required to serve on one or more of the following Sub Committees which meet on a quarterly basis:-

Role of the Sub Committees of the Board

Sub Committees are chaired by Non-Executive Directors and consist primarily of Non-Executive Directors.

Audit and Compliance Sub Committee

The Audit and Compliance Sub Committee ensures the adequacy of controls and judgments made in financial reporting and regulatory compliance and assesses the effectiveness of the internal audit and compliance units. The Committee reviews the Terms of Reference of our External Auditors and ensures their continued independence and effectiveness.

This Committee is also responsible for the effectiveness of the Society's Anti-Money Laundering / Countering The Financing of Terrorism (AML/CFT) framework and has an oversight role designed to ensure that there is compliance with all of the relevant laws and regulations. It also reviews the Society's' AML/CFT Policies to ensure that they are consistent with its business model.

Additionally, the Committee reviews the functionality of our internal control mechanism, risk management policies and ensures that observations and recommendations made by the internal and external auditors are addressed. It comprises of three Non-Executive Directors.

Current Chair (Director):	Mr. E. Verasammy
Director:	Mr. F. Mc Donald
Director:	Mrs. C. Ramson

Human Resources Sub Committee

The Human Resources Sub Committee comprising four Non-Executive Directors discusses and makes proposals to the Board on the Society's organizational structure, employees' compensation and employment policies and procedures. Appointment of key management personnel is approved by this Committee prior to deliberations by the full Board.

Current Chair (Director):	Mr. S. Narine
Director:	Mr. F. Mc Donald
Director:	Mrs. C. Ramson
Director:	Mr. E. Verasammy

Pensions Sub Committee

The Pensions Sub Committee comprising of three Non-Executive Directors addresses matters related to the management of the Society's defined benefit pension scheme.

Current Chair (Director):	Mr. S. Narine
Director:	Mrs. C. Ramson
Director:	Mr. E. Verasammy

Finance Sub Committee

The Finance Sub Committee considers the external and internal environment of the Society and assesses the opportunities for investment along with the associated inherent risks thereof as part of its strategy to ensure the soundness of such investments. The Committee also reviews the performance of the Society against its budget and addresses issues relating to any shortfalls or cost overruns. It comprises of three Non-Executive Directors.

Current Chair (Director):	Mr. F. Mc Donald
Director:	Mr. K. Tiwari
Director:	Mr. E. Verasammy

Assets and Liabilities Sub Committee

The Assets and Liabilities Sub Committee monitors market trends and fluctuations in interest rates and considers how these factors will influence investment. The Committee also reviews significant financial risk exposures facing the Society generally and more specifically in the area of investments. It also monitors the performance of the Society against its budgeted targets and addresses issues relating to any shortfalls. It comprises of three Non-Executive Directors.

Current Chair (Director):	Mr. F. Mc Donald
Director:	Mr. K. Tiwari
Director:	Mr. E. Verasammy

Loans Sub Committee

The Loans Sub Committee which comprises of three Non-Executive Directors is guided by a clearly defined lending policy as approved by the Board. The Committee pays particular attention to the risks relating to lending and assesses our Debt Recovery Management Systems for adequacy and compliance.

Current Chair (Director):	Mr. F. Mc Donald
Director:	Mr. K. Tiwari
Director:	Mrs. C. Ramson

Report of The Directors on Corporate Governance (Cont'd)

Information Technology (IT) Sub Committee

This Sub Committee is tasked with reviewing the Information Technology policies of the Society to mitigate against any potential or real operational risks and technological failures of the Society which may render it not being able to effectively carry out its day to day operations.

Current Chair (Director): Dr. N.K. Gopaul
Director: Mr. K. Tiwari

Executives and Senior Managers are required to attend meetings of the Sub Committees depending on the nature and functions of each Sub Committee.

Directors' Responsibilities for Accounting Records and Internal Controls

The Directors have general responsibility for safeguarding the assets of the Society and for taking reasonable steps to enable the prevention and detection of fraud and other irregularities.

The Directors are also responsible for ensuring that the Society:

- Keeps accounting records in accordance with the New Building Society (Amendment) Act 2010, the Financial Institutions Act 1995, the Anti Money Laundering & Countering the Financing of Terrorism Act 2009 as amended and the International Financial Reporting Standards.

- Takes reasonable care to establish, maintain, document and review such systems and internal controls as are appropriate to its business in accordance with the Financial Institutions Act 1995, along with recommendations and guidelines that may be issued by the Bank of Guyana.

Business Objectives and Activities

The Society's business objectives and principal activities are to provide the best savings products and to promote home ownership.

The Board pays continuous attention to the financial market having regard to the provision of attractive rates of interest for investors and mortgagors. We endeavour to continue offering affordable financing for home-building and provide excellent returns to our investors in a safe and secured environment.

Each mortgage or advance granted by the Society is certified by at least one Director, and is subsequently approved by the full Board.

The Society has established ethical rules and policies to ensure that the affairs of our customers and members remain confidential. We promote a culture of zero tolerance against discrimination of all forms. We strive to resolve all issues communicated to us in writing or orally by our customers and members, in a timely and efficient manner.

On behalf of the Board of Directors,

Floyd Mc Donald
....
Floyd Mc Donald
Chairman
12th February, 2019

Staff Matters

In 2018 two members of staff received Long Service Awards after completing 15 years of Service with the Society. Mr. Brian Baker on the left is attached to the New Amsterdam Branch and Mr. Jeremy Singh who works at the Corriverton Branch Office display their respective awards.

The New Building Society Limited recognizes the important contributions of its Secretaries and Typists who proudly display their floral arrangements and other gifts they received on Administrative Professionals (Secretary's) Day.

The Chairman of the Board of Directors, Mr. Floyd Mc Donald, hands over a Trophy, the symbol of supremacy in Sports at NBS involving Georgetown and the other Branches, to Mr. Rana Persaud, Captain of the Branch Offices whose team defeated their counterparts from Georgetown at the Society's Fun Day held in Berbice. Also present were members of the winning Team who pose with their individual trophies and medals.

INDEPENDENT AUDITOR'S REPORT
To the Members of The New Building Society Limited

MSC 001/2019

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of The New Building Society Limited which comprise the Statement of Financial Position as at 31st December 2018, the Statement of Profit or Loss and Other Comprehensive Income and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies as set out in pages 32 to 64.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at 31st December, 2018, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), The New Building Society Act, The New Building Society Act (Amendment) 2010 (Act No. 12 of 2010) and the Financial Institutions Act 1995.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the International Ethics Standards Board for Accountants' Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. The key audit matter noted hereunder was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How our audit procedures addressed the key audit matter
Impairment Provision for Loans and Mortgages The Society has mortgages outstanding of $40.023 billion, or 62% of total asset net of provision as referred to in **Note 6**.	
The Society adopted the accounting standard IFRS 9 'Financial instruments' during the financial year. The standard introduces new requirements around two main aspects of how financial instruments are treated – measurement and classification and impairment.	

Key Audit Matters	How our audit procedures addressed the key audit matter
IFRS 9 introduces a new classification and measurement approach for financial assets that reflects the business model in which the financial assets are managed and the underlying cashflow characteristics. IFRS 9 contains three principal classification categories for financial assets: - Measured at amortised cost, - Fair value through other comprehensive income (FVOCI); and - Fair value through profit and loss (FVPL). IFRS 9 introduces new impairment rules which prescribe a new forward-looking Expected Credit Loss ('ECL') impairment model which takes into account reasonable and supportable forward looking information which will generally result in the earlier recognition of impairment provisions. We have focused on this area, because there are a number of significant judgments which management will need to determine as a result of the requirements in measuring ECL under IFRS 9: - Determining the criteria for a significant increase in credit risk; - Techniques used to determine Probability of Default (PDs) and Loss Given Default (LGD); and - Factoring in possible future economic scenarios. These judgments required new models to be built and implemented to measure the expected credit losses on loans and investments. Management engaged a credit modeler expert to assist in the more complex aspects of the expected credit loss model. There is a large increase in the data inputs of these models which increases the risk that the data used to develop assumptions and operate the model is not complete or accurate. The impact on net assets from the implementation of the measurement and classification aspects of the standard was not material. Differences between previously reported and new carrying amounts of financial instruments as a result of the implementation of the new ECL model as at 1 January 2018 of $291.849M have been recognised in the retained earnings.	With respect to the measurement and classification of the financial assets and liabilities, we read the relevant accounting policies adopted by the Society and compared them to the requirements of IFRS 9. We obtained an understanding of the Society's business model assessment and for a sample of instruments verified sold the inputs into payments of principal and interest test performed by the client with original contracts. We tested the opening equity adjustments in relation to the adoption of the new standard's classification and measurement requirements. With respect to the ECL model, our audit approach was as follows: - We obtained the Society's impairment provisioning policies and compared them to the requirements of IFRS 9; - We tested the ratings used in the ECL model for a sample of instruments. For investment, the Society made comparison to publically available data. For loans, source documents used in the Society's rating process were verified; - For a sample of instruments, we tested whether the significant increase in credit risk and default definitions were appropriately applied and the resulting impact of this on the staging of the instruments. - We tested the loss given default in the ECL calculation for a sample of instruments, including the value of collateral where appropriate. - In assessing the reasonableness of the probability of default, we verified the critical data inputs into the vintage analysis against source documents. - We tested the critical data fields used in the ECL model, such as origination date, date of maturity, credit rating, date of default if any, principal, interest rate, collateral type and value, by tracing data back to source documents. - We tested the completeness of the amounts assessed for impairment on Financial Assets.

INDEPENDENT AUDITOR'S REPORT
To the Members of The New Building Society Limited (Cont'd)

Key Audit Matters	How our audit procedures addressed the key audit matter
Regulatory Environment	
The Society operates in a highly regulated environment and non-compliance with laws and regulations, particularly the Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) Act could result in the Society facing penalties and other administrative sanctions by Central Bank and Financial Intelligence Unit (FIU). The Compliance Officer is responsible to establish various controls to ensure that the Society is AML/CFT compliant with governing regulations.	Our procedures in relation to this key audit matter included, but were not limited to, the following: We evaluated and tested the Society's internal controls with emphasis on compliance with AML/CFT policy. This include: • A review of policies and procedures in place including their approval by those responsible for governance. • Adequate training and refresher programmes for new and existing bank personnel including those charged with governance. • Testing of transactions to ensure AML/CFT requirements are carried out by bank personnel. • Reporting to Financial Intelligence Unit (FIU) are in conformity with the requirements of the AML/CFT Act.

Responsibilities of Management and those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, The New Building Society Act, The New Building Society Act (Amendment) 2010 (Act No. 12 of 2010), the Financial Institutions Act 1995 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Additional Requirement

We have examined the mortgage deeds, transports and other securities belonging to the Society. Title deeds held in respect of mortgages were produced to us and actually inspected by us and we are satisfied that deeds not inspected by us were in the hands of the Society's attorneys or elsewhere in the normal course of the business of the Society.

……………………………………
Maurice Solomon & Co.
Chartered Accountants
14th February, 2019

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2018

Expressed in Thousands of Guyana Dollars

	NOTE	2018	2017
Assets			
Cash Resources	**5**	**15,308,675**	15,332,921
Loan Assets	**6**	**40,023,275**	38,512,771
Investments	**7**	**6,538,535**	7,254,143
Property, Plant & Equipment	**8**	**2,346,389**	1,628,692
Other Assets	**9**	**212,072**	269,048
Retirement Benefit Surplus		**271,272**	238,836
		64,700,218	63,236,411
Investors' Balances, Other Liabilities And Reserves			
Investors' Balances	**10**	**48,858,725**	49,055,168
Other Liabilities	**11**	**132,027**	118,664
Risk Reserve	**13 (a)**	**-**	107,253
Assigned Capital	**13 (b)**	**250,000**	250,000
Revaluation Reserve		**1,048,486**	317,998
Retained Earnings		**14,410,980**	13,387,328
		64,700,218	63,236,411

The Board of Directors approved these financial statements for issue on 12th February 2019.

Chairman

Vice-Chairman

CEO/Director/Secretary

The notes on pages 32 to 64 form an integral part of the Financial Statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2018

Expressed in Thousands of Guyana Dollars

	NOTE	2018	2017
INTEREST INCOME ON:			
Loan Assets		**2,513,866**	2,400,827
Investments		**192,569**	273,540
Cash Resources		**290,383**	396,761
		2,996,818	3,071,128
INTEREST EXPENSE	**16**	**1,052,023**	1,070,552
INTEREST REVENUE		**1,944,795**	2,000,576
Other Income			
Profit on Sale of Assets		**560**	743
Fees and Commission Income		**6,964**	12,845
Other Operating Income		**6,886**	5,975
Loss on Exchange		**-**	(1,011)
TOTAL NET INCOME		**1,959,205**	2,019,128
Operating Expenses			
General Administrative Expenses	**15**	**(614,589)**	(603,310)
Credit Impairment on Loan Assets	**14;15**	**(13,076)**	(25,820)
Credit Impairment on Investments	**7 (a)**	**(11,079)**	-
Depreciation	**15**	**(57,888)**	(50,837)
Other Expenses	**15**	**(60,693)**	(59,769)
Total Operating Expenses		**(757,325)**	(739,736)
PROFIT FOR THE YEAR		**1,201,880**	1,279,392
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of Provision of Employee Benefits	**12**	**6,367**	144,696
Revaluation of Property, Plant and Equipment		**730,488**	-
Total Other Comprehensive Income		**736,855**	144,696
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**1,938,735**	1,424,088

The notes on pages 32 to 64 form an integral part of the Financial Statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2018

Expressed in Thousands of Guyana Dollars

	Risk Reserves	Assigned Capital	Revaluation Reserves	Retained Earnings	Total
Balance as at 1 January 2018	**107,253**	**250,000**	**317,998**	**13,387,328**	**14,062,579**
Initial Recognition of IFRS 9 on Loan Assets (Note 14)	**-**	**-**	**-**	**(277,670)**	**(277,670)**
Initial Recognition of IFRS 9 on Investment (Note 7)	**-**	**-**	**-**	**(14,178)**	**(14,178)**
Profit for the year	**-**	**-**	**-**	**1,201,880**	**1,201,880**
Other Comprehensive Income	**-**	**-**	**730,488**	**6,367**	**736,855**
Total Other Comprehensive Income for the year	**-**	**-**	**730,488**	**916,399**	**1,646,887**
Transfer (from) Risk Reserves	**(107,253)**		**-**	**107,253**	**-**
Balance as at 31 December 2018	**-**	**250,000**	**1,048,486**	**14,410,980**	**15,709,466**
Balance as at 1 January 2017	48,238	250,00	317,998	12,022,255	12,638,491
Profit for the year	-		-	1,279,392	1,279,392
Other Comprehensive Income	-		-	144,696	144,696
Total Other Comprehensive Income for the year	-		-	1,424,088	1,424,088
Transfer to Risk Reserves	59,015		-	(59,015)	-
Balance as at 31 December 2017	107,253	250,000	317,998	13,387,328	14,062,579

The notes on pages 32 to 64 form an integral part of the Financial Statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2018

Expressed in Thousands of Guyana Dollars

	2018	2017
OPERATING ACTIVITIES		
Net Profit for the year	**1,201,880**	1,279,392
Adjustments for:		
Depreciation	**57,888**	50,837
Net Provision for Impairment on Loan Assets	**13,076**	25,820
Net Provision for Impairment on Investments	**11,079**	-
Utilization of Provision for Impairment on Loan Assets	**(16,303)**	(20,204)
Movement in Retirement Benefit Plan Liability	**(26,069)**	(1,894)
Gain on Disposal of Property, Plant and Equipment	**(560)**	(743)
OPERATING INCOME BEFORE CHANGES IN OPERATING ASSETS AND LIABILITIES	**1,240,991**	1,333,208
Loans' Advances Net of Repayments	**(1,784,947)**	(1,230,195)
Increase in Other Assets	**56,976**	10,029
Receipts from Investors Net of Withdrawals	**(196,443)**	2,049,658
Increase/ (Decrease) in Other Liabilities	**13,363**	(48,536)
NET CASH (OUTFLOW) / INFLOW - OPERATING ACTIVITIES	**(670,060)**	2,114,164
INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	**(45,097)**	(105,883)
Additions to Investments	**(5,498,549)**	(6,288,321)
Redemptions of Investments	**6,188,900**	6,964,749
Net Decrease/(Increase) in Restricted Cash Resources and Fixed Deposits	**402,656**	(2,639,734)
Proceeds from the Sale of Property, Plant and Equipment	**560**	790
NET CASH INFLOW / (OUTFLOW) - INVESTING ACTIVITIES	**1,048,471**	(2,068,398)
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	**378,410**	45,766
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF YEAR	**1,197,684**	1,151,918
CASH AND CASH EQUIVALENTS AS AT END OF YEAR	**1,576,094**	1,197,684

The notes on pages 32 to 64 form an integral part of the Financial Statements.

1. ENTITY IDENTIFICATION

The New Building Society Limited was established in Guyana under the New Building Society Act 1940, as amended. Its registered office is located at Lot 1, North Road and Avenue of the Republic, Georgetown.

The Society operates under the purview of the Financial Institutions Act 1995 and the supervision of the Bank of Guyana, as provided under the New Building Society (Amendment) Act 2010 (Act No. 12 of 2010).

The Society is not subject to taxation under the tax regime of Guyana.

2. PRINCIPAL ACTIVITY

The principal activity is the provision of a range of mortgage and savings products.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 BASIS OF PREPARATION

The Financial Statements have been prepared under the historical cost convention, as modified by the revaluation of freehold land and buildings, and in accordance with the New Building Society Act and International Financial Reporting Standards.

The preparation of the Society's financial statements in conformity with International Financial Reporting Standards (IFRSs) requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Society's accounting policies. The areas involving a higher degree of judgement and complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

a) Standards, amendments and interpretations that are not yet effective and have not been adopted by the Society:

IFRS 3 - Business Combinations: Remeasurement of previously held interest (effective on or after 1 January 2019)

IFRS 3 - Business Combinations: Amendments to clarify the definition of a business (effective on or after 1 January 2020)

IFRS 9 - Financial Instrument: Amendments regarding prepayment features with negative compensation and modifications of financial liabilities (effective on or after 1 January 2019)

IFRS 11 - Joint Arrangements: Remeasurement of previously held interest (effective on or after 1 January 2019)

IFRS 16 - Leases (effective on or after 1 January 2019)

IFRS 17 will replace IFRS 4 - Insurance Contracts (effective on or after 1 January 2021)

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.1 BASIS OF PREPARATION (Cont'd)

a) Standards, amendments and interpretations that are not yet effective and have not been adopted by the Society (Cont'd):

IAS 1 - Amendments regarding the definition of Material (effective on or after 1 January 2020)

IAS 8 - Amendments regarding the definition of Material (effective on or after 1 January 2020)

IAS 12/IFRIC 23-Uncertainity over income tax treatments (effective on or after 1 January 2019)

IAS 19 - Employee Benefits: Amendments regarding plan amendments, curtailments or settlements (effective on or after 1 January 2019)

IAS 28 - Amended long term interest in Associates and Joint Ventures Investments (effective on or after 1 January 2019)

b) Standards and amendments adopted and has material impact on the Society's financial reporting:

IFRS 1 - First time adoption of IFRS: Amendment; Removing short term exemptions (effective on or after 1 January 2018)

IFRS 7 - Transition disclosures; Amendments to IFRS 9 (effective upon the adoption of IFRS 9)

IFRS 9 - Financial Instruments: Classification and measurement, impairment, general hedge accounting and derecognition (effective on or after 1 January 2018)

IFRS 15 - Revenue from Contracts with Customers (effective on or before 1 January 2018)

c) The standards and amendments that are effective in the current year and expected to have no material impact on the Society's financial reporting:

IFRS 2 - Share Based Payments: Definition of vesting condition (effective on or after 1 January 2018)

IFRS 4 - Insurance Contracts: Amendments regarding the interaction of IFRS 4 & IFRS 9 (effective on or after 1 January 2018)

IAS 40 - Investment Property: Amendments to clarify transfers of property (effective on or after 1 July 2018)

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 FOREIGN CURRENCIES

Functional and Presentation Currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Society operates. The financial statements are presented in Guyana Dollars, which is the Society's functional currency.

Transactions and Balances

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transactions. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement. Such balances are translated at the prevailing year end exchange rates.

3.3 LOAN ASSETS

Loan assets are stated at amortized cost using the effective interest method. Specific provisions for impairment are made throughout the year and at year end if there is objective evidence that a loan asset is impaired. Objective evidence that a financial asset is impaired includes indications that the borrower is experiencing significant financial difficulty, default or delinquency in interest or principal payments.

If there is objective evidence that an impairment loss on a financial asset has been incurred, the amount of the allowance for impairment is measured as the difference between the carrying amount and the recoverable amount, being the present value of the expected future cash flows, including amounts recoverable from collateral, discounted at the original effective interest rate. The specific provision for properties in possession is based on an agreed sales price with a third party or a Director's valuation.

The carrying values of impaired assets are reduced through the use of an allowance account and the amount is recognized in the income statement. Write-offs are made when all or part of a loan asset is deemed uncollectible and are charged against the allowance account. Recoveries in part or in full of amounts previously written off are credited to income.

The Society assesses its mortgages for expected credit loss using forward-looking data.

Renegotiations normally involve the deferral of repayments for mortgagors experiencing significant but temporary cash flow problems, in the judgment of management. Renegotiated facilities continue to earn interest and are aged based on the original terms.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.3 LOAN ASSETS (Cont'd)

(a) Financial Assets (IFRS 9 Recognition)

The Society replaced the existing IAS 39 incurred loss method with requirements of IFRS 9 which recognise a loss allowance on a forward-looking expected credit loss model which is effective on the 1 January 2018.

i. Initial Recognition of IFRS 9 and transition from IAS 39

At the date of initial application, the Society uses reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that the financial instrument was initially recognised or for loan commitments and compare that to the credit risk at the date of initial application of IFRS 9. The financial instrument has low credit risk at the reporting date, hence the Society's credit risk has not increased significantly since initial recognition.

ii. Impairment of Financial Assets (Application of IFRS 9 from 1 January 2018)

Under the general approach adopted by the Society, IFRS 9 establishes a three (3) stage impairment model, based on whether there has been a significant increase in the credit risk of a financial asset since its initial recognition. These three stages then determine the amount of impairment to be recognised as Expected Credit Losses (ECL) at each reporting period as well as the amount of interest revenue to be recorded in future periods. ECLs are defined as the weighted average of credit losses, with the respective risks of a default occurring as the weights.

These three (3) stages then determine the amount of impairment to be recognised as Expected Credit Losses (ECL) at each reporting date:

– Stage 1: Credit risk has not increased significantly since initial recognition – recognise 12 months ECL, and recognise interest on a gross basis.

– Stage 2: Credit risk has increased significantly since initial recognition – recognise lifetime ECL, and recognise interest on a gross basis.

– Stage 3: Impairment occurs when there is objective evidence that an impairment event has occurred at reporting date and a loss allowance equal to lifetime ECLs is recognised and present interest on net basis (i.e gross carrying amount less loss allowance).

For financial assets classified under Stage 3, the Society directly reduces the gross carrying amount when there is no reasonable expectation of recovery, which required that a write-off constitutes a derecognition event and may relate to either the asset in its entirety or a portion of it.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.3 LOAN ASSETS (Cont'd)

(a) Financial Assets (IFRS 9 Recognition) (Cont'd)

ii. Impairment of Financial Assets (Application of IFRS 9 from 1 January 2018) (Cont'd)

12 months ECL under stage 1 is calculated by multiplying the probability of default occuring in the next 12 months by the lifetime ECL that would result from that default, regardless when those losses occur.

Lifetime expected credit losses, results from all possible default events over the life of the financial asset. Lifetime expected credit losses are calculated based on a weighted average of the expected credit losses, with weightings being based on the respective probabilities of default.

A loss allowance for lifetime expected credit losses is required for financial asset, if the credit risk on that asset has increased significantly since initial recognition. Additionally, the Society elect an accounting policy of recognising lifetime expected credit losses for all contract assets, including those that contain a significant financing component.

iii. Calculation of Expected Credit Losses (ECLs)

The Society has the necessary tools to ensure an adequate estimate and timely recognition of expected credit losses (ECLs). Information on historical loss experiences or the impact of current conditions may not fully reflect the credit risk in lending exposures. In that context, the Society uses experienced credit judgment to thoroughly incorporate the expected impact of all reasonable and supportable forward-looking information, including macroeconomic factors, on its estimate for each stage of ECLs.

The methodologies and key elements for assessing credit risk and measuring the level of allowances ECL estimates are as follows:

Probability of Default (PD) - is assigned to each risk measure and represents a percentage of the likelihood of default. The calculation is for a specific time frame and measures the percentage of loans that default. The PD is then assigned to the risk level, and each risk level has one PD percentage.

Loss Given Default (LGD) - measures the expected loss and is shown as a percentage of Exposure of Default (EAD). LGD represents the amount unrecovered by the lender after selling the underlying asset if a borrower defaults on a loan.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.3 LOAN ASSETS (Cont'd)

(a) Financial Assets (IFRS 9 Recognition) (Cont'd)

iii. Calculation of Expected Credit Losses (ECLs) (Cont'd)

Exposure at Default (EAD) is seen as an estimation of the extent to which the Society may be exposed to in the event and at the time of, the borrower's default. The loan repayment pattern and EAD value for each loan is then used to determine the overall default risk.

Stage 1 - 12-month Expected Credit Losses (ECL) are recognised and interest revenue is calculated on the gross carrying amount of the asset (that is, without deduction for credit allowance). 12-month ECL are the expected credit losses that result from default events that are possible within 12 months after the reporting date. It is not the expected cash shortfalls over the 12-month period but the entire credit loss on an asset weighted by the probability that the loss will occur in the next 12 months.

Stage 2 - Lifetime ECL are recognised when the loan assets or investments that have had a significant increase in credit risk since initial recognition, but interest revenue is still calculated on the gross carrying amount of the asset. Lifetime ECL are the expected credit losses that result from all possible default events over the expected life of the financial instrument. Expected Credit Losses are the weighted average credit losses with the Probability of Default (PD) as the weight.

Stage 3 - Loan Assets have evidence of impairment at the reporting date. Lifetime ECL are recognised and interest revenue is calculated on the net carrying amount (that is, net of credit allowance). Credit risk on a financial instrument has increased significantly, to consider reasonable and supportable information available, in order to compare the risk of a default occurring at the reporting date with the risk of a default occurring at initial recognition of the financial instrument.

3.4 INVESTMENTS

(a) IFRS 9: Financial Instruments, Recognition and Measurement

The Society classified as subsequently measured its investments at amortised cost under the IFRS 9 using specified conditions of the business model. These investments are non-derivative financial assets with fixed and determinable payments and fixed maturities that management has the positive intent and ability to hold to maturity.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.4 INVESTMENTS (Cont'd)

(a) IFRS 9: Financial Instruments, Recognition and Measurement (Cont'd)

The Society 's objective met the conditions of the "Hold to collect business model" states to hold financial assets in order to collect contractual cashflows and solely payments of principal and interest (referred to as "SPPI") oustanding at specified date.

Investment Securities held by the Society are classified under Amortised cost, as stated under the business model, the Society holds financial asset to collect the contractual cash flows. The characteristics of the contractual cash flows are that of solely payments of the principal amount and interest (referred to as "SPPI").

- Principal is the fair value of the instrument at initial recognition.
- Interest is the return within a basic lending arrangement and typically consists of consideration for the time value of money, and credit risk. It may also include consideration for other basic lending risks such as liquidity risk.

(b) Impairment on financial assets are mentioned in Note 3.3 (a) ii for the requirements of IFRS 9.

3.5 PROPERTY, PLANT & EQUIPMENT

Freehold land and buildings are stated at the revalued amounts less accumulated depreciation thereon. All other fixed assets are stated at cost less accumulated depreciation.

Freehold land is not depreciated. Depreciation on all other assets is calculated on a straight line basis at rates estimated to write off the depreciable assets over their expected useful economic lives.

The following rates are used:-

Buildings	2.0%
Office Furniture	10.0%
Machinery and Equipment	12.5%
Motor Vehicles	20.0%

Increases in the carrying amount arising on the revaluation of land and buildings are credited to a revaluation reserve. Decreases that offset previous increases of the same asset are charged against the revaluation reserve; all other decreases are charged to the income statement.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.5 PROPERTY, PLANT & EQUIPMENT (Cont'd)

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Society and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use.

3.6 INTEREST RECOGNITION

(a) The Society's financial instruments are measured at amortized cost, with the effective interest method is used to determine the carrying value of a financial asset or a liability and to allocate the associated interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the net carrying amount of the financial asset or liability.

(b) Recognition of Interest Revenue Under IFRS 9

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

3.7 RECOGNITION OF FEES AND COMMISSION

Fees and commission are generally recognized on an accrual basis when the service has been provided. Property inspection fees for mortgages that are likely to be drawn down are deferred over the term of the mortgage.

3.8 INVESTORS' BALANCES

Investors' balances are initially recognized at the nominal amount of funds received and subsequently at nominal amount plus accrued interests.

3.9 RETIREMENT BENEFIT PLAN

The Society operates the New Building Society Limited Pension Scheme which is a Defined Benefit Scheme as the amount of pension that an employee will receive on retirement is dependent on years of service and compensation. The assets of the Scheme are held independently from those of the Society. The Scheme is funded by employee and Society contributions.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.9 RETIREMENT BENEFIT PLAN (Cont'd)

The projected actuarial method is used for the retirement benefit plan. Under this method, the actuarial liabilities consist of the present value of pensions in payment and vested deferred benefits for terminated members, plus that portion of the future benefits expected to be paid to present members which is related to their credited service up to the valuation date. Amounts of pension are determined based on each member's projected final earnings. The current service cost for the defined benefit provisions for the year following the valuation date is the present value of benefits accrued by members with respect to their service in that year.

The characteristics of this actuarial cost method are that it matches year-by-year costs of benefits expected to be accrued by the members each year to the contributions required for those years and, since it results in a pattern of progressively increasing costs for an individual employee as that employees ages. It may also result in progressively increasing costs for the Scheme as a whole if the average age profile of the Scheme membership increases from year to year.

3.10 PROVISIONS AND CONTINGENT LIABILITIES

A provision is recognized when there is a present obligation as a result of a past event, it is probable that the obligation will be settled and it can be reliably estimated (IAS 37). Contingent liabilities have not been recognized.

3.11 CASH AND CASH EQUIVALENTS

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash in hand and cash at bank excluding balances redeemable after three months.

3.12 COMPARATIVES

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

4.1 IMPAIRMENT LOSSES ON LOAN ASSETS

To identify impairment of the Society's loan assets, judgments are made as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows. Estimating the quantum and timing of future recoveries involves significant judgment. The size of receipts will depend on the future performance of the borrower and the value of the security, both of which will be affected by future economic conditions; additionally, collateral may not be readily marketable. The actual amount of future cash flows and the date they are received may differ from these estimates and consequently actual losses incurred may differ from those recognized in these financial statements.

Expressed in Thousands of Guyana Dollars

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (Cont'd)

4.1 IMPAIRMENT LOSSES ON LOAN ASSETS (Cont'd)

Impairment on Loan Assets are estimated based on the requirements set out in **Note 3.3 (a) ii** for the recognition and allowances for ECL.

4.2 FINANCIAL ASSETS "HOLD TO COLLECT BUSINESS MODEL"

The Society classify and subsequently measures its investments at amortised cost under the IFRS 9 using specified conditions of the business model. These investments are non-derivative financial assets with fixed and determinable payments and fixed maturities which management has the positive intent and ability to hold to maturity.

The Society 's objective met the conditions of the "Hold to collect business model" states to hold financial assets in order to collect contractual cashflows and solely payments of principal and interest (referred to as "SPPI") oustanding at specified date.

4.3 RETIREMENT BENEFIT PLAN

The present value of the retirement benefit plan obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Any changes in these assumptions will impact the carrying amount of the plan's obligation. The assumptions used are disclosed in note 12 to the financial statements.

5. CASH RESOURCES

	2018	2017
Redeemable on Demand:		
Cash in Hand	**7,200**	7,200
Cash at Bank, excluding Fixed Deposits	**1,568,894**	1,190,484
Classified as Cash and Cash Equivalents	**1,576,094**	1,197,684
Redeemable after 3 Months:		
Fixed Deposits	**13,732,581**	14,135,237
	15,308,675	15,332,921

Expressed in Thousands of Guyana Dollars

6. LOAN ASSETS

	2018	2017
Mortgages	**40,470,847**	38,647,749
Properties in Possession	**-**	24,234
	40,470,847	38,671,983
Provision for Impairment on Loan Assets (note 14)	**(415,012)**	(140,569)
Unearned Interest	**(32,560)**	(18,643)
	40,023,275	38,512,771

The stages of mortgages and the related Expected Credit Losses (ECL) based on the Society's criteria and policies shown in **Note 3.3 (a)** for the calculation of ECL allowances are as follows:

Impairment of Loan Assets (Mortgages)		
Stage 1: 12 - Month ECL	**148,008**	-
Stage 2: Lifetime ECL	**97,848**	-
Stage 3: Lifetime Credit Impaired ECL for Financial Assets	**169,156**	-
	415,012	-

The table below shows the movement to the Properties in Possession

	2018		2017	
	No. of Properties	Value	No. of Properties	Value
As at the Beginning of the Year	**2**	**24,234**	7	75,012
Disposals in the Year	**(2)**	**(10,200)**	(5)	(50,778)
Loss on Disposal of Properties		**(14,034)**		
As at End of Year	**-**	**-**	2	24,234

Properties in possession are sold as soon as practicable, with proceeds used to reduce the outstanding balance.

Expressed in Thousands of Guyana Dollars

6. LOAN ASSETS (cont'd)

The table below shows the analysis of the mortgage portfolio by value bands	2018 No. of Securities	2018 Value $	2017 No. of Securities	2017 Value $
Balances not exceeding $1,000,000	**1,498**	**790,538**	1,623	859,155
Balances exceeding $1,000,000 but not $1,500,000	**697**	**868,686**	718	891,188
Balances exceeding $1,500,000 but not $2,000,000	**689**	**1,203,010**	704	1,233,057
Balances exceeding $2,000,000 but not $2,500,000	**662**	**1,495,606**	629	1,410,699
Balances exceeding $2,500,000 but not $3,000,000	**660**	**1,809,729**	750	2,058,388
Balances exceeding $3,000,000 but not $4,000,000	**1,484**	**5,191,885**	1,517	5,344,216
Balances exceeding $4,000,000 but not $5,000,000	**986**	**4,412,987**	980	4,378,874
Balances exceeding $5,000,000 but not $6,000,000	**791**	**4,344,916**	766	4,218,292
Balances exceeding $6,000,000 but not $7,000,000	**623**	**4,036,981**	575	3,732,957
Balances exceeding $7,000,000 but not $8,000,000	**459**	**3,428,852**	420	3,134,347
Balances exceeding $8,000,000 but not $9,000,000	**320**	**2,714,705**	288	2,445,845
Balances exceeding $9,000,000 but not $10,000,000	**336**	**3,197,040**	287	2,725,405
Balances exceeding $10,000,000 but not $11,000,000	**224**	**2,339,595**	210	2,206,047
Balances exceeding $11,000,000 but not $12,000,000	**284**	**3,262,850**	257	2,959,576
Balances exceeding $12,000,000	**110**	**1,340,907**	84	1,031,059
Total	**9,823**	**40,438,287**	9,808	38,629,105

Expressed in Thousands of Guyana Dollars

7. INVESTMENTS

	2018	2017
Government of Guyana Treasury Bills	**5,498,549**	5,890,921
Berbice Bridge Company Inc. Bonds	**1,065,243**	1,363,222
ECL Allowances - **Note 7 (a)**	**(25,257)**	-
	6,538,535	7,254,143

The movements below shows the credit risk on the Society's Investment Securities that are subject to ECL stage classification.

(a) Credit Impairment of Investments	**Stage 1**	**Stage 1**
Initial Recognition of IFRS 9 (January 1, 2018)	**14,178**	-
Credit Losses Movement - Repayments	**11,079**	-
	25,257	-

8. PROPERTY, PLANT & EQUIPMENT

	Freehold Land and Buildings	Machinery, Furniture and Equipment	Work-In-Progress	Motor Vehicles	Total
Cost					
As at 01 January, 2018	**1,621,789**	**260,342**	**2,262**	**76,000**	**1,960,393**
Additions	**28,921**	**18,438**	**1,757**	**-**	**49,116**
Disposals	**-**	**(3,967)**	**(4,019)**	**-**	**(7,986)**
Revaluation	**571,996**	**-**	**-**	**-**	**571,996**
As at 31 December, 2018	**2,222,706**	**274,813**	**-**	**76,000**	**2,573,519**
Accumulated Depreciation					
As at 01 January, 2018	**(130,054)**	**(152,053)**	**-**	**(49,594)**	**(331,701)**
Charges for the Year	**(28,438)**	**(22,800)**	**-**	**(6,650)**	**(57,888)**
Written back on Disposals	**-**	**3,967**	**-**	**-**	**3,967**
Written back on Revaluation	**158,492**	**-**	**-**	**-**	**158,492**
As at 31 December, 2018	**-**	**(170,886)**	**-**	**(56,244)**	**(227,130)**
Net Book Value					
As at 31 December, 2018	**2,222,706**	**103,927**	**-**	**19,756**	**2,346,389**

Freehold land and buildings are recorded at the valuations of the Directors, based on independent professional advice of current valuations carried out by the Chief Valuation Officer (ag.) Mr. Julian Barrington as at December 2018 on the basis of open market value.

Expressed in Thousands of Guyana Dollars

8. PROPERTY, PLANT & EQUIPMENT (Cont'd)

	Freehold Land and Buildings	Machinery, Furniture and Equipment	Work-In-Progress	Motor Vehicles	Total
Cost					
As at 01 January, 2017	1,554,745	266,979	-	67,665	1,889,389
Additions	67,044	11,077	2,262	25,500	105,883
Disposals	-	(17,714)	-	(17,165)	(34,879)
As at 31 December, 2017	1,621,789	260,342	2,262	76,000	1,960,393
Accumulated Depreciation					
As at 01 January, 2017	(103,328)	(148,576)	-	(63,790)	(315,694)
Charges for the Year	(26,726)	(21,145)	-	(2,966)	(50,837)
Written back on Disposals	-	17,668	-	17,162	34,830
As at 31 December, 2017	(130,054)	(152,053)	-	(49,594)	(331,701)
Net Book Value					
As at 31 December, 2017	1,491,735	108,289	2,262	26,406	1,628,692

If freehold land and buildings were stated at historical cost, the carrying values would be:

	2018	2017
Cost	**1,281,849**	1,252,928
Accumulated Depreciation	**(189,764)**	(161,326)
	1,092,085	1,091,602

Expressed in Thousands of Guyana Dollars

9. OTHER ASSETS

	2018	2017
Accrued Interest	**187,506**	228,900
Accounts Receivables and Prepayments	**24,566**	40,148
	212,072	269,048

10. INVESTORS' BALANCES

	2018	2017
Five Dollar Shares	**21,997,423**	22,463,274
Save and Prosper	**25,773,818**	25,577,933
Deposits	**1,087,484**	1,013,961
	48,858,725	49,055,168

11. OTHER LIABILITIES

	2018	2017
Withholding Taxes	**31,855**	31,332
Accounts Payables and Accruals	**57,385**	42,420
Deferred Income	**42,787**	44,912
	132,027	118,664

Expressed in Thousands of Guyana Dollars

12. RETIREMENT BENEFIT PLAN

The amount recognized in the Statement of Financial Position is as follows:

	2018	2017
Present Value of Obligations	**799,956**	669,141
Fair Value of Plan Assets	**(1,495,763)**	(1,020,188)
Effect of Asset Ceiling	**424,534**	112,211
Asset Recognized in the Statement of Financial Position	**(271,272)**	(238,836)

The movement in the Present Value of the Obligation is:

	2018	2017
As at Beginning of Year	**669,141**	747,933
Interest Expense	**36,656**	43,018
Current Service Cost	**19,482**	31,624
Contributions by Plan Participants	**15,394**	14,368
Benefits Paid	**(75,079)**	(23,568)
Actuarial Gain / (Loss)	**134,362**	(144,234)
As at End of Year	**799,956**	669,141

The movement in the Fair Value of Plan Assets is:

	2018	2017
As at Beginning of Year	**1,020,188**	840,179
Actual Return on Plan Assets	**502,258**	159,448
Contributions by the Society	**33,352**	31,131
Contributions by Plan Participants	**15,394**	14,368
Benefits Paid	**(75,079)**	(23,568)
Administrative Expenses	**(350)**	(1,370)
As at End of Year	**1,495,763**	1,020,188

The amount recognized in the Statement of Profit or Loss:

	2018	2017
Current Service Cost	**19,482**	31,624
Interest Cost	**36,656**	43,018
Expected Return on Plan Assets	**(55,377)**	(46,775)
Administrative Expenses	**350**	1,370
Interest on Effect of Asset Ceiling	**6,172**	-
Total included in Staff Cost	**7,283**	29,237

Expressed in Thousands of Guyana Dollars

12. RETIREMENT BENEFIT PLAN (Cont'd)

	2018	2017
The amount recognized in Other Comprehensive Income:		
Change In Assumption Gains	**-**	(142,353)
Experience Gains - Demographic	**134,363**	(1,881)
Experience Gains - Financial	**(446,881)**	(112,673)
Effect of Asset Ceiling	**306,151**	112,211
	(6,367)	(144,696)
Expected Contributions in Upcoming Year	**50,758**	46,727
The principal assumptions used were:		
Discount Rate	**5.50%**	5.50%
Future Salary Increases	**5.50%**	4.50%
Return on Assets	**5.50%**	5.50%
Mortality	**UP -94 (+1) (with a projection scale AA)**	UP -94 (+1) (with a projection scale AA)

The expected return on plan assets comprises income and capital gains less a margin for administrative expenses. The income component has been determined by reference to a weighted average of rates of interest at which deposits have been fixed, and the dividend yield on equity holdings. An allowance for capital gains has been determined by considering the proportion of plan assets invested in equity holdings, adjusted for growth in the capital value in line with economic conditions.

Risks conditions specific to the Society arising from the Retirement Benefit Plan:

Interest Risk: A decrease in the bond interest rate will decrease the retirement benefit surplus.

Mortality Risk: The present value of the plan obligation is calculated by reference to the best estimate of the mortality of the plan participants during and after their employment. An increase in the life expectancy of the plan participants will decrease the retirement benefit surplus.

Salary Risk: The present value of the plan obligation is calculated by reference to the future salaries of the plan participants. An increase in the salary of the plan participants will decrease the retirement benefit surplus.

Investment Risk: A decrease in the return on plan assets will decrease the retirement benefit surplus.

Expressed in Thousands of Guyana Dollars

12. RETIREMENT BENEFIT PLAN (Cont'd)

Plan Assets are comprised as follows:

	2018		2017	
Cash Resources	**318,433**	**21%**	315,016	31%
Equity:				
Manufacturing	**305,145**		138,115	
Distribution	**74,484**		70,195	
Financial Institutions	**745,836**		445,465	
	1,125,465	**75%**	653,775	64%
Debt Instruments (United Kingdom Government Bonds)	**51,865**	**4%**	51,397	5%
	1,495,763	**100%**	1,020,188	100%

The fair values of the above equity and debt instruments are determined based on quoted market prices in active markets.

A summary of the plan position and experience adjustments is as follows:

	2018	2017	2016	2015	2014
Present Value of Obligation	**799,956**	669,141	747,933	689,112	538,205
Fair Value of Plan Assets	**1,495,763**	1,020,188	840,179	868,409	872,563

Impact of changes in significant actuarial assumptions

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increases and mortality. The sensitivity analysis provided below have been determined based on reasonable possible changes of the respective assumptions occuring at the end of the reporting period, while holding all other assumptions constant.

Scenario	Benefit Obligation	% Change in Benefit Obligation
Valuation Results	**799,956**	
Discount Rate -1%	967,414	20.93
Discount Rate +1%	668,178	-16.47
Salary Increases -1%	737,238	-7.84
Salary Increases +1%	866,677	8.34
Increase average life expectancy by 1 year	811,171	1.40
Decrease average life expectancy by 1 year	788,757	-1.40

13. RESERVES AND CAPITAL

a) The Risk Reserve

The Risk Reserve is created as an appropriation of retained earnings to account for the difference between the specific provision created by the Society and the provisions as required under Bank Of Guyana Supervision Guideline No. 5.

The opening balance of the Risk Reserve was transfered to Retained Earnings as shown in the Statement of Changes In Equity due to the transition from IAS 39 to IFRS 9 as of January 1, 2018.

b) Assigned Capital

As required by the Financial Institutions Act 1995, the Bank of Guyana has assigned the Society's capital of its business as not less than an amount of $250,000.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018
Expressed in Thousands of Guyana Dollars

		2018	2017
14.	**CREDIT IMPAIRMENT ON LOAN ASSETS**		
	As at Beginning of Year	**140,569**	134,953
	Credit Losses movements, repayments, etc.	**(16,303)**	(20,204)
	Initial Recognition of IFRS 9 ECLs	**277,670**	-
		401,936	114,749
	ECL on new advances during the year	**13,076**	25,820
	As at End of Year	**415,012**	140,569
15.	**NON-INTEREST EXPENSES BY NATURE**		
	Depreciation	**57,888**	50,837
	Credit Impairment on Advances (Note 14)	**13,076**	25,820
	Credit Impairment on Debt Assets (Note 7)	**11,079**	-
	Staff Costs (Note 17)	**441,614**	428,868
	Security	**51,780**	50,805
	Electricity	**39,818**	39,000
	Software Licence Fee	**22,264**	32,498
	Advertising	**3,420**	3,214
	Postage and Telephone	**11,847**	10,104
	Charitable and Educational Donations	**5,913**	5,692
	Auditors' Remuneration	**3,000**	3,272
	Other	**95,626**	89,626
	Total Non-Interest Expenses	**757,325**	739,736
16.	**INTEREST EXPENSES**		
	Five Dollar Shares	**325,768**	373,089
	Save and Prosper Shares	**711,353**	683,296
	Deposits	**14,902**	14,167
		1,052,023	1,070,552
17.	**STAFF COSTS**		
	Wages and Salaries	**301,113**	349,253
	Social Security Costs	**20,020**	19,223
	Pension Costs	**7,283**	29,237
	Other Staff Costs	**113,198**	31,155
		441,614	428,868

Expressed in Thousands of Guyana Dollars

18. RELATED PARTY TRANSACTIONS

A number of transactions were entered into with related parties in the normal course of business. The related parties were key management personnel including Directors and Senior Officers of the Society and close family members of such individuals. Mortgages were extended to Senior Officers of the Society at the applicable employee's rate of 50% of the prevailing rate. All other transactions were carried out on commercial terms and at prevailing rates.

(a) MORTGAGES

	2018	2017
Balance as at Beginning of Year	**28,438**	47,904
Effects of Changes in Key Management Personnel	**-**	(14,512)
Mortgages issued during the Year	**1,100**	-
Mortgage Interest Charged during the Year	**1,166**	1,357
Mortgage Payments during the Year	**(3,508)**	(6,311)
Balance as at End of Year	**27,196**	28,438

No provision has been required in 2018 and 2017 for the mortgages granted to related parties.

(b) INVESTORS' BALANCES

	2018	2017
Balance as at Beginning of Year	**137,064**	90,773
Effects of Changes in Key Management Personnel	**-**	31,020
Deposits Received during the Year	**47,579**	86,151
Interest earned during the Year (net of tax)	**2,666**	2,857
Withdrawals made during the Year	**(71,406)**	(73,737)
Balance as at End of Year	**115,903**	137,064

Expressed in Thousands of Guyana Dollars

18. RELATED PARTY TRANSACTIONS (Cont'd)

(c) KEY MANAGEMENT COMPENSATION

	2018	2017
Short-Term Employee Benefits	**115,118**	109,346
Post-Employment Benefits	**4,383**	5,264
	119,501	114,610

(d) OTHER SERVICES

	2018	2017
Legal Services from Key Management	**-**	852

19. DIRECTORS' COSTS

Directors' Costs included in Key Management Compensation

	2018	2017
Directors' Fees	**4,770**	4,500
Directors' Travel	**4,770**	4,500
Directors' Pension	**2,797**	2,810
	12,337	11,810

20. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

(a) CATEGORIES OF FINANCIAL INSTRUMENTS

Financial instruments carried at the Statement of Financial Position date include cash resources, loan assets, investments, other assets (excluding property, plant and equipment and prepayments), and investors' balances, accounts payables and accruals.

The Society's financial instruments are classified into the following categories identified in IFRS 7: held-to-maturity and loans and receivables. All of the Society's financial liabilities are classified as financial liabilities measured at amortized cost.

Financial assets classified as held-to-maturity are non-derivative instruments with fixed or determinable payments and fixed maturities that management has the positive intent and ability to hold to maturity. The Society's investments are classified as held-to-maturity.

20. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)

(a) CATEGORIES OF FINANCIAL INSTRUMENTS (Cont'd)

Financial assets classified as loans and receivables are non-derivative instruments with fixed or determinable payments that are not quoted in an active market. The Society's cash resources, loan assets and other assets (excluding property, plant and equipment and prepayments) are classified as loans and receivables.

Financial liabilities which are not classified as fair value through the profit and loss are classified as financial liabilities measured at amortized cost. A financial liability which is acquired principally for the purpose of selling in the short term or derivatives are categorized as fair value through the profit and loss. The Society holds no such financial liabilities. As such, the Society's investors' balances, accounts payables and accruals are classified as financial liabilities measured at amortized cost.

There were no changes in these classifications from the prior year.

(b) RISK ARISING FROM FINANCIAL INSTRUMENTS

Financial instruments incorporate the vast majority of the Society's assets and liabilities. The Society's activity involves the acceptance of deposits from investors which are then used to earn an interest margin by investing these funds in high quality assets. The principal risks which arise from this core activity, and which needs to be managed by the Society, are credit risks, liquidity risk, interest rate risks and foreign exchange risk. The Society's objective is to limit its exposure to such risks while maintaining a steady growth in profitability and net asset base. The Society's risk management policies for each of these risks is described in the following parts to this note.

(c) CREDIT RISK

The Society takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises on the Society's holdings of cash resources, investments and loan assets. The maximum credit risk exposure approximates to the carrying values of these assets at the Statement of Financial Position date.

To reduce the Society's exposure, cash resources are held with financial institutions licensed in Guyana or the United Kingdom. The Society's investments are largely in securities issued or guaranteed by Governments of Commonwealth Countries. The investment in the bonds issued by the Berbice Bridge Company Inc., while not issued or guaranteed by a Government of a Commonwealth Country, is considered to be of sound credit quality based on the Society's assessment of the viability of that company's activity; the bond is secured on the assets of that company.

20. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)

(c) CREDIT RISK (Cont'd)

With respect to the exposure to credit risk on mortgages, the following mitigating measures are relied upon.

(i) Prior to the advancing of funds, an initial interview of the potential borrower is conducted by an Officer of the Mortgage Department. During the interview, the Officer collects information on the proposed project, the income resources to be relied upon for repayments and the property to be lodged as collateral. The potential borrower is also informed of the statutory requirement for a credit report.

(ii) The initial inspection of the property to be lodged as collateral is carried out by a Senior Manager of the Society along with a Director during which a value is assessed. For loans between ten ($10) to twelve million dollars ($12m), two (2) Directors inspect the property to ensure the collateral is adequate.

(iii) A recommendation is made for the amount to be approved using information collected on the project, sources of repayment, credit score and the assessed value of the collateral to be lodged. The recommendation must be within seventy-five percent (75%) of the assessed value of the collateral to be lodged and within the statutory lending limits of the Society of twelve million Guyana dollars ($12m) .

(iv) The Board of Directors is required to approve all mortgages regardless of the amount to be disbursed.

(v) The mortgage must be registered on the collateral prior to the disbursement of funds.

(vi) For mortgages that involve disbursement of funds in stages, a weekly site inspection is carried out by an Officer of the Mortgage Department to assess the satisfaction of set targets prior to further release of disbursements.

(vii) Daily reports are generated to identify mortgagors who have defaulted on repayments. The Society has a team within its Mortgage Department that is tasked with the identification and monitoring of defaulting mortgagors.

Expressed in Thousands of Guyana Dollars

20. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)

(c) CREDIT RISK (Cont'd)

(viii) A Director of the Society is required to inspect collateral lodged at least once every three (3) years.

Given the homogenous nature of the Society's loan assets, management monitors the overall quality of its portfolio by examining the geographic concentration against historic default rates (foreclosed mortgages as a percentage of the geographic total).

The concentration of loan assets that are neither past due nor impaired as at the Statement of Financial Position date and the geographic default rates are shown below.

	2018		2017	
	Value	Default Rate	Value	Default Rate
Demerara, except Linden	**26,276,237**	**0.28%**	24,114,541	0.36%
Berbice	**4,920,864**	**0.61%**	5,004,881	0.35%
Essequibo	**1,301,557**	**0.46%**	1,388,911	0.44%
Linden	**566,924**	**0.00%**	617,087	0.10%
	33,065,582		31,125,420	

During the year there were loan assets totaling $86,532 (2017 - $77,575) which were renegotiated and which would have otherwise been past due or impaired.

The table below shows the age analysis of loan assets that are past due and impaired mortgages as at the Statement of Financial Position date, along with the estimated fair value of the collateral held against these balances.

	2018	2017
Past Due Accounts		
Past due up to 30 days	**3,837,472**	4,419,864
Past due 30 to 90 days	**2,672,857**	2,376,535
Impaired (Over 90 days)	**374,271**	294,284
Total	**6,884,600**	7,090,683
Fair value of collateral	**15,477,350**	14,295,650

Expressed in Thousands of Guyana Dollars

20. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)

(c) CREDIT RISK (Cont'd)

(viii) The table below shows the geographic analysis of loan assets that are impaired as at the Statement of Financial Position date, along with the estimated fair value of the collateral held against these balances. All impaired loan assets exceeding 180 days and one year totalled $239,841 (2017 - $186,983) and $108,226 (2017 - $15,737) respectively.

	2018	2017
Demerara, except Linden	**426,021**	310,901
Berbice	**322,480**	270,661
Essequibo	**77,164**	31,975
Linden	**30,851**	27,192
	856,516	640,729
Fair value of collateral	**1,594,200**	1,079,600

(ix) RENEGOTIATED LOANS

The carrying amounts of all renegotiated loans aggregated to:

	2018	2017
Renegotiated Loans	**589,152**	222,456

Renegotiations are usually considered upon request or where it is judged that a defaulting borrower will be better able to service outstanding debt under revised conditions.

The renegotiations were primarily refinancing of facilities or rescheduling of payments.

(d) INTEREST RATE RISK

The Society assumes interest rate risk from dealing with members and other third parties through fixed term lending or investment activity. The risk arises from movement in interest rates where the Society's financial assets or liabilities have different repricing dates. The Society manages this risk through the retention of the right to change applicable rates on mortgages and investors' balances and the holding of short-term investments.

Expressed in Thousands of Guyana Dollars

20. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)

(d) INTEREST RATE RISK (Cont'd)

The Society's interest bearing instruments carry fixed rate of interest except cash resources totaling $268,410 (2017 – $451,465) with an effective interest rate of 0.5% (2017 – 0.5%). Should the interest rates on the floating rate instruments increase/decrease by 50 basis points (2017 – 50 basis points), with all other variables held constant, the profit for the year would increase/decrease by $1,342 (2017 – $2,257).

The tables below summarize the Society's exposure to interest rate risk by categorizing the carrying amounts of assets and liabilities by the earlier of the contractual repricing or maturity dates.

	Up to one year	Over one year	Non-Interest Bearing	Total
As at 31 December 2018				
Cash Resources	**14,493,760**	**-**	**814,915**	**15,308,675**
Loan Assets	**2,995,154**	**37,028,121**	**-**	**40,023,275**
Investments	**6,538,535**	**-**	**-**	**6,538,535**
Other Assets (Property, Plant and Equipment / Retirement Benefit Surplus)	**-**	**-**	**2,829,733**	**2,829,733**
Total Assets	**24,027,449**	**37,028,121**	**3,644,648**	**64,700,218**
Investors' Balances	**48,858,725**	**-**	**-**	**48,858,725**
Other Liabilities	**-**	**-**	**132,027**	**132,027**
Total Investors' Balances and Other Liabilties	**48,858,725**	**-**	**132,027**	**48,990,752**
Interest Sensitivity Gap	**(24,831,276)**	**37,028,121**	**3,512,621**	

Expressed in Thousands of Guyana Dollars

20. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)

(d) INTEREST RATE RISK (Cont'd)

	Up to one year	Over one year	Non-Interest Bearing	Total
As at 31 December 2017				
Cash Resources	14,889,254	-	443,667	15,332,921
Loan Assets	3,197,173	35,450,576	24,234	38,671,983
Investments	6,199,143	1,055,000	-	7,254,143
Other Assets (Property, Plant and Equipment / Retirement Benefit Surplus)	-	-	2,136,576	2,136,576
Total Assets	24,285,570	36,505,576	2,604,477	63,395,623
Investors' Balances	49,055,168	-	-	49,055,168
Other Liabilities	-	-	118,664	118,664
Total Investors' Balances and Other Liabilties	49,055,168	-	118,664	49,173,832
Interest Sensitivity Gap	(24,769,598)	36,505,576	2,485,813	

The effective interest rates/yields on significant financial instruments are as follows:

	2018	2017
	%	%
Fixed Deposits	**2.1**	2.8
Mortgages	**6.2**	6.2
Investments	**2.9**	3.8
Investors' Balances	**2.2**	2.2

Expressed in Thousands of Guyana Dollars

20. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)

(e) LIQUIDITY RISK

Liquidity risk is the risk that the Society is not able to meet its financial obligations as they fall due. The Society is exposed to daily calls on its cash resources from investors' accounts and mortgage draw downs. The Society's liquidity policy is to maintain sufficient liquid resources to cover cash flow imbalances and fluctuations in funding, to retain full public confidence in the solvency of the Society and to enable it to meet all financial obligations. This is achieved through maintaining a prudent level of liquid assets and through management control of the growth of business.

All the Society's financial liabilities are payable within one month of the Statement of Financial Position date. However, in practice, investors' balances are repaid later than on the earliest date on which repayment can be required.

The tables below analyze assets and liabilities of the Society into relevant maturity groupings.

	Up to one year	One to five years	Over five years	Total
As at 31 December 2018				
Cash Resources	**15,308,675**	**-**	**-**	**15,308,675**
Loan Assets	**2,995,154**	**8,878,203**	**28,149,917**	**40,023,275**
Investments	**5,498,549**	**1,039,987**	**-**	**6,538,535**
Other Assets	**212,072**	**-**	**-**	**212,072**
Total Assets	**24,014,450**	**9,918,190**	**28,149,917**	**62,082,557**
Investors' Balances	**48,858,725**	**-**	**-**	**48,858,725**
Other Liabilities	**89,240**	**26,376**	**16,411**	**132,027**
Total Investors' Balances and Other Liabilities	**48,947,965**	**26,376**	**16,411**	**48,990,752**
Net Liquidity Gap	**(24,933,516)**	**9,891,813**	**28,133,507**	

Expressed in Thousands of Guyana Dollars

20. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)

(e) LIQUIDITY RISK (Cont'd)

	Up to one year	One to five years	Over five years	Total
As at 31 December 2017				
Cash Resources	15,332,921	-	-	15,332,921
Loan Assets	3,221,407	8,724,517	26,726,059	38,671,983
Investments	6,199,143	1,055,000	-	7,254,143
Other Assets	269,048	-	-	269,048
Total Assets	25,022,519	9,779,517	26,726,059	61,528,095
Investors' Balances	49,055,168	-	-	49,055,168
Other Liabilities	79,626	25,136	13,902	118,664
Total Investors' Balances and Other Liabilities	49,134,794	25,136	13,902	49,173,832
Net Liquidity Gap	(24,112,275)	9,754,381	26,712,157	

(f) FOREIGN EXCHANGE RISK

Foreign exchange exposure arises from the Society's holding of foreign-denominated financial assets. Management limits the exposure to unfavourable exchange rate movements by investing in stable currencies.

Aggregate Assets denominated in Foreign Currencies amounted to:	2018	2017
British Pound Sterling	**68,299**	67,282
United States Dollar	**692,880**	686,736

Expressed in Thousands of Guyana Dollars

20. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)

(f) FOREIGN EXCHANGE RISK (Cont'd)

At 31 December 2018, if the Guyana dollar had weakened / strengthened by 1% against the British Pound Sterling, with all other variables held constant, profit for the year would have been $683 (2017 – $673) higher / lower.

At 31 December 2018, if the Guyana dollar had weakened / strengthened by 1% against the US Dollar, with all other variables held constant, profit for the year would have been $6,929 ($6,867) higher / lower.

21. FAIR VALUE MEASUREMENTS

Financial assets / financial liabilities	Fair value as at		Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value
	31/12/2018	31/12/2017				
Loan Assets	**Asset - 43,541,721**	Asset - 41,674,058	Level - 2	The fair value of the loan assets was estimated to be using the discounted amount of the estimate of future cash flows expected to be received. Expected cash flows are discounted at the current market rates to determine the fair value.	N/A	N/A
Investments - Government of Guyana Treasury Bills	**Asset - 5,498,549**	Asset - 5,842,598	Level - 2	The fair values have been estimated by applying discounted cash flows analysis, using current market rates.	N/A	N/A
Investments - Berbice Bridge Company Inc. Bonds	**Asset - 1,463,680**	Asset - 1,569,845	Level - 2	The fair values have been estimated by applying discounted cash flows analysis, using actuarial discounted rates for similar term investments.	N/A	N/A

Expressed in Thousands of Guyana Dollars

21. FAIR VALUE MEASUREMENTS (Cont'd)

Financial assets / financial liabilities	Fair value as at		Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value
	31/12/2018	31/12/2017				
Freehold Land and Buildings	**Asset - 2,222,706**	Asset - 1,554,745	Level - 3	The appraisal was carried out in December 2018 using a market approach that reflects observed prices for recent market transactions for similar properties and incorporates adjustments for factors specific to the freehold land and buildings in question, including plot size, location, encumbrances and current use.	The significant unobservable input is the adjustment for factors specific to the freehold land and buildings in question. The extent and direction of this adjustment depends on the number and characteristics of the observable market transactions in similar properties that are used as the starting point for valuation.	Granting that the inputs are subjective judgements, management considers that the overall valuation would not be materially affected by reasonably possible alternative assumptions.

Cash Resources and Other Assets

Cash Resources and Other Assets: The carrying value of cash resources and other assets approximate to fair value given their short term nature.

Investors' Balances and Other Liabilities

The fair value of investors' balances and other liabilities approximates to the amount repayable on demand as the balances carry no stated maturity.

There were no transfer between levels in the current year.

22. CONTINGENT MATTERS

(a) CLAIM FROM A MEMBER

On 16 October 2007 the Society received a writ from a member seeking an amount of $7,673 which was allegedly given to an employee of the Society to convert into foreign currency for remittance overseas. The sum, it was claimed, was not remitted or returned to the member. The initial ruling of the court was in favour of the Plaintiff. The Society has appealed this ruling and is confident of success on appeal. This amount is lodged with the Registrar of the Supreme Court of Judicature.

(b) CLAIMS FROM BUILDING CONSULTANTS

During December 2008 the Society received three writs of claim totaling $29,829 from consultants involved in providing architectural, structural engineering and quantity surveying services in respect of preparatory works for the construction of the Society's new Head Office. The initial ruling of the court was in favour of the Plaintiff. This amount is lodged with the Registrar of the Supreme Court of Judicature. By order of the Caribbean Court of Justice (CCJ), the sum of $15,898 was paid to one of the Plaintiffs when the stay of execution was overturned. The Society has appealed this ruling and is confident of success on appeal.

(c) CLAIMS FROM FORMER EMPLOYEES

During 2010, the Society received writs from three former employees seeking damages in excess of fifty million dollars in each case for wrongful dismissal and breach of contract of employment. The trial for these cases are currently engaging the attention of the court. Judgment was granted on July 20, 2017 in favour of one of the Plaintiffs by the High Court. This employee was paid $59,033 from the Society's Pension Scheme by a Court Order. The Society has appealed this judgment. The remaining two (2) matters are currently engaging the attention of the High Court.

(d) OTHER MATTERS

In January 2017, the Society filed two (2) writs against the Town Clerk of the City of Georgetown and others in relation to parking meters positioned near or adjacent to the Society's Chief Office. The High Court ruled in the Society's favor in one of the writs which has since been appealed. The other matter is awaiting a date for hearing in the High Court.

Corporate Social Responsibilities
Our Contributions and Sponsorships

Mr. Philbert Moore, Chairman of the Community Development Council No. 77 Housing Scheme at Corriverton collects two trophies from members of staff of the New Building Society to reward students in the area who excelled at the National Grade Six Assessment 2018.

Mrs. Gleniss Ramsahoi, Manager of NBS' Mackenzie Branch, presents Ms. Marcia Brisport, Head Teacher of Watooka Day Primary with a Trophy for that School's Annual Prize Giving Exercise in the presence of other members of staff.

Mr. Rana Persaud, Manager of the Berbice Operations hands over the Society's Sponsorship Cheque to Mr. Hilbert Foster, President of the Berbice Cricket Board for the NBS 40-Overs Second Division Cricket Tournament for Teams in Berbice. Over eighty teams were expected to be involved. West Indies batting sensation, Shimron Hetmyer, is a product of this tournament.

Corporate Social Responsibilities (Cont'd)

Our Contributions and Sponsorships (Cont'd)

Mr. Roger Harper, President of the Georgetown Cricket Association (GCA), accepts NBS' Sponsorship cheque for the Second Division 40-Over Cricket Competition from the Society's CEO/Director/Secretary, Mr. Anil Kishun. NBS Directors and other members of the GCA look on approvingly. This marks the Society's seventh Sponsorship of this tournament. Amazingly, sixteen players who played in this Competition represented Guyana at various levels in 2018. Also, six players represented West Indies at Under-15, Under-17 and Under-19 levels. Two players, Keemo Paul & Sherfane Rutherford are members of the WI senior team, having played in the NBS competition in the past.

NBS' CEO, Mr. Anil Kishun, presents trophies to an Officer of the Guyana Police Force's Sports Secretariat for the 200 M 'B' Class Event at Force's Annual Athletic and Swimming Championships. Other NBS and Guyana Police Force Officials were in attendance.

Notes

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