



nbs
THE NEW
BUILDING
SOCIETY
LIMITED

Board
ANNUAL REPORT
& STATEMENT
OF ACCOUNTS



Notice of Meeting

NOTICE is hereby given that the Thirty-Second Annual General Meeting of the members of The New Building Society, Limited, will be held at 5.00 p.m. on MONDAY, the 27th March, 1972, at the Society's Office, Lot 1, Avenue of the Republic, Georgetown 9.

AGENDA

1. To consider the Annual Report of the Directors and the Financial Statement for the year 1971.
2. To fix the remuneration of the Directors for the year 1972.
3. To appoint Auditors for the year 1972, and to fix their remuneration.
4. (a) To approve of an amount to be donated to charity and for educational purposes.
(b) To approve of an amount to be given to the Government for the promotion of the Advance Guyana Campaign.
5. Any other business.

BY ORDER OF THE BOARD,

JULES de CAMBRA

Secretary.

13th March, 1972.



Report of the Directors

FOR THE YEAR ENDED 31ST DECEMBER, 1971.

Your Directors have much pleasure in submitting the Thirty-Second Annual Report and Statement of Accounts of the Society for the year ended 31st December, 1971.

SHARES & DEPOSITS

The total number of new accounts opened during 1971 was 1528 and the total investments in the Society increased by \$1,594,974, to \$11,070,508.

TOTAL ASSETS

These have increased by \$1,633,151 during 1971 to \$12,185,252

This figure does not include:-

- (1) The Public Officers' Housing Loan Funds (totalling \$229,527) which are administered by the Society on behalf of the Government of Guyana; and
- (2) The Brezina-Guyana Housing Project (\$560,614) which the Society is administering on behalf of a number of U.S. and Guyanese Insurance Companies.

MORTGAGE LOANS

During 1971, the sum of \$1,969,181 was advanced on mortgage to borrowing members which enabled them to acquire their own homes, or to improve and/or renovate existing houses.

RESERVES

Investment Reserve

Due to a profit on the sale of certain investments, this reserve has been increased by \$56,580 to \$126,580

General Reserve

The General Reserve was increased by \$38,177 to \$1,058,916 and the total reserves at the end of the year were \$1,241,324

GENERAL

Annual Valuation

The annual valuation of the assets and liabilities of the Society (as required by Rule 32) revealed no likely loss. No account was more than twelve months in arrear at the end of the year (Section 17(1)(c) of the Society's Ordinance).

New Office Premises

The Society's new Office Premises at 15/16, New Street, New Amsterdam, were completed at a cost of \$95,000 and were opened on the 25th September, 1971.

New Schemes

Brezina-Guyana Housing Project — During the second half of 1971 construction commenced on the Second Phase of this Project, and fifty more houses are expected to be available shortly for residents in the Mackenzie Area.

DIRECTORATE

On the 10th January, 1972, Mr. John Durey (Chairman) resigned from the Board prior to his departure from Guyana after having served the Society for a period of twenty seven years — first as Secretary and then as a Director. For the past ten years he was the Chairman, and the Board wishes to record its sincere appreciation of his outstanding contribution to the Society.

The Board elected Mr. R.N. Wallace, M.B.E., to replace Mr. Durey as Chairman, and acting under Rule 43 appointed Mr. E.M.G. Austin, F.C.W.A., to fill the vacancy.

AUDITORS

The Auditors, Messrs. Pannell Fitzpatrick and Company (Chartered Accountants) retire, but have indicated their willingness to be re-appointed.

15th March, 1972.

R. N. Wallace
Chairman.



Directors

Chairman: R.N. Wallace, Esq., M.B.E.

Major C.J. Bettencourt-Gomes, B.E.M.

D. Howard, Esq.
M.B. Gajraj, Esq., B. Com. (Lond.)
C.H. da Silva, Esq., F.C.I.S.
E.M.G. Austin, Esq., F.C.W.A.

SOLICITORS

Messrs. Cameron & Shepherd,
2, Avenue of the Republic,
Georgetown 9.

AUDITORS

Messrs. Pannell Fitzpatrick & Co.,
Demerara Life Buildings,
Georgetown.

BANKERS

Barclays Bank International Ltd.
Royal Bank of Canada.

Report of the Auditors

We have examined the Accounts of The New Building Society, Limited, for the year ended 31st December, 1971, which are in agreement with the books of the Society.

We have inspected the Mortgage Deeds, Transports and other Securities and Title Deeds and found them to be in order. We report that we have obtained all the information and explanations we have required. We further report that, in our opinion, the annexed Balance Sheet dated 31st December, 1971, and the Revenue, Expenditure and Appropriation Account for the year ended on that date, are properly drawn up so as to give respectively a true and correct view of the state of the Society's affairs at the 31st December, 1971, and of the excess of income over expenditure for the year then ended, in accordance with generally accepted accounting principles applied on a consistent basis.

PANNELL FITZPATRICK & CO.

Chartered Accountants

Auditors

10th March, 1972.



Balance Sheet

AS AT 31ST DECEMBER, 1971.

	NOTES	1971	1970
CAPITAL			
Due to Depositors		\$ 1,634,778	\$ 1,548,800
Due to Shareholders:			
"Five Dollar" Shares		4,852,387	4,627,089
"Save and Prosper" Shares		4,546,983	3,261,980
Subscription Investing Shares		35,782	36,960
Fully Paid Investing Shares		578	705
		<u>\$11,070,508</u>	<u>\$ 9,475,534</u>
CAPITAL RESERVE			
Increase on Revaluation of Georgetown Premises		\$ 55,828	\$ 55,828
REVENUE RESERVE			
General: At 1st January, 1971		\$ 1,020,739	\$ 995,103
Add: Surplus		38,177	25,636
		<u>\$ 1,058,916</u>	<u>\$ 1,020,739</u>
TOTAL: CAPITAL AND RESERVES		<u>\$12,185,252</u>	<u>\$10,552,101</u>
REPRESENTED BY:			
FIXED ASSETS	1	\$ 349,369	\$ 263,450
LOAN ASSETS			
Mortgage Accounts	2	\$ 9,751,106	\$ 8,821,492
Housing Loans	3	46,763	49,432
Brezina-Mackenzie Scheme		43,259	44,099
Temporary Loans		61,626	49,871
		<u>\$ 9,902,754</u>	<u>\$ 8,964,894</u>
CURRENT ASSETS			
Debtors and Prepayments		\$ 32,816	\$ 25,835
Investments	7	1,413,304	1,189,804
Cash at Bank and in Hand		609,383	171,698
		<u>\$ 2,055,503</u>	<u>\$ 1,387,337</u>
LESS: CURRENT LIABILITIES			
Creditors and Accruals		122,374	63,580
		<u>\$ 1,933,129</u>	<u>\$ 1,323,757</u>
TOTAL NET ASSETS		<u>\$12,185,252</u>	<u>\$10,552,101</u>

Robert N. Wallace - Director
C.J. Bettencourt-Gomes - Director
Jules de Cambra - Secretary



FUNDS ADMINISTERED BY THE SOCIETY
PUBLIC OFFICERS' HOUSING LOAN FUNDS

LIABILITIES

	NOTES	1971	1970
First Fund		\$ 19,104	\$ 26,072
Advanced by Government		4,112	4,214
Excess of Income over Expenditure		<u>\$ 23,216</u>	<u>\$ 30,286</u>
Second Fund		\$233,094	\$239,466
Advanced by Government			
Less		33,121	27,410
Accumulated Overpayment of Interest		<u>\$199,973</u>	<u>\$212,056</u>
Excess of Income over Expenditure		6,338	6,148
		<u>\$206,311</u>	<u>\$218,204</u>
		<u>\$229,527</u>	<u>\$248,490</u>

TOTAL LIABILITIES

Represented by:

ASSETS

First Fund			
Loan Advances	4	\$ 19,223	\$ 26,190
Cash at Bank		3,982	4,085
Sundry Debtors		11	11
		<u>\$ 23,216</u>	<u>\$ 30,286</u>
Second Fund			
Loan Advances	5	\$175,204	\$199,461
Cash At Bank		31,107	18,743
		<u>\$206,311</u>	<u>\$218,204</u>
		<u>\$229,527</u>	<u>\$248,490</u>

TOTAL ASSETS

BREZINA GUYANA HOUSING PROJECT – NO. 504, HG-002

CAPITAL

U.S. Investors		\$419,051	\$423,859
Guyana Investors		138,421	141,115
		<u>\$557,472</u>	<u>\$564,974</u>
Sundry Creditors		3,142	219
		<u>\$560,614</u>	<u>\$565,193</u>
Represented by:			
Mortgage Accounts	6	\$555,584	\$563,664
Cash in Hand		5,030	1,529
		<u>\$560,614</u>	<u>\$565,193</u>



Revenue, Expenditure
& Appropriation Account

FOR THE YEAR ENDED 31ST DECEMBER, 1971.

REVENUE

	NOTES	1971	1970
Interest Earned On:			
Mortgage Accounts		\$664,682	\$650,906
Housing Loans – Purchase Tenancies		7,236	4,427
Temporary Loans		4,907	2,600
Bank Deposits & Treasury Bills		17,587	7,057
Investments		101,351	81,474
		<u>\$795,763</u>	<u>\$746,464</u>
Net Profit/(Loss) on Sale of Investments		56,580	(1,979)
Fees, Commissions, Rule Books sold etc.		3,727	4,003
Administration Fees:			
Public Officers Housing Loan Fund & Other Schemes		16,057	15,745
		<u>\$872,127</u>	<u>\$764,233</u>

EXPENDITURE

Administration Expenses:

Management		\$165,848	\$167,241
Directors' Fees		8,400	5,760
Audit Fees		6,000	4,500
Office Premises		4,715	1,788
Donations to Charity & for Educational Purposes		2,755	2,360
Depreciation	1	9,778	12,610
		<u>\$197,496</u>	<u>\$194,259</u>
Provision for Bad Debt		---	13,000
		<u>\$197,496</u>	<u>\$207,259</u>

BALANCES DISTRIBUTED AS FOLLOWS

Interest On:

Deposits		\$ 36,962	\$ 37,855
Bond Certificates		—	143
Five Dollar Shares		266,033	270,581
Save & Prosper Shares		275,338	196,358
Subscription Investing Shares		1,533	1,515
Fully Paid Investing Shares		8	9
		<u>\$579,874</u>	<u>\$506,461</u>
Depreciation adjustment relating to prior years		\$ —	\$ 24,877
Transferred to Provision for Investments		\$ 56,580	\$ —
BALANCE TRANSFERRED TO GENERAL RESERVE		<u>\$ 38,177</u>	<u>\$ 25,636</u>



Notes to the Accounts

1 SUMMARY OF MOVEMENTS IN FIXED ASSETS FOR THE YEAR TO 31ST DECEMBER, 1971.

	Land	Buildings	Motor Vehicle	Office Furniture	Machinery & Equipment	Total
COST						
Balance at 1.1.71	104,830	150,540	6,291	22,571	47,583	331,815
Additions for 1971	-	93,660	-	1,821	216	95,697
Balance at 31.12.71	<u>104,830</u>	<u>244,200</u>	<u>6,291</u>	<u>24,392</u>	<u>47,799</u>	<u>427,512</u>
DEPRECIATION						
Balance at 1.1.71	-	14,158	3,146	13,410	37,651	68,365
Charge for year	-	3,945	1,572	2,314	1,947	9,778
Balance at 31.12.71	<u>-</u>	<u>18,103</u>	<u>4,718</u>	<u>15,724</u>	<u>39,598</u>	<u>78,143</u>
Net Book Value at 31.12.71	<u>104,830</u>	<u>226,097</u>	<u>1,573</u>	<u>8,668</u>	<u>8,201</u>	<u>349,369</u>

2 Balances Due by Borrowers on Mortgage Accounts

1970		1971	
No. of Securities	Amount \$	No. of Securities	Amount \$
147	28,692	(a) Where the balances do not exceed \$ 500	130 24,256
120	90,221	(b) Where the balances exceed \$ 500 but not \$ 1,000	121 91,543
336	531,649	(c) Where the balances exceed \$ 1,000 but not \$ 2,000	338 547,796
269	655,922	(d) Where the balances exceed \$ 2,000 but not \$ 3,000	287 712,073
234	813,686	(e) Where the balances exceed \$ 3,000 but not \$ 4,000	215 746,811
209	937,895	(f) Where the balances exceed \$ 4,000 but not \$ 5,000	224 1,004,357
373	3,334,924	(g) Where the balances exceed \$ 5,000 but not \$ 10,000	535 3,727,259
119	1,429,468	(h) Where the balances exceed \$ 10,000 but not \$ 15,000	144 1,697,786
42	736,503	(i) Where the balances exceed \$ 15,000 but not \$ 20,000	58 1,011,226
11	262,532	(j) Where the balances exceed \$ 20,000	7 187,999
<u>1,860</u>	<u>8,821,492</u>	<u>2,059</u>	<u>9,751,106</u>



Notes to the Accounts

1970		1971	
No. of Securities	Amount \$	No. of Securities	Amount \$
-	-	-	-
-	-	-	-
-	-	-	-
8	49,432	7	46,763
-	-	-	-
-	-	-	-
<u>8</u>	<u>49,432</u>	<u>7</u>	<u>46,763</u>
2	825	5	1,532
4	3,147	4	2,754
4	4,711	1	1,962
2	4,832	2	4,928
1	3,267	1	3,435
1	4,133	1	4,612
1	5,275	-	-
<u>15</u>	<u>26,190</u>	<u>14</u>	<u>19,223</u>
-	-	-	-
3	7,998	1	1,795
2	7,458	3	7,943
5	22,954	3	10,936
14	93,957	5	23,245
5	67,094	11	75,671
29	199,461	4	55,614
3	29,140	1	1,795
47	534,524	3	7,943
<u>50</u>	<u>563,664</u>	3	10,936
-	-	5	23,245
-	-	11	75,671
-	-	4	55,614
<u>50</u>	<u>563,664</u>	<u>27</u>	<u>175,204</u>
3	29,140	-	-
47	534,524	-	-
<u>50</u>	<u>563,664</u>	-	-
6	36,756	4	36,756
46	518,828	46	518,828
<u>50</u>	<u>555,584</u>	<u>50</u>	<u>555,584</u>

INVESTMENTS

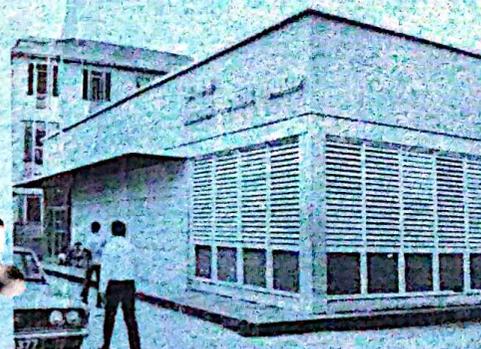
	Face Value	Mid Market Price	Market Value (\$G Equivalent)	Book Value
Australia 5½% Registered Stock 1981/82	391,646	86	336,816	259,468
Australia 6 % Registered Stock 1981/83	149,819	88	131,841	95,999
Barbados Government Development (1967) 7½% Loan 1975/85	27,000	89	24,030	24,500
British Guiana Government 3½% Bonds 1976/86	2,600	48	1,248	1,677
British Guiana Government 6 % Bonds 1969/79	25,000	76	19,000	25,000
British Guiana Government 7 % Debentures 1966/86	50,000	76	38,000	50,000
British Guiana Government 7 % Debentures 1975	15,000	88	13,200	15,000
British Guiana Government Treasury Savings Certificates 1968/75	5,000	—	7,000	5,000
Funding Loan 6½% 1985/87	109,671	92	100,897	80,960
Government of Guyana 7% Debentures 1977	50,000	85	42,500	50,000
Mayor and Town Council 4% Bonds 1965/80	4,500	55	2,475	3,330
Mayor and Town Council of New Amsterdam 8% Equated Annuity Municipal Regd. Bonds	20,000	100	20,000	20,000
Mayor and Town Council 7% Equated Annuity Bearer Bonds 1985	20,000	77	15,400	18,836
New Zealand (Govt. of) 3½% Stock 1981/84	16,885	68	11,482	11,934
New Zealand (Govt. of) 7½% Stock 1983/86	31,260	96	30,010	25,408
Northern Rhodesia (Govt. of) 4% Stock 1972/74	5,803	85	4,932	5,161
Northern Rhodesia (Govt. of) 5% Stock 1975/80	66,099	67	44,286	40,233
Northern Rhodesia (Govt. of) 6% Stock 1976/79	4,836	72	3,482	4,358
Southern Rhodesia (Govt. of) 4% 1972/74	8,146	70	5,702	7,245
Southern Rhodesia (Govt. of) 4½% 1987/92	13,025	60	7,815	11,985
Southern Rhodesia (Govt. of) 5 % 1975/80	8,357	65	5,432	7,472
Southern Rhodesia (Govt. of) 6 % 1976/79	6,789	75	5,092	6,118
Treasury Loan 6¾% 1995/98	197,699	86.5	171,010	139,456
Treasury Loan 8¾% 1997	90,758	107	97,111	79,449
Treasury Loan 9 % 1994	253,807	107.5	272,284	221,963
Treasury Loan 9 % 1992/96	10,368	109	11,301	9,238
Treasury Loan 8 % 2002/6	360,292	98	353,086	320,094
			\$ 1,775,432	1,539,884
Less Provision for Investments				126,580
			\$ 1,775,432	1,413,304



The New Amsterdam branch office of the New Building Society officially opened on the 25th September 1971, is situated at 15-16 New Street, New Amsterdam.



Chairman Mr. John Durey MBE, ACIS, AMBIM, is seen here delivering a speech at the opening ceremony of the New Amsterdam Branch. Also in the picture Mr. E. Alphonso Mayor of New Amsterdam, Mrs. Alphonso and members of the Board of Directors.



The Head Office of the New Building Society, 1 Avenue of the Republic Newtown, Georgetown, Guyana.



Another branch of the expanding New Building Society, this picture shows the offices of our Linden branch located at 34a Avenue of the Republic, Linden.