

nbs
THE NEW
BUILDING
SOCIETY
LIMITED

33rd
ANNUAL REPORT
& STATEMENT
OF ACCOUNTS



Notice of Meeting

NOTICE is hereby given that the Thirty-Third Annual General Meeting of the members of The New Building Society, Limited, will be held at 5.00 p.m. on MONDAY, the 26th March, 1973, 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 1972.
2. To elect Directors for the period 1973-1975, and to fix their remuneration for 1973.
3. To appoint Auditors for the year 1973, and to fix their remuneration.
4. To approve of an amount to be donated to charity and for educational purposes.
5. Any other business.

BY ORDER OF THE BOARD,

JULES de CAMBRA

Secretary.

12th March, 1973.



Report of the Directors

FOR THE YEAR ENDED 31ST DECEMBER, 1972.

Your Directors have much pleasure in submitting the Thirty-Third Annual Report and Statement of Accounts of the Society for the year ended 31st December, 1972.

SHARES & DEPOSITS

The total number of new accounts opened during 1972 was 2,079 and the total investments in the Society increased by \$2,012,422 to \$13,082,930.

TOTAL ASSETS

These have increased by \$2,198,483 during 1972 to \$14,383,735 - *\$14,377,109*
This figure does not include:-

- (1) The Public Officers' Housing Loan Funds (totalling \$207,121) which are administered by the Society on behalf of the Government of Guyana; and
- (2) The Brezina-Guyana Housing Project (\$550,424) which the Society is administering on behalf of a number of U.S. and Guyanese Insurance Companies.

MORTGAGE LOANS

During 1972, the sum of \$2,221,668 was advanced on mortgage to borrowing members which enabled them to acquire their own homes, or to improve and/or renovate existing houses.

GENERAL RESERVE

The General Reserve was increased by \$52,855 to \$1,111,771 and the total reserves at the end of the year were \$1,294,179.

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).

BREZINA-GUYANA HOUSING PROJECT — The First Phase of fifty (50) houses in this Scheme was completed in 1970. A further fifty houses in the Second Phase were completed in 1972, but due to unavoidable difficulties, titles and mortgages were not finalised until mid January, 1973.

DIRECTORATE

Mr. D. Howard resigned at the 31st December, 1972, and Mr. M. B. Gajraj at the 26th January, 1973, both of them on the grounds of ill health.

Mr. Howard served the Society for 20 years and Mr. Gajraj for 6 years.

Acting under Rule 43, the Board appointed Mr. C. V. Too-Chung, F.A.C.C.A., A.C.I.S., to replace Mr. Howard with effect from the 9th January, 1973, and Mr. M. H. Rahaman to replace Mr. Gajraj as from 26th January, 1973.

AUDITORS

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

12th March, 1973

R. N. Wallace
Chairman



Directors

Chairman: R. N. Wallace, Esq., M.B.E.
 Vice Chairman: C. H. da Silva, Esq., F.C.I.S.
 Major C. J. Bettencourt-Gomes, B.E.M.
 E. M. G. Austin, Esq., F.C.M.A.
 M. H. Rahaman, Esq.
 C. V. Too-Chung, Esq., F.A.C.C.A., A.C.I.S.

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
 Guyana National Co-operative Bank.

Report of the Auditors

We have examined the Accounts of The New Building Society, Limited, for the year ended 31st December, 1972, 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.

In our opinion, the annexed Balance Sheet dated 31st December, 1972, 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, 1972, 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

17th February, 1973.



Balance Sheet

AS AT 31ST DECEMBER, 1972.

| | NOTES | 1972 | 1971 |
|--|-------|---------------------|---------------------|
| CAPITAL | | | \$ 1,634,778 |
| Due to Depositors | | \$ 1,634,338 | |
| Due to Shareholders: | | | 578 |
| Fully Paid Investing Shares | | 585 | 4,852,387 |
| "Five Dollar" Shares | | 5,284,941 | 4,546,983 |
| "Save & Prosper" Shares | | 6,134,008 | 35,782 |
| Subscription Investing Shares | | 29,058 | |
| | | <u>\$13,082,930</u> | <u>\$11,070,508</u> |
| CAPITAL RESERVE | | | 55,828 |
| Increase on the Revaluation of Land | | <u>55,828</u> | <u>55,828</u> |
| REVENUE RESERVES | | | |
| Investment Reserve | 9 | <u>126,580</u> | <u>126,580</u> |
| General: At 1st January, 1972 | | \$ 1,058,916 | \$ 1,020,739 |
| Add: Surplus | | 52,855 | 38,177 |
| | | <u>\$ 1,111,771</u> | <u>\$ 1,058,916</u> |
| TOTAL: CAPITAL AND RESERVES | | <u>\$14,377,109</u> | <u>\$12,311,832</u> |
| REPRESENTED BY: | | | |
| FIXED ASSETS | 1 | \$ 355,559 | \$ 349,369 |
| LOAN ASSETS | | | |
| Mortgage Accounts | 2 | \$11,131,179 | \$ 9,751,106 |
| Housing Loans | 3 | 42,710 | 46,763 |
| Brezina-Mackenzie Scheme | | 42,081 | 43,259 |
| Temporary Loans | | 69,523 | 61,626 |
| | | <u>\$11,285,493</u> | <u>\$ 9,902,754</u> |
| CURRENT ASSETS | | | |
| Debtors & Prepayments less Provision for Bad Debts | | \$ 45,625 | \$ 32,816 |
| Investments | 7 | 1,608,721 | 1,539,884 |
| Cash at Bank and in Hand | | 757,512 | 609,383 |
| Treasury Bills - At Cost | | 493,083 | |
| | | <u>\$ 2,904,941</u> | <u>\$ 2,182,083</u> |
| LESS: CURRENT LIABILITIES | | | |
| Creditors & Accruals | | <u>168,884</u> | <u>122,374</u> |
| NET CURRENT ASSETS | | <u>\$ 2,736,057</u> | <u>\$ 2,059,709</u> |
| TOTAL NET ASSETS | | <u>\$14,377,109</u> | <u>\$12,311,832</u> |
| Robert N. Wallace - Director | | | |
| C. H. da Silva - Director | | | |
| Jules de Cambra - Secretary | | | |



FUNDS ADMINISTERED BY THE SOCIETY

PUBLIC OFFICERS' HOUSING LOAN FUNDS

LIABILITIES

| | NOTES | 1972 | 1971 |
|-------------------------------------|-------|----------------|----------------|
| First Fund | | \$ 10,175 | \$ 19,104 |
| Advanced by Government | | 3,996 | 4,112 |
| Excess of Income over Expenditure | | <u>14,171</u> | <u>23,216</u> |
| Second Fund | | \$226,722 | \$233,094 |
| Advanced by Government | | | |
| Less | | 40,237 | 33,121 |
| Accumulated Overpayment of Interest | | \$186,485 | \$199,973 |
| | | 6,465 | 6,338 |
| Excess of Income over Expenditure | | <u>192,950</u> | <u>206,311</u> |
| | | <u>207,121</u> | <u>229,527</u> |

TOTAL LIABILITIES

Represented by:

ASSETS

| | | | |
|----------------|---|----------------|----------------|
| First Fund | 4 | \$ 10,294 | \$ 19,223 |
| Loan Advances | | 3,865 | 3,982 |
| Cash at Bank | | 12 | 11 |
| Sundry Debtors | | <u>14,171</u> | <u>23,216</u> |
| Second Fund: | | | |
| Loan Advances | 5 | \$151,320 | \$175,204 |
| Cash at Bank | | 41,630 | 31,107 |
| | | <u>192,950</u> | <u>206,311</u> |
| | | <u>207,121</u> | <u>229,527</u> |

TOTAL ASSETS

BREZINA GUYANA HOUSING PROJECT NO. 504, HG-002

CAPITAL

| | | | |
|-------------------|---|------------------|------------------|
| U.S. Investors | | \$411,272 | \$419,051 |
| Guyana Investors | | 134,645 | 138,421 |
| | | <u>\$545,917</u> | <u>\$557,472</u> |
| Sundry Creditors | | 4,507 | 3,142 |
| | | <u>\$550,424</u> | <u>\$560,614</u> |
| Represented by: | | | |
| Mortgage Accounts | 6 | \$548,257 | \$555,584 |
| Cash in Hand | | 2,167 | 5,030 |
| | | <u>550,424</u> | <u>560,614</u> |



Revenue, Expenditure & Appropriation Accounts

FOR THE YEAR ENDED 31ST. DECEMBER, 1972.

REVENUE

| | NOTES | 1972 | 1971 |
|--|-------|-------------------|-------------------|
| Interest Earned On: | | | |
| Mortgage Accounts | | \$ 797,415 | \$ 664,682 |
| Housing Loans - Purchase Tenancies | | 6,923 | 7,236 |
| Temporary Loans | | 6,032 | 4,907 |
| Bank Deposits & Treasury Bills | | 43,893 | 17,587 |
| Investments | | <u>136,999</u> | <u>101,351</u> |
| | | \$ 991,262 | \$ 795,763 |
| Net Profit/(Loss) on Sale of Investments | | (19,909) | 56,580 |
| Profit on Disposal of Fixed Assets | | 2,475 | --- |
| Fees, Commissions, Rule Books sold etc. | | 4,134 | 3,727 |
| Administration Fees: | | | |
| Public Officers Housing Loan Funds & Other Schemes | | <u>16,974</u> | <u>16,057</u> |
| | | <u>\$ 994,936</u> | <u>\$ 872,127</u> |

EXPENDITURE

| | | | |
|---|---|-------------------|-------------------|
| Administration Expenses: | | | |
| Management | | \$210,211 | \$ 165,848 |
| Directors' Fees | | 8,400 | 8,400 |
| Audit Fees | | 7,500 | 6,000 |
| Office Premises | | 2,539 | 4,715 |
| Donations to Charity & for Educational Purposes | | 4,000 | 2,755 |
| Depreciation | 1 | <u>10,975</u> | <u>9,778</u> |
| | | <u>\$ 243,625</u> | <u>\$ 197,496</u> |

BALANCE DISTRIBUTED AS FOLLOWS

| | | | |
|--|--|-------------------|-------------------|
| Interest On: | | | |
| Deposits | | \$ 36,441 | \$ 36,962 |
| Five Dollar Shares | | 284,527 | 266,033 |
| Save & Prosper Shares | | 376,147 | 275,338 |
| Subscription Investing Shares | | 1,334 | 1,533 |
| Fully Paid Investing Shares | | 7 | 8 |
| | | <u>\$ 698,456</u> | <u>\$ 579,874</u> |
| Transferred to Provision for Investments | | <u>\$ ---</u> | <u>\$ 56,580</u> |

BALANCE TRANSFERRED TO GENERAL RESERVE

| | | | |
|--|--|------------------|---------------|
| | | <u>\$ 52,855</u> | <u>38,177</u> |
|--|--|------------------|---------------|



Notes to the Accounts

1. SUMMARY OF MOVEMENT IN FIXED ASSETS FOR THE YEAR TO 31ST DECEMBER, 1972.

| | Land | Buildings | Motor Vehicles | Office Furniture | Machinery and Equipment | Total |
|----------------------------|-----------|-----------|----------------|------------------|-------------------------|-----------|
| COST AND VALUATION | | | | | | |
| Balances at 1.1.72 | | | | | | |
| Cost | \$ --- | \$244,200 | \$ 6,291 | \$24,392 | \$ 47,799 | \$322,692 |
| Valuation | 104,830 | --- | --- | --- | --- | 104,830 |
| | 104,830 | \$244,200 | \$ 6,291 | \$24,392 | \$ 47,799 | \$427,512 |
| Additions | --- | 5,979 | 7,917 | 249 | 9,521 | 23,666 |
| | \$104,830 | \$250,179 | \$14,208 | \$24,641 | \$ 57,320 | \$451,178 |
| Disposals for year | --- | 5,976 | 6,291 | --- | --- | 12,267 |
| Balance at 31.12.72 | \$104,830 | \$244,203 | \$ 7,917 | \$24,641 | \$ 57,320 | \$438,911 |
| DEPRECIATION | | | | | | |
| Balance at 1.1.72 | \$ --- | \$ 18,103 | \$ 4,718 | \$15,724 | \$ 39,598 | \$ 78,143 |
| Charge for year | --- | 4,847 | 1,708 | 1,658 | 2,762 | 10,975 |
| | \$ --- | \$ 22,950 | \$ 6,426 | \$17,382 | \$ 42,360 | \$ 89,118 |
| Delete on Disposals | --- | --- | 5,766 | --- | --- | 5,766 |
| Depreciation Adjustment | --- | (58) | --- | --- | 58 | --- |
| Balance at 31.12.72 | \$ --- | \$ 22,892 | \$ 660 | \$17,382 | \$ 42,418 | \$ 83,352 |
| Net Book Value at 31.12.72 | \$104,830 | \$221,311 | \$ 7,257 | \$ 7,259 | \$ 14,902 | \$355,559 |

| 1971 | | 2. BALANCES DUE BY BORROWERS ON MORTGAGE ACCOUNTS | | 1972 | |
|-------------------|-----------|---|--------|-------------------|------------|
| No. Of Securities | Amount | | | No. of Securities | Amount |
| | \$ | | | | \$ |
| 130 | 24,256 | (a) Where the balances do not exceed \$ 500 | \$ 500 | 105 | 19,384 |
| 121 | 91,543 | (b) Where the balances exceed \$ 500 but not 1,000 | 1,000 | 111 | 84,467 |
| 338 | 547,796 | (c) Where the balances exceed 1,000 but not 2,000 | 2,000 | 353 | 543,279 |
| 287 | 712,073 | (d) Where the balances exceed 2,000 but not 3,000 | 3,000 | 273 | 667,983 |
| 215 | 746,811 | (e) Where the balances exceed 3,000 but not 4,000 | 4,000 | 246 | 854,150 |
| 224 | 1,004,357 | (f) Where the balances exceed 4,000 but not 5,000 | 5,000 | 223 | 1,004,728 |
| 535 | 3,727,259 | (g) Where the balances exceed 5,000 but not 10,000 | 10,000 | 630 | 4,446,233 |
| 144 | 1,697,786 | (h) Where the balances exceed 10,000 but not 15,000 | 15,000 | 164 | 1,977,388 |
| 58 | 1,011,226 | (i) Where the balances exceed 15,000 but not 20,000 | 20,000 | 73 | 1,285,569 |
| 7 | 187,999 | (j) Where the balances exceed 20,000 | | 10 | 247,998 |
| 2,059 | 9,751,106 | | | 2,188 | 11,131,179 |



Notes to the Accounts

| | | | | | | |
|----|---------|---|------------|-------------------|-------------------------------|------------|
| 7 | 46,763 | 3. HOUSING LOANS | | | | |
| 7 | 46,763 | (a) Where the balances do not exceed \$ 2,000 | \$ 2,000 | --- | | |
| | | (b) Where the balances exceed \$2,000 but not 3,000 | 3,000 | --- | | |
| | | (c) Where the balances exceed 4,000 but not 5,000 | 5,000 | --- | | |
| | | (d) Where the balances exceed 5,000 but not 8,000 | 8,000 | 7 42,710 | | |
| | | (e) Where the balances exceed 8,000 but not 9,000 | 9,000 | --- | | |
| | | (f) Where the balances exceed 9,000 but not 10,000 | 10,000 | --- | | |
| 7 | 46,763 | | | 7 42,710 | | |
| | | 4. PUBLIC OFFICERS' HOUSING LOAN FUNDS | | | | |
| | | FIRST FUND | | | | |
| 5 | 1,532 | (a) Where the balances do not exceed \$ 500 | \$ 500 | 4 441 | | |
| 4 | 2,754 | (b) Where the balances exceed \$ 500 but not 1,000 | 1,000 | 1 672 | | |
| 1 | 1,962 | (c) Where the balances exceed 1,000 but not 2,000 | 2,000 | --- | | |
| 2 | 4,928 | (d) Where the balances exceed 2,000 but not 3,000 | 3,000 | 2 5,010 | | |
| 1 | 3,435 | (e) Where the balances exceed 3,000 but not 4,000 | 4,000 | --- | | |
| 1 | 4,612 | (f) Where the balances exceed 4,000 but not 5,000 | 5,000 | 1 4,171 | | |
| | | (g) Where the balances exceed 5,000 but not 10,000 | 10,000 | --- | | |
| 14 | 19,223 | | | 8 10,294 | | |
| | | 5. SECOND FUND | | | | |
| 1 | 1,795 | (a) Where the balances exceed \$1,000 but not \$2,000 | \$2,000 | 3 4,136 | | |
| 3 | 7,943 | (b) Where the balances exceed 2,000 but not 3,000 | 3,000 | 1 2,083 | | |
| 3 | 10,936 | (c) Where the balances exceed 3,000 but not 4,000 | 4,000 | 3 9,890 | | |
| 5 | 23,245 | (d) Where the balances exceed 4,000 but not 5,000 | 5,000 | 4 18,667 | | |
| 11 | 75,671 | (e) Where the balances exceed 5,000 but not 10,000 | 10,000 | 10 70,352 | | |
| 4 | 55,614 | (f) Where the balances exceed 10,000 | | 3 46,192 | | |
| 27 | 175,204 | | | 24 151,320 | | |
| | | 6. BREZINA-GUYANA HOUSING PROJECT | | | | |
| 4 | 36,756 | (a) Where the balances exceed \$5,000 but not \$10,000 | \$10,000 | 4 36,392 | | |
| 46 | 518,828 | (b) Where the balances exceed 10,000 but not 15,000 | 15,000 | 46 511,865 | | |
| 50 | 555,584 | | | 50 548,257 | | |
| | | 7. INVESTMENTS | | | | |
| | | | Face Value | Mid Market Prices | Market Value (G\$ Equivalent) | Book Value |
| | | Australia 5½% Registered Stock 1981/82 | \$391,646 | 77 | 301,567 | 259,468 |
| | | Australia 6½% Registered Stock 1981/83 | 149,819 | 77 | 115,361 | 95,999 |
| | | Barbados Government Development (1967) 7½% Loan 1975/85 | 27,000 | 94 | 25,380 | 24,500 |
| | | British Guiana Government 3½% Bonds 1976/86 | 2,600 | 50 | 1,300 | 1,677 |

CONTINUED OVER

INVESTMENTS CONTINUED

| | | | | |
|---|---------|-----------|--------------------|--------------------|
| British Guiana Government 6% Bonds 1969/79 | 25,000 | 78 | 19,500 | 25,000 |
| British Guiana Government 7% Debentures 1966/86 | 50,000 | 78 | 38,000 | 50,000 |
| British Guiana Government 7% Debentures 1975 | 15,000 | 90 | 13,500 | 15,000 |
| British Guiana Government Treasury Savings Certificate 1968/75 | 5,000 | — | 7,000 | 5,000 |
| Funding Loan 6½% 1985/87 | 109,671 | 80% | 88,285 | 80,960 |
| Government of Guyana 7% Debentures 1977 | 66,000 | 88 | 58,080 | 62,800 |
| Mayor & Town Council 4% Bonds 1965/80 | 4,500 | 67 | 3,015 | 3,330 |
| Mayor & Town Council of New Amsterdam 8% Equated Annuity Municipal Registered Bonds | 19,790 | 82 | 16,228 | 19,790 |
| Mayor & Town Council of New Amsterdam 8% Equated Annuity Registered Bonds | 10,000 | 82 | 8,200 | 10,000 |
| Mayor & Town Council of New Amsterdam 7% Equated Annuity Bearer Bonds 1984 | 17,918 | 79 | 14,155 | 17,918 |
| New Zealand (Govt. of) 3½% Stock 1981/84 | 16,885 | 62 | 10,469 | 11,934 |
| New Zealand (Govt. of) 7½% Stock 1983/86 | 31,260 | 86 | 26,884 | 25,408 |
| Northern Rhodesia (Govt. of) 4% Stock 1972/74 | 5,803 | 87 | 5,049 | 5,161 |
| Northern Rhodesia (Govt. of) 5% Stock 1975/80 | 66,099 | 68 | 44,947 | 40,233 |
| Northern Rhodesia (Govt. of) 6% 1976/79 | 4,836 | 74 | 3,578 | 4,358 |
| Treasury Loan 6¼% 1995/98 | 197,699 | 74 | 146,297 | 139,456 |
| Treasury Loan 8¼% 1997 | 90,758 | 93 | 84,405 | 79,449 |
| Treasury Loan 9% 1994 | 253,807 | 94 | 238,579 | 221,963 |
| Treasury Loan 9% 1992/96 | 10,368 | 95½ | 9,901 | 9,238 |
| Treasury Loan 8% 2002/06 | 417,269 | 84 | 350,506 | 369,516 |
| Treasury Loan 7¼% 2012/15 | 34,204 | 78% Ex.D. | 26,850 | 30,563 |
| | | | <u>\$1,658,036</u> | <u>\$1,608,721</u> |

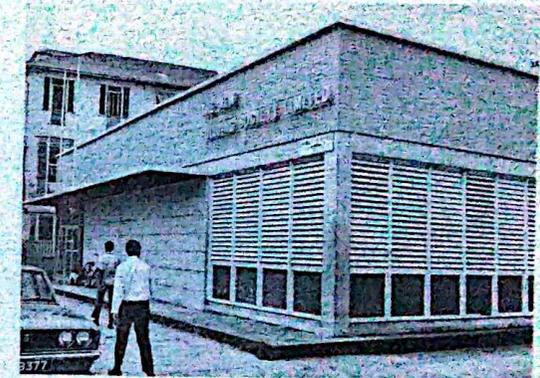
8. Commitments for capital expenditure authorised and contracted for at 31st December, 1972 — \$14,459; (1971: Nil).

9. INVESTMENT RESERVE

In 1971 the Investment Reserve was classified as Provision for Investments and the balance was shown in the Notes to the Accounts as a deduction from the gross book Value of Investments at 31st December, 1971. This year the amount has been reclassified and shown as a Reserve and has not been deducted from the book value of Investments.



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.



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.