

37th. annual report

THIRTY-SEVENTH ANNUAL
REPORT & ACCOUNTS OF
THE NEW BUILDING SOCIETY LIMITED

NOTICE is hereby given that the Thirty-Seventh Annual General Meeting of the Members of The New Building Society Limited, will be held at 5.00 p.m. on MONDAY 25th APRIL, 1977 at St. Stanislaus College Brickdam, Georgetown.

A G E N D A

1. To consider the Annual Report of the Directors and the Financial Statement for the year 1976.
2. To elect the Directors for the period 1977 to 1979
3. To fix the remuneration of Directors for the year 1977.
4. To appoint Auditors for the year 1977, and to fix their remuneration.
5. To approve of an amount of \$12,500.00 to be donated to charity and for educational purposes.
6. Any other business of which due notice shall have been given.

BY ORDER OF THE BOARD

JULES de CAMBRA

Secretary/Director

13th of April 1977

Report of the Directors

FOR THE YEAR ENDED 31ST DECEMBER, 1976

Your Directors have much pleasure in submitting the Thirty-Seventh Annual Report and Statement of Accounts of the Society for the year ended 31st December, 1976.

SHARES & DEPOSITS

The total number of new accounts opened during 1976 was 5,297, and the total investments in the Society increased by \$8,721,444 to \$35,832,259. There has been during the year a great increase in the number of shareholders and depositors saving with the Society. The total number of accounts is now 20,765.

TOTAL NET ASSETS

These have increased by \$8,969,615 during 1976 to \$37,808,572.

This figure does not include:-

- (1) The Public Officers' Housing Loan Funds (Totalling \$116,374) which are administered by the Society on behalf of the Government of Guyana;
- (2) The Brezina-Guyana Housing Project (\$1,046,301) which the Society is administering on behalf of a number of U.S. and Guyanese Insurance Companies; and
- (3) The Greater Mackenzie Development Trust (\$454,751) which the Society is administering on behalf of the Linden Community Development Association.

MORTGAGE LOANS

During 1976, the sum of \$8342,710 was advanced on mortgage to borrowing members which enabled them to acquire their own homes, or to improve and/or renovate their homes.

At 31st December, 1976, the Society acquired the balances due on 12 mortgages under the former Booker Employees' Housing Loan Scheme. These totalled \$72,141. *Total to date \$39,028,366*

The Revenue Reserve was increased by \$248,171 to \$1,920,485, and the total reserves at the end of the year were \$1,976,313.

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). During the year three properties came into the possession of the Society, and have since been sold.

TOP FLAT

The Contract for the erection of the Top Flat to the Society's Chief Office has been agreed, and work which is in progress, should be completed by the end of July, 1977.

DIRECTORATE

Mr. E.B. Hasnudeen left the Country in December, 1976, to take up permanent residence in the United Kingdom, and resigned as at the 31st December, 1976. Mr. Mooneer Khan was appointed to fill the vacancy. This appointment was made under the Society's Rule 43.

Under the provisions of the Society's Rule 47, the Directors whose names are given below retire after the Thirty-Seventh Annual General Meeting. They are eligible, and offer themselves for re-election:-

C.H. da Silva, Esq., FCIS. Dr. J.K.M. Richmond, D.D.S., C.V. Too-Chung, Esq., FCCA., ACIS., Miss T. Gaskin J.I. Fernandes, Esq., Mooneer A. Khan, Esq., J.P.



Report of the Directors

FOR THE YEAR ENDED 31ST DECEMBER, 1976

AUDITORS

At the last Annual General Meeting, Messrs. Pannell Fitzpatrick & Co., Chartered Accountants, were appointed the Society's Auditors for 1976, but they have ceased practice in the Country during the year, and as a result the Directors appointed Messrs. Jack A. Alli, Sons & Company the Society's Auditors for 1976.

They retire, but have indicated their willingness to be re-appointed.

11th April 1977.

Directors

Chairman: C.H. da Silva, Esq., F.C.I.S.
 Vice-Chairman: Dr. J.K.M. Richmond, D.D.S.
 C.V. Too-Chung, Esq., F.C.C.A., A.C.I.S.
 Miss T. Gaskin
 J.I. Fernandes, Esq.
 Mooneer Khan, Esq., J.P.
 Jules de Cambra, Esq.

SOLICITORS

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

REPORT OF THE AUDITORS TO THE MEMBERS OF THE NEW BUILDING SOCIETY LIMITED:

We have examined the attached accounts set out on pages 3 to 13 which are in accordance with the books of the Society, and have obtained all the information and explanations we have required.

We have inspected the mortgage deeds, transports, purchase-tenancy contracts and other securities and title deeds and found them to be in order.

In our opinion these accounts are properly drawn up so as to give a true and correct view of the state of the affairs of the Society at 31st December, 1976; of the excess of income over expenditure and of the source and application of funds for the year then ended, in accordance with generally accepted accounting principles applied on a consistent basis.

JACK A. ALLI, SONS & CO.
 AUDITORS

145 Crown Street, Queenstown
 GEORGETOWN.

19th March, 1977

C.H. da SILVA
 Chairman

BANKERS

Barclays Bank International, Ltd.
 Royal Bank of Canada
 Guyana National Co-Operative Bank.

AUDITORS

Jack A. Alli, Sons & Co.
 145 Crown Street.
 Georgetown.



Balance Sheet

AS AT 31ST DECEMBER, 1976

		1975	1976
		\$	\$
CAPITAL			
Due to Shareholders:			
Fully paid investing shares		615	16,318,246
Five dollar shares		21,332,585	8,264,202
Save and prosper shares		12,137,312	9,273
Subscription investing shares		8,740	9,273
		<u>33,479,252</u>	<u>24,592,329</u>
Due to depositors		2,353,007	2,518,486
TOTAL CAPITAL		<u>35,832,259</u>	<u>27,110,815</u>
RESERVES			
	1	1,976,313	1,728,142
TOTAL CAPITAL AND RESERVES		<u>\$ 37,808,572</u>	<u>\$ 28,838,957</u>
Represented by:			
FIXED ASSETS	2	504,670	381,864
INVESTMENTS	3	5,365,158	3,982,407
LOAN ASSETS			
Mortgage accounts	4	25,607,945	20,607,970
Housing loans	5	18,057	22,680
Brezina-Guyana Housing Project		83,260	92,969
Properties in possession		41,451	26,568
Temporary loans		15,866	30,473
		<u>25,766,579</u>	<u>20,780,660</u>
CURRENT ASSETS			
Debtors and prepayments		167,447	100,411
Cash at bank and in hand		570,300	115,837
Treasury bills at cost		5,570,484	3,697,685
		<u>6,308,231</u>	<u>3,913,933</u>
LESS - CURRENT LIABILITIES			
Creditors and accruals	10	136,066	219,907
NET CURRENT ASSETS		<u>6,172,165</u>	<u>3,694,026</u>
TOTAL NET ASSETS		<u>\$ 37,808,572</u>	<u>\$ 28,838,957</u>

C.H. da Silva, Director; J.K.M. Richmond, Director; Jules de Cambra, Secretary.



Revenue, Expenditure & Appropriation Accounts

FOR THE YEAR ENDED 31ST DECEMBER, 1976



Funds Administered by the Society

AT 31ST DECEMBER, 1976

	\$	1975 \$
REVENUE		
Interest earned on:		
Mortgage loans	1,755,398	1,504,514
Housing loans & purchase tenancies	7,625	9,669
Temporary loans	957	3,098
Treasury bills	268,909	133,315
Investments	409,649	315,462
Net profit on sale of investments	1,664	3,076
Fees, commissions, rule books, etc.	11,179	8,219
Administration fees, P.O.H.L.S. & others	20,763	20,404
Profit on sale of fixed assets	100	—
	<u>2,476,244</u>	<u>1,997,757</u>
EXPENDITURE		
Management expenses	337,322	345,672
Directors' fees	11,220	10,000
Audit fees	9,000	9,702
Office premises	6,596	6,231
Charitable and educational donations	11,813	9,134
Depreciation	23,313	17,052
Bad debts provision no longer required	(19,911)	—
	<u>379,353</u>	<u>397,791</u>
Excess of income over expenditure	<u>\$ 2,096,891</u>	<u>\$ 1,599,966</u>
Distributed as follows —		
Interest on:		
Fully paid investing shares	8	8
Five dollar shares	1,090,812	859,263
Save and prosper shares	645,574	486,815
Subscription investing shares	417	680
Deposits	<u>111,909</u>	<u>78,302</u>
	1,848,720	1,425,068
Unappropriated income transferred to revenue reserve	<u>248,171</u>	<u>174,898</u>
	<u>\$ 2,096,891</u>	<u>\$ 1,599,966</u>

A. BREZINA-GUYANA HOUSING PROJECT

	NOTES	\$	1975 \$
LIABILITIES			
U.S. investors		737,276	831,909
Guyana investors		236,211	266,166
Sundry creditors		72,814	72,250
		<u>1,046,301</u>	<u>1,170,325</u>
Represented by:			
ASSETS			
Mortgages	6	982,465	1,051,396
Sundry debtors		63,836	98,737
Cash in hand		—	20,192
		<u>1,046,301</u>	<u>1,170,325</u>

B. GREATER MACKENZIE DEVELOPMENT TRUST

	NOTES	\$	1975 \$
LIABILITIES			
Greater Mackenzie Trust		454,751	—
Represented by:			
ASSETS			
Mortgages	7	454,751	—

The assets and liabilities of this fund, administered by the Society, were included in the Society's assets and liabilities in 1975. The comparative figures for 1975 are reflected in note 7.



Funds Administered by the Society

AT 31ST DECEMBER, 1976



Notes to the Accounts

AT 31ST DECEMBER, 1976

C. PUBLIC OFFICERS' HOUSING LOAN FUNDS

	NOTES	\$	1975 \$
LIABILITIES			
<u>First Fund</u>			
Advanced by Government		1,452	1,449
Excess of income over expenditure		4,457	4,412
		<u>5,909</u>	<u>5,861</u>
<u>Second Fund</u>			
Advanced by Government		163,939	165,792
Less - Accumulated overpayment of interest		61,422	61,422
		102,517	104,370
Excess of income over expenditure		7,948	6,529
		<u>110,465</u>	<u>110,899</u>
		<u>116,374</u>	<u>116,760</u>
Represented by:			
<u>ASSETS</u>			
<u>First Fund</u>			
Mortgages	8	1,028	1,286
Cash at bank		4,869	4,563
Sundry debtors		12	12
		<u>5,909</u>	<u>5,861</u>
<u>Second Fund</u>			
Mortgages	9	52,383	94,799
Cash at bank		58,082	16,100
		<u>110,465</u>	<u>110,899</u>
		<u>116,374</u>	<u>116,760</u>

1. RESERVES

CAPITAL

Balance at 1st January and 31st December, 1976 55,828 55,828

REVENUE

Balance at 1st January, 1976 1,672,314 1,497,416

Add:

Unappropriated Income for the year 248,171 174,898

Balance at 31st December, 1976 1,920,485 1,672,314

TOTAL RESERVES

1,976,313 1,728,142

2. FIXED ASSETS

At 31st December, 1976	Cost/ Valuation	Accumulated Depreciation	Net Book Value	Net Book Value
Land	94,830	-	94,830	94,830
Buildings	252,330	43,044	209,286	214,332
Motor Vehicles	7,917	7,917	-	1,319
Office Equipment	57,939	25,026	32,913	15,372
Machinery and Equipment	165,100	57,562	107,538	56,011
Construction-in-Progress	60,103	-	60,103	-
	<u>638,219</u>	<u>133,549</u>	<u>504,670</u>	<u>381,864</u>

Movements to Fixed Assets

Cost/Valuation at 1st January, 1976 507,402

Additions at Cost -

Office Equipment 20,658

Machinery and Equipment 65,356

Construction-in-Progress 60,103

653,519

Disposals at Cost

Machinery and Equipment 15,300

Cost/Valuation at 31st December, 1976 \$ 638,219

Notes of the Accounts CONT'D.

AS AT 31ST DECEMBER, 1976 .

	Nominal	Market Value	Book Value	1975 Book Value
3. INVESTMENTS				
5½% Australia 1981/82 stock	£ \$75,172	\$259,345	\$259,468	\$259,468
6% Australia 1981/83 stock	£ 28,756	92,020	95,999	95,999
7% Australia 1979/81 stock	£ 10,000	38,500	39,229	—
7¼% Barbados Government Development (1967) loan 1975/85	EC\$ 20,500	23,431	20,090	22,295
3½ British Guiana Government 1976/86 bonds	G\$ 2,600	1,300	1,677	1,677
6% British Guiana Government 1969/79 bonds	30,000	25,500	28,750	28,750
7% British Guiana Government 1966/86 debentures	50,000	43,000	50,000	50,000
7% British Guiana Government 1977 debentures	—	—	—	15,000
7% British Guiana Government 1975 debentures	—	—	—	19,000
British Guiana treasury savings certificates 1968/75	—	—	—	5,000
6% Funding loan 1985/87	£ 21,050	70,520	80,960	80,960
6% Funding loan 1993	£ 17,568	46,115	60,094	60,094
7% Government of Guyana 1977 registered debentures	G\$ 66,000	66,000	62,800	62,800
7% Government of Guyana 1983 first issue debentures	500,000	465,000	500,000	500,000
7% Government of Guyana 1983 third issue debentures	500,000	465,000	500,000	500,000
7% Government of Guyana 1976 loan	1,000,000	860,000	1,000,000	—
7% Government of Guyana F.D. debentures	50,000	48,000	42,500	—
4% Mayor & Town Council 1965/80 bonds	8,500	4,930	5,717	5,717
8% Mayor & Town Council 1991 E.A. registered bonds	17,768	16,880	17,768	18,342
8% Mayor & Town Council 1995 F.D. registered bonds	150,000	150,000	150,000	150,000
8% Mayor & Town Council N.A. 1992 E.A. registered bonds	9,029	8,487	9,029	9,300
7% Mayor & Town Council N.A. 1984 E.A. registered bonds	13,700	12,056	13,700	14,852
balances carried forward		<u>2,696,084</u>	<u>2,937,781</u>	<u>1,899,254</u>

Notes to the Accounts CONT'D.

AS AT 31ST DECEMBER, 1976

	Nominal	Market Value	Book Value	1975 Book Value
3. INVESTMENTS				
brought forward				
balances brought forward		\$ 2,696,084	\$ 2,937,781	\$ 1,899,254
8% Mayor & Town Council N.A. 1983 E.A. registered bonds	G\$ 465,200	465,200	465,200	477,700
8% Mayor & Town Council 1975/85 No. 2 F.D. registered bonds	246,000	246,000	246,000	246,000
8% Mayor & Town Council 1976/86 F.D. registered bonds	250,000	250,000	250,000	—
3½% New Zealand Government 1981/84 stock	£ 3,241	9,495	11,934	11,934
7% New Zealand Government 1983/86 stock	£ 14,062	46,405	52,010	52,010
9% Treasury stock 1980	£ 40,077	175,840	177,468	177,468
6¼% Treasury loan 1995/98	£ 37,946	96,760	139,456	139,456
8¼% Treasury loan 1997	£ 17,420	56,615	79,449	79,449
9% Treasury loan 1992/96	£ 7,283	24,400	27,063	27,063
8% Treasury loan 2002/06	£ 80,090	230,260	369,516	369,516
7¼% Treasury loan 2012/15	£ 37,127	99,315	152,830	152,830
8¼% Treasury loan 1984/86	£ 19,813	76,775	83,995	52,508
12¼% Treasury loan 1995	£ 16,805	73,100	75,256	75,256
12% Treasury loan 1983	£ 15,889	75,075	75,237	—
9% Treasury loan 1994	£ 48,715	161,980	221,963	221,963
		<u>4,783,304</u>	<u>5,365,158</u>	<u>3,982,407</u>



Notes to the Accounts CONT'D.

AS AT 31ST DECEMBER, 1976

1975

4. MORTGAGE ACCOUNTS

	No. of Securities	Amount	No. of Securities	Amount
		\$		\$
Balances not exceeding \$500	172	21,734	170	21,603
Balances exceeding \$500 but not \$1,000	94	71,858	90	68,289
Balances exceeding \$1,000 but not \$2,000	259	376,092	317	475,062
Balances exceeding \$2,000 but not \$3,000	183	457,728	232	572,573
Balances exceeding \$3,000 but not \$4,000	231	806,131	200	705,360
Balances exceeding \$4,000 but not \$5,000	228	1,049,299	227	1,020,000
Balances exceeding \$5,000 but not \$10,000	931	6,823,210	936	6,850,431
Balances exceeding \$10,000 but not \$15,000	541	6,699,101	423	5,204,277
Balances exceeding \$15,000 but not \$20,000	361	6,297,941	287	5,059,625
Balances exceeding \$20,000 but not \$25,000	69	1,572,416	15	302,265
Balances exceeding \$25,000 but not \$30,000	46	1,282,124	7	191,203
Balances exceeding \$30,000	5	150,311	4	137,282
	<u>3,120</u>	<u>25,607,945</u>	<u>2,908</u>	<u>20,607,970</u>

5. HOUSING LOANS

Balances exceeding \$3,000 but not \$4,000	1	3,934	-	-
Balances exceeding \$4,000 but not \$5,000	2	8,894	5	22,680
Balances exceeding \$5,000	1	5,229	-	-
	<u>4</u>	<u>18,057</u>	<u>5</u>	<u>22,680</u>



Notes to the Accounts CONT'D.

AS AT 31ST DECEMBER, 1976

1975

6. BREZINA-GUYANA HOUSING PROJECT

	No. of Securities	Amount	No. of Securities	Amount
Balances not exceeding \$500	1	(116)	3	1,444
Balances exceeding \$500 but not \$1,000	-	-	1	920
Balances exceeding \$1,000 but not \$5,000	1	2,489	1	3,921
Balances exceeding \$5,000 but not \$10,000	12	100,744	10	84,005
Balances exceeding \$10,000 but not \$15,000	77	879,348	81	930,100
Balances exceeding \$15,000 but not \$20,000	-	-	3	31,006
	<u>91</u>	<u>982,465</u>	<u>99</u>	<u>1,051,396</u>

7. GREATER MACKENZIE DEVELOPMENT TRUST

Balances not exceeding \$500	5	1,129	8	1,194
Balances exceeding \$500 but not \$1,000	9	7,171	4	3,501
Balances exceeding \$1,000 but not \$2,000	19	31,104	24	37,169
Balances exceeding \$2,000 but not \$3,000	17	40,515	16	37,171
Balances exceeding \$3,000 but not \$4,000	6	20,216	5	15,804
Balances exceeding \$4,000 but not \$5,000	4	17,162	6	26,152
Balances exceeding \$5,000 but not \$10,000	23	169,377	22	171,205
Balances exceeding \$10,000 but not \$15,000	4	52,511	4	49,078
Balances exceeding \$15,000 but not \$20,000	1	16,425	3	54,385
Balances exceeding \$20,000 but not \$25,000	1	23,341	-	-
Balances exceeding \$25,000 but not \$30,000	-	-	1	25,440
Balances exceeding \$30,000	2	75,800	2	77,071
	<u>91</u>	<u>454,751</u>	<u>95</u>	<u>498,170</u>

8. PUBLIC OFFICERS' HOUSING LOAN FUNDS

	1975			
	No. of Securities	Amount	No. of Securities	Amount
<u>First Fund</u>				
Balances exceeding \$1,000 but not \$2,000	1	1,028	1	1,286

9. PUBLIC OFFICERS' HOUSING LOAN FUNDS

<u>Second Fund</u>				
	No. of Securities	Amount	No. of Securities	Amount
Balances not exceeding \$500 but not \$1,000	1	101	2	295
Balances exceeding \$500 but not \$1,000	—	—	—	—
Balances exceeding \$1,000 but not \$2,000	2	3,592	2	3,445
Balances exceeding \$2,000 but not \$3,000	3	7,603	1	2,971
Balances exceeding \$3,000 but not \$4,000	1	3,490	3	9,907
Balances exceeding \$4,000 but not \$5,000	4	17,144	3	13,146
Balances exceeding \$5,000 but not \$10,000	1	9,423	2	13,796
Balances exceeding \$10,000 but not \$15,000	1	11,030	1	11,400
Balances exceeding \$15,000 but not \$20,000	—	—	1	15,986
Balances exceeding \$20,000	—	—	1	23,853
	<u>13</u>	<u>52,383</u>	<u>16</u>	<u>94,799</u>

10. Included in this figure is \$58,644 which was collected from Brezina's debtors but was not paid over as at 31st December, 1976 (1975 - \$98,736).

11. (a) Capital expenditure authorised and contracted for amounted to \$91,255 (1975 - nil).

(b) Capital expenditure authorised but not contracted for amounted to \$341,571 (1975 - \$5,248).

	\$	\$	\$
<u>SOURCE OF FUNDS</u>			
Unappropriated income for the year		248,171	
Adjustment for items not involving the movement of funds:			
Depreciation		23,313	
		<u>271,484</u>	
<u>TOTAL GENERATED FROM OPERATIONS</u>			
<u>FUNDS FROM OTHER SOURCES</u>			
Advances by Shareholders	24,087,260		
Deposits received	4,037,660		
Loan assets repaid	3,356,791		
Investments redeemed	55,700	31,537,411	31,808,895
		<u>31,537,411</u>	
<u>APPLICATION OF FUNDS</u>			
Repayments to Shareholders		15,200,337	
Deposits repaid		4,203,139	
Loan assets advanced		8,342,710	
Purchase of fixed assets		146,117	
Investments purchased		1,438,453	
		<u>29,330,756</u>	
			2,478,139
<u>INCREASE/(DECREASE) IN WORKING CAPITAL</u>			
Increase in debtors			67,036
Decrease in creditors			83,841
Movement in net liquid funds:			
Increase in cash balances	454,463		
Increase in short term investments	1,872,799		
		<u>2,327,262</u>	
			<u>\$ 2,478,139</u>

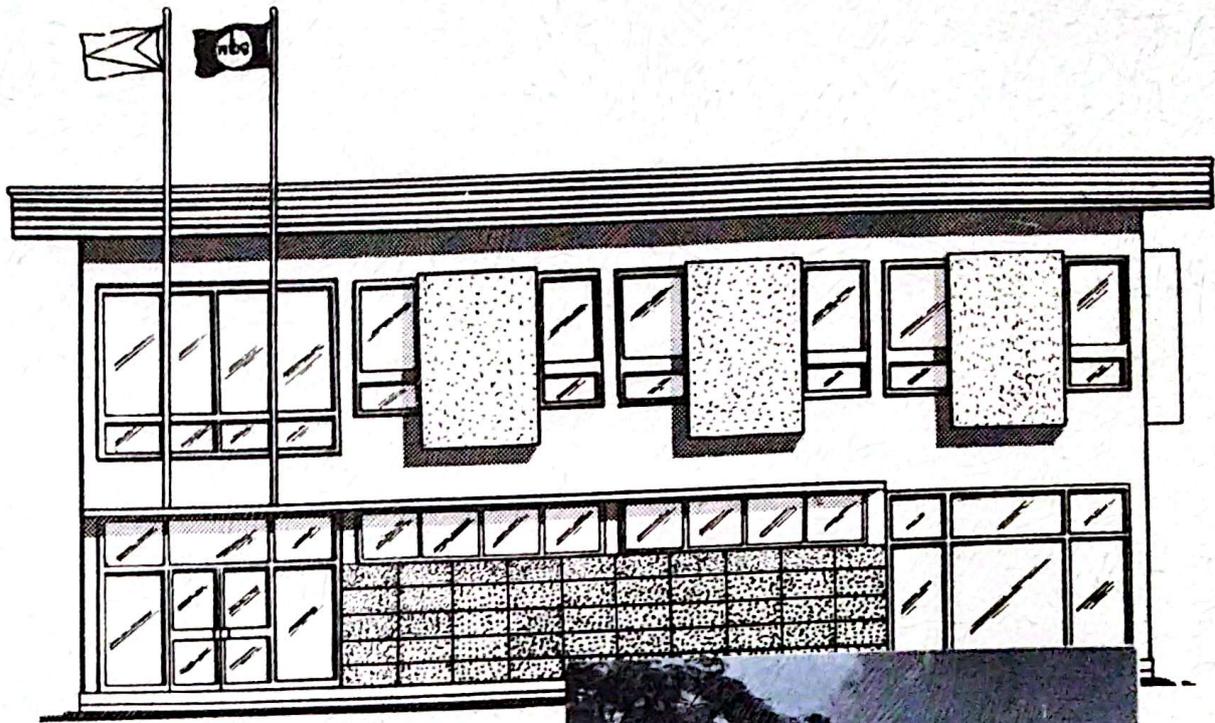
Accounting Policies

(1) DEPRECIATION

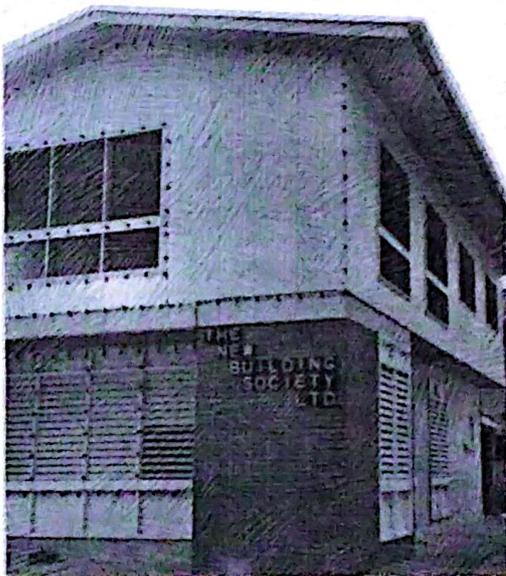
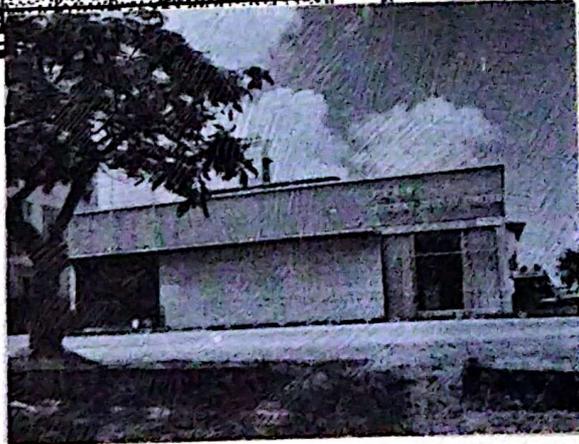
All assets are depreciated over their estimated useful lives on a straight-line basis.

(2) PENSION SCHEME

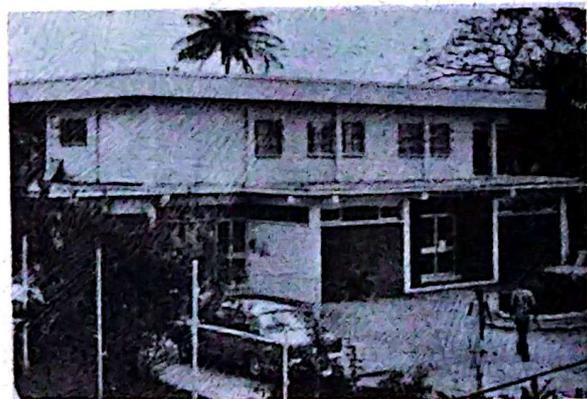
The Society operates a participatory pension scheme, funded by the Royal Bank Trust Company (Guyana) Limited.



Pictured above, is an artist's Impression of the Georgetown office of the New Building Society as it will appear after the top flat has been completed. Inset, at right, is the Georgetown Office, as it now stands.



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.



CHIEF OFFICE

Lot 1, Avenue of the Republic,
P.O. Box 14,
Georgetown 9,
Tel: 64068.
Guyana, S. Am.

Jules De Cambra, Director/Secretary
Nathalie E. Sam, Assistant Secretary
Samuel A. Ramdeen, Accountant

BRANCH OFFICES:

Linden, Demerara River,
34 A, Republic Avenue,
Tel: 04-3456.
Guyana, S. Am.

New Amsterdam,
15/16 New Street,
Berbice,
Tel: 03-2893.
Guyana, S. Am.