



The New Building Society  
Limited

**40 th Annual Report  
and Financial Statement**  
for the year ended  
31st December 1979



# Notice of Meeting

NOTICE is hereby given that the fortieth Annual General Meeting of the Members of The New Building Society, Limited, will be held at 5.00 p.m. on MONDAY, 31st MARCH, 1980, at the Society's Office, Lot 1, Avenue of the Republic, Georgetown.

## AGENDA

- 1 To consider the Annual Report of the Directors and the Financial Statement for the year 1979.
- 2 To fix the remuneration of the Directors for the year 1980.
- 3 To appoint Auditors for the year 1980, and to fix their remuneration.
- 4 To approve of an amount to be donated to charity and for educational purposes.
- 5 Any other business of which due notice shall have been given.

BY ORDER OF THE BOARD  
JULES de CAMBRA  
Director/Secretary  
14th March, 1980

## DIRECTORS

C.V. Too-Chung, Esq., FCCA., ACIS. — Chairman  
Dr. J.K.M. Richmond, DDS — Vice Chairman  
Miss T. Gaskin  
Mooneer A. Khan, Esq., J.P.  
A.I. Crum-Ewing, Esq., OBE  
C.H. de Silva, Esq., FCS

Jules de Cambra, Esq. — Director/Secretary  
Samuel A. Ramdeen, Esq. — Assistant Secretary  
Maurice L. Arjoon, Esq. — Accountant

## BRANCH MANAGERS

New Amsterdam — Joseph F. Dowlatram Esq.  
Linden — To be appointed.

## SOLICITORS

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

## BANKERS

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

## AUDITORS

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



# Report of the Directors

for the year ended 31st December, 1979

The Directors are pleased to present the Fortieth Annual Report and Financial Statement of the Society for the year ended 31st December, 1979.

## SHARES & DEPOSITS

During the year 6,149 investors opened accounts, and the total investments in the Society increased by \$ 7,196,606 to \$ 83,748,557.

The interest rate structure was again revised during the year as a result of the rise in the Commercial Bank rates. From 16th June, 1979, Interest on Save & Prosper Accounts was increased from 8% to 9% and from 1st July, 1979, Deposit Accounts and Five Dollar Shares earned 7% and 8½% respectively.

No further investment on Save & Prosper Accounts has been accepted during 1979.

## TOTAL NET ASSETS

Total Net Assets at year end stood at \$ 66,659,120.

This figure does not include the Assets of the Public Officers' Housing Loan Fund; The Brezina-Guyana Housing Project and The Linden Community Development Association, which are administered by the Society and shown separately.

## MORTGAGES

The total amount advanced during the Financial Year as loans on the security of freehold and leasehold property was \$ 11,286,853. The total number of mortgages executed was 678.

At 31st December, 1979, there were 4,309

mortgages in force totalling \$ 49,477,643.

One mortgage account was more than twelve months in arrear at the end of the year (Section 17 (1) (c) of the Society's Ordinance), and the total amount of arrears was \$ 1,095.62. No loss is likely to be incurred by the Society should the property be taken into possession.

Mortgage interest rate was increased during the year to 10% per annum.

## RESERVES

The Revenue Reserve was increased by \$215,303 to \$ 2,854,735, and the total reserves at the end of the year were \$ 2,910,563.

## ANNUAL VALUATION

The Annual Valuation of the Assets and Liabilities of the Society (as required by Rule 32) was accepted by the Board.

Changes in Overseas Investments made on the advice of the Society's brokers have resulted in an immediate capital loss, but on the other hand provide a substantial increase in interest earnings.

Two properties were in the Society's possession at year end and will be sold in 1980.

## AUDITORS

The Auditors, Messrs. Jack A. Alli, Sons & Company, Accountants, retire, but have indicated their willingness to be re-appointed.

C.V. TOO-CHUNG  
Chairman  
14th March, 1980

# Report of the Auditors

TO THE MEMBERS OF  
THE NEW BUILDING SOCIETY LIMITED  
for the year ended 31st December, 1979

We have examined the attached accounts set out on pages 2 to 12 which are in accordance with the books of the Society. We 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 under the historical cost convention, modified by the valuation of freehold land, so as to give a true and correct view of the state of the affairs of the Society at 31st December, 1979; of the excess of income over expenditure and of the source and application of funds for the year then ended.

JACK A. ALLI, SONS & CO. AUDITORS

145 Crown Street  
Queenstown  
Georgetown  
GUYANA

28th February, 1980



# Balance Sheet

at 31st December, 1979

	NOTES	1979		1978	
		\$	\$	\$	\$
<b>CAPITAL</b>					
Due to Shareholders:			628		621
Fully paid investing shares			47,739,098		40,840,656
Five dollar shares			11,146,761		11,398,483
Save and prosper shares			8,365		7,768
Subscription investing shares			58,894,852		52,247,528
			<u>4,853,705</u>		<u>4,304,424</u>
Due to depositors			63,748,557		56,551,952
Total capital			<u>2,910,563</u>		<u>2,695,260</u>
<b>RESERVES</b>	1	\$	<u>66,659,120</u>	\$	<u>59,247,212</u>
Total capital and reserves					
Represented by			1,028,288		1,090,856
<b>FIXED ASSETS</b>	2				
			9,021,999		9,025,899
<b>INVESTMENTS</b>	3				
<b>LOAN ASSETS</b>					
Mortgage accounts	4	49,477,643		43,277,886	
Housing loans	5	26,464		9,030	
Brezina-Guyana Housing Project		49,786		59,097	
Properties in possession		33,765		41,508	
Temporary loans		<u>32,179</u>	49,619,837	<u>19,864</u>	43,407,385
<b>CURRENT ASSETS</b>					
Debtors and prepayments		307,865		173,597	
Cash and bank balances		3,451,501		3,826,474	
Treasury bills at cost		<u>3,415,380</u>		<u>1,961,080</u>	
		<u>7,174,746</u>		<u>5,961,131</u>	
<b>LESS - CURRENT LIABILITIES</b>					
Creditors and accruals	9	<u>185,750</u>		<u>238,059</u>	
<b>NET CURRENT ASSETS</b>			<u>6,988,996</u>		<u>5,723,072</u>
Total net assets		\$	<u>66,659,120</u>	\$	<u>59,247,212</u>

C.V. TOO-CHUNG, Director - J.K.M. RICHMOND, Director - JULES de CAMBRA, Secretary



# Revenue, Expenditure & Appropriation Accounts

for the year ended 31st December, 1979

	1979		1978	
	\$	\$	\$	\$
<b>REVENUE</b>				
Interest earned on:				
Mortgage loans		4,207,448		3,218,236
Housing loans and purchase tenancies		5,401		7,193
Temporary loans		1,726		933
Bank Account		278,630		127,265
Treasury Bills		330,671		300,323
Investments		697,518		695,284
Net profit on sale of investments		-		664
Fees, commissions, rule books etc.		41,197		32,687
Administration fees - P.O.H.L.F. and others		11,086		17,083
Net profit on sale of properties in possession		776		1,605
Inspection fees		18,447		9,840
Rents received		<u>18,575</u>		<u>11,100</u>
		<u>5,611,475</u>		<u>4,422,213</u>
<b>EXPENDITURE</b>				
Management expenses		629,853		548,520
Directors' fees		12,600		12,600
Directors' travelling		7,200		5,400
Audit fees		10,000		10,000
Office premises		16,903		15,421
Charitable and educational donations		40,000		40,000
Depreciation		69,836		54,897
Net loss on sale of investments		<u>122,221</u>		-
		<u>908,613</u>		<u>686,838</u>
Excess of income over expenditure		\$ <u>4,702,862</u>		\$ <u>3,735,375</u>
Distributed as follows -				
Interest on:				
Fully paid investing shares		7		8
Five dollar shares		3,290,490		2,285,104
Save and prosper shares		947,263		838,761
Subscription investing shares		625		399
Deposits		<u>299,174</u>		<u>217,016</u>
		<u>4,537,559</u>		<u>3,341,288</u>
Unappropriated income before extraordinary item		165,303		394,087
Extraordinary item (note 12)		<u>50,000</u>		-
Unappropriated income transferred to revenue reserve		\$ <u>215,303</u>		\$ <u>394,087</u>



**A. BREZINA-GUYANA HOUSING PROJECT**

**LIABILITIES**

U.S. investors  
Guyana investors  
Sundry creditors

Represented by:—

**ASSETS**

Mortgages  
Sundry debtors

NOTES	1979 \$	1978 \$
	471,436	599,355
	138,767	165,193
	<u>37,177</u>	<u>46,280</u>
	<u>647,380</u>	<u>810,828</u>
6	605,894	685,696
	<u>41,486</u>	<u>125,132</u>
	<u>647,380</u>	<u>810,828</u>
7	<u>331,336</u>	<u>344,874</u>
8	32,645	33,603
	<u>2,021</u>	<u>10,554</u>
	<u>34,666</u>	<u>44,157</u>

**B. LINDEN COMMUNITY DEVELOPMENT ASSOCIATION**

**LIABILITIES**

Linden Community Development Association

Represented by:

**ASSETS**

Mortgages

**C. PUBLIC OFFICERS' HOUSING LOAN FUNDS**

**LIABILITIES**

Advanced by Government  
Less — Accumulated overpayment of interest

Excess of income over expenditure

Represented by:—

**ASSETS**

Mortgages  
Cash at bank



	1979 \$	1978 \$		
<b>1. RESERVES</b>				
<b>CAPITAL</b>				
Balance at 1st January and 31st December, 1979	<u>55,828</u>	<u>55,828</u>		
<b>REVENUE</b>				
Balance at 1st January, 1979	2,639,432	2,245,345		
Add:				
Income appropriated to reserves for the year	215,205	394,067		
Balance at 31st December, 1979	<u>2,854,735</u>	<u>2,639,432</u>		
<b>TOTAL RESERVES</b>	<u>2,910,563</u>	<u>2,695,260</u>		
<b>2. FIXED ASSETS</b>				
At 31st December, 1979				
	Cost/ Massesion	Accumulated Depreciation	Net Book Value	Net Book Value
	\$	\$	\$	\$
Freehold land	84,830	—	84,830	84,830
Freehold buildings	774,021	175,200	598,821	679,888
Motor vehicles	46,867	13,000	33,867	34,307
Office equipment	73,171	42,212	30,959	34,986
Machinery and equipment	339,522	142,286	197,236	245,845
	<u>1,318,441</u>	<u>225,178</u>	<u>1,028,268</u>	<u>1,090,656</u>
<b>Movements of fixed assets</b>				
Cost/Valuation at 1st January, 1979			1,200,193	
<b>Additions at cost:</b>				
Freehold buildings			776	
Motor vehicles			460	
Office equipment			27,782	
Machinery and equipment			32,860	
Cost/Valuation at 31st December, 1979			<u>1,318,441</u>	
<b>3. INVESTMENTS (at cost)</b>				
<b>LOCAL</b>	<b>Nominal</b>	<b>Market Value</b>	<b>Book Value</b>	<b>Book Value</b>
		\$	\$	\$
<b>Government of Guyana:</b>				
3 1/2% British Guiana Government 1976/86 bonds	G \$ 2,600	832	1,677	1,677
6% British Guiana Government 1969/79 bonds	—	—	—	25,780
7% British Guiana Government 1925/86 debentures	59,000	39,000	59,000	59,000
	<u>52,600</u>	<u>39,832</u>	<u>59,677</u>	<u>86,457</u>



Notes to the  
Accounts Cont'd  
for the year ended 31st December, 1979

3. INVESTMENTS (at cost) (Cont'd) LOCAL	1979			1978
	Nominal	Market Value	Book Value	Book Value
		\$	\$	\$
Government of Guyana				
brought forward	52,600	30,332	51,677	80,427
7% Government of Guyana 1983 First issue debentures	500,000	310,000	500,000	500,000
7% Government of Guyana 1983 third issue debentures	500,000	320,000	500,000	500,000
7% Government of Guyana 1976 loan	1,000,000	590,000	1,000,000	1,000,000
7% Government of Guyana fixed date debentures	50,000	32,500	42,500	42,500
7% Government of Guyana 1977 seventh series debentures.	1,000,000	590,000	1,000,000	1,000,000
<b>Municipal</b>				
4% Mayor & Town Council 1965/ 80 bonds	G \$ 8,500	3,060	5,717	5,717
8% Mayor & Town Council 1992 equated annuity registered bonds	15,796	11,057	15,796	16,510
8% Mayor & Town Council 1995 fixed date registered bonds	150,000	100,500	150,000	150,000
8% Mayor & Town Council N.A. 1992 equated annuity registered bonds	8,076	5,492	8,076	8,419
7% Mayor & Town Council N.A. 1985 equated annuity registered bonds	9,728	6,129	9,728	11,144
8% Mayor & Town Council N.A. 1983 equated annuity registered bonds	421,150	282,171	421,150	437,000
8% Mayor & Town Council 1975/ 85 fixed date registered bonds	246,000	164,820	246,000	246,000
8% Mayor & Town Council 1976/ 86 fixed date registered bonds	250,000	167,500	250,000	250,000
8% Mayor & Town Council N.A. 1992 equated annuity registered bonds	326,306	228,414	326,306	354,236
<b>Other</b>				
6% Loan - Guyana Co-operative Mortgage Finance Bank	2,000,000	2,000,000	2,000,000	2,000,000
carried forward		4,841,975	6,526,950	6,601,953



Notes to the  
Accounts CONT'D.

for the year ended 31st December, 1979

3. INVESTMENTS (at cost) Cont'd	1979			1978
	Nominal	Market Value	Book Value	Book Value
		\$	\$	\$
brought forward		4,841,975	6,526,950	6,601,953
<b>Overseas</b>				
5½% Australia 1981/82 stock	£ 75,172	308,205	259,468	259,468
6% Australia 1981/83 stock	28,756	109,273	95,999	95,999
7% Australia 1979/81 stock	10,000	44,500	39,229	39,229
3½% New Zealand Government 1981/84 stock	-	-	-	11,934
7½% New Zealand Government 1983/86 stock	57,933	208,559	233,588	233,588
6½% Funding Loan 1985/87	-	-	-	80,961
6% Funding loan 1993	-	-	-	60,094
9% Treasury stock 1980	40,077	197,880	177,468	177,468
6½% Treasury loan 1995/98	-	-	-	139,456
8½% Treasury loan 1997	17,420	60,099	79,449	79,449
9% Treasury loan 1992/96	48,962	172,591	187,419	27,063
8% Treasury loan 2002/06	-	-	-	369,516
7½% Treasury loan 2012/15	-	-	-	152,830
8½% Treasury loan 1984/86	-	-	-	91,037
12½% Treasury loan 1995	24,532	108,554	110,205	110,205
12½% Treasury loan 1993	8,866	37,902	44,490	44,490
9% Treasury loan 1994	48,715	170,504	221,963	221,963
8½% Treasury loan 1987/90	-	-	-	166,168
7½% Treasury loan 1985/88	-	-	-	47,348
12½% Treasury Stock 1983	11,770	53,848	59,149	-
12½% Treasury loan 1993	93,830	401,124	461,915	-
13½% Treasury loan 1997	98,660	439,037	511,232	-
7½% Barbados Government Development (1967) loan 1975/85	E.C. \$ 13,750	13,062	13,475	15,680
		<u>7,167,113</u>	<u>9,021,999</u>	<u>9,025,899</u>



Notes to the Accounts CONT'D.

for the year ended 31st December, 1979

4. MORTGAGE ACCOUNTS	1979		1978	
	No. of Securities	Amount \$	No. of Securities	Amount \$
Balances not exceeding \$ 500	137	16,060	145	17,156
Balances exceeding \$ 500 but not \$ 1,000	85	63,212	90	66,080
Balances exceeding \$ 1,000 but not \$ 2,000	182	276,454	199	288,970
Balances exceeding \$ 2,000 but not \$ 3,000	186	459,621	209	524,642
Balances exceeding \$ 3,000 but not \$ 4,000	220	776,134	204	716,564
Balances exceeding \$ 4,000 but not \$ 5,000	221	989,758	252	1,124,180
Balances exceeding \$ 5,000 but not \$ 10,000	1,061	7,907,609	1,055	7,865,923
Balances exceeding \$ 10,000 but not \$ 15,000	918	11,464,276	838	10,553,271
Balances exceeding \$ 15,000 but not \$ 20,000	634	10,965,752	544	9,444,976
Balances exceeding \$ 20,000 but not \$ 25,000	355	7,939,213	278	6,216,898
Balances exceeding \$ 25,000 but not \$ 30,000	293	8,100,355	208	5,856,571
Balances exceeding \$ 30,000	17	519,199	20	602,855
	<u>4,309</u>	<u>49,477,643</u>	<u>4,043</u>	<u>43,277,886</u>
5. HOUSING LOANS				
Balances not exceeding \$ 500	1	34	1	61
Balances exceeding \$ 4,000 but not \$ 5,000	-	-	2	8,969
Balances exceeding \$ 5,000 but not \$ 6,000	2	10,462	-	-
Balances exceeding \$ 15,000 but not \$ 20,000	1	15,968	-	-
	<u>4</u>	<u>26,464</u>	<u>3</u>	<u>9,030</u>



Notes to the Accounts CONT'D.

for the year ended 31st December, 1979

6. BREZINA-GUYANA HOUSING PROJECT	1979		1978	
	No. of Securities	Amount \$	No. of Securities	Amount \$
Balances exceeding \$ 500 but not \$ 1,000	-	-	1	675
Balances exceeding \$ 5,000 but not \$ 10,000	29	260,020	26	233,414
Balances exceeding \$ 10,000 but not \$ 15,000	31	345,874	40	451,607
	<u>60</u>	<u>605,894</u>	<u>67</u>	<u>685,696</u>
7. LINDEN COMMUNITY DEVELOPMENT ASSOCIATION				
Balances not exceeding \$ 500	2	(72)	2	522
Balances exceeding \$ 500 but not \$ 1,000	6	4,308	5	3,481
Balances exceeding \$ 1,000 but not \$ 2,000	14	22,729	15	25,225
Balances exceeding \$ 2,000 but not \$ 3,000	10	25,256	12	27,908
Balances exceeding \$ 3,000 but not \$ 4,000	3	10,597	5	17,147
Balances exceeding \$ 4,000 but not \$ 5,000	3	13,633	3	14,374
Balances exceeding \$ 5,000 but not \$ 10,000	16	113,702	15	105,144
Balances exceeding \$ 10,000 but not \$ 15,000	3	33,326	5	57,401
Balances exceeding \$ 15,000 but not \$ 20,000	1	17,116	-	-
Balances exceeding \$ 20,000 but not \$ 25,000	1	21,988	1	22,214
Balances exceeding \$ 30,000	2	68,753	2	71,458
	<u>61</u>	<u>331,336</u>	<u>65</u>	<u>344,874</u>



8. PUBLIC OFFICERS' HOUSING LOAN FUND	1979		1978	
	No. of Securities	Amount \$	No. of Securities	Amount \$
Balances not exceeding \$ 500	1	24	2	96
Balances exceeding \$ 1,000 but not \$ 2,000	—	—	2	3,407
Balances exceeding \$ 2,000 but not \$ 3,000	3	6,652	2	5,435
Balances exceeding \$ 3,000 but not \$ 4,000	1	3,145	1	3,344
Balances exceeding \$ 5,000 but not \$ 10,000	1	9,127	1	8,570
Balances exceeding \$ 10,000 but not \$ 15,000	<u>1</u>	<u>13,697</u>	<u>1</u>	<u>12,751</u>
	<u>7</u>	<u>32,645</u>	<u>9</u>	<u>33,603</u>

9. CREDITORS

Included in this figure is \$ 38,939 (1978 — \$ 110,250) which was collected from Brezina's debtors but was not paid over as at 31st December, 1979.

10. CAPITAL COMMITMENTS

Authorised and contracted for Nil (1978 — Nil)  
Authorised and not contracted for \$ 10,102 (1978 — \$ 10,102)

11. CONTINGENT LIABILITY

The Society has approved a sum of \$ 125,000 as a donation to the Architecture and Building Technology Faculty of the University of Guyana to be paid in five equal instalments — of which \$ 50,000 has been provided for in these accounts.

12. EXTRAORDINARY ITEM

In conformity with the conditions of the Society's Group Personal Accident Policy, and in satisfaction of the eventuality stipulated therein, a sum of \$ 50,000 accrues to the Society.



(1) DEPRECIATION

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

(2) PENSION SCHEME

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

(3) FOREIGN CURRENCIES

Transactions involving foreign currencies are converted at a standard rate of exchange.

At balance sheet date all amounts denominated in foreign currencies are converted to Guyana dollars at the exchange rates ruling at that date, but the resultant gain or loss is recognised in the accounts only if it would materially affect the accounts.

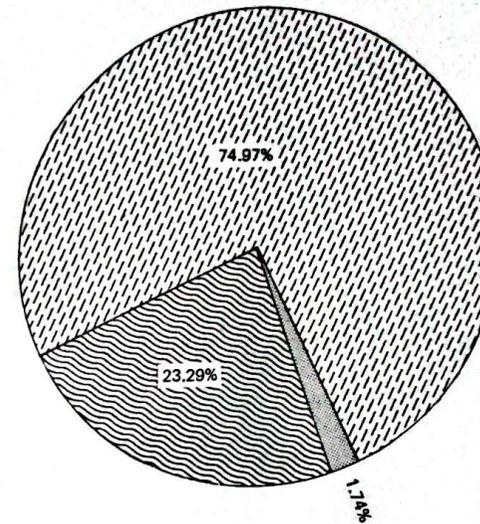


# Statement of Source and Application of Funds

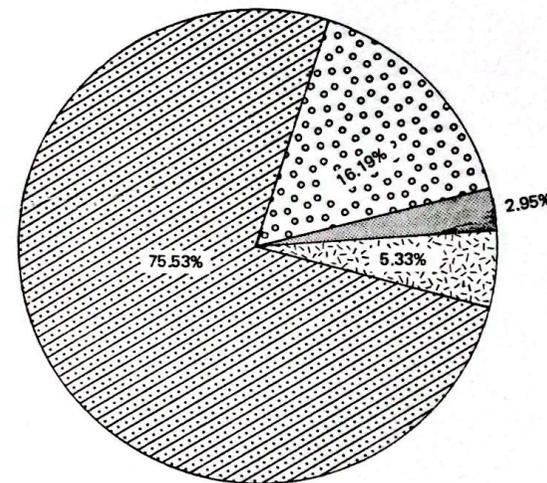
Interim Report No. 331-10-02-0000-1979

SOURCES OF INCOME - 1979

SOURCE OF FUNDS	1979		1978	
	\$	\$	\$	\$
Unappropriated income for the year		215,508		209,027
Adjustment for items not involving movement of funds				
Depreciation		69,836		54,626
<b>TOTAL GENERATED FROM OPERATIONS</b>		<b>285,344</b>		<b>448,284</b>
<b>FUNDS FROM OTHER SOURCES</b>				
Increase in advances to shareholders	6,647,224		6,580,526	
Increase in deposits received	5,442,281		6,000,318	
Investments redeemed	77,206		444,188	
Sale of fixed assets				136
Sale of investments	1,174,842			
		8,393,195		9,311,958
		8,670,244		9,864,227
<b>APPLICATION OF FUNDS</b>				
Increase in loan assets	6,212,452		9,111,827	
Purchase of fixed assets	7,288		172,028	
Purchase of investments	1,111,650		185,671	
		7,412,270		9,484,818
		\$ 1,265,924		\$ 395,421
<b>Represented by:</b>				
<b>INCREASE/(DECREASE) IN WORKING CAPITAL</b>				
Increase in debtors		134,288		6,112
(Increase)/decrease in creditors		(52,389)		(87,211)
<b>Movement in net liquid funds:</b>				
Increase/(decrease) in cash balances	(3774,623)		2,703,637	
Increase/(decrease) in short-term investment	1,454,320		(2,228,937)	
		1,079,697		476,630
		\$ 1,265,924		\$ 395,421



DISTRIBUTION OF INCOME - 1979



DISTRIBUTION OF FUNDS - 1979

MORTGAGE INTEREST

INVESTMENT INCOME

OTHER INCOME

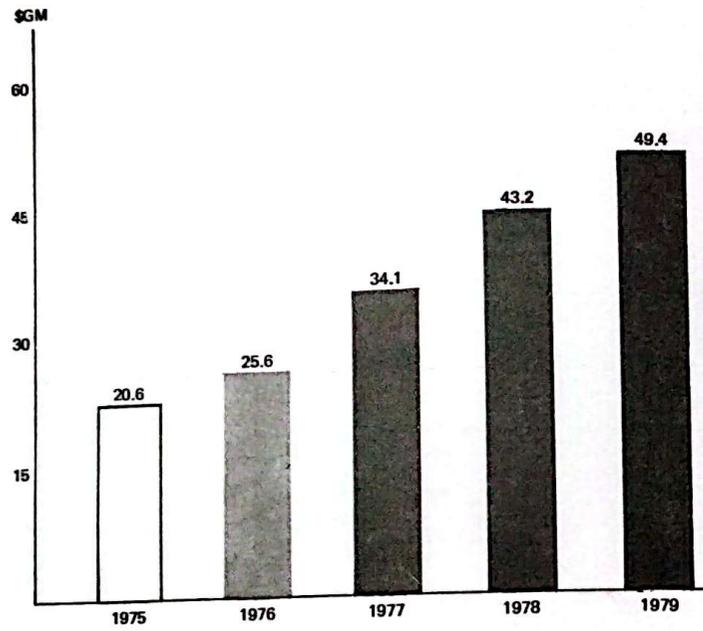
EXPENDITURE

INTEREST ON SHAREHOLDERS FUNDS

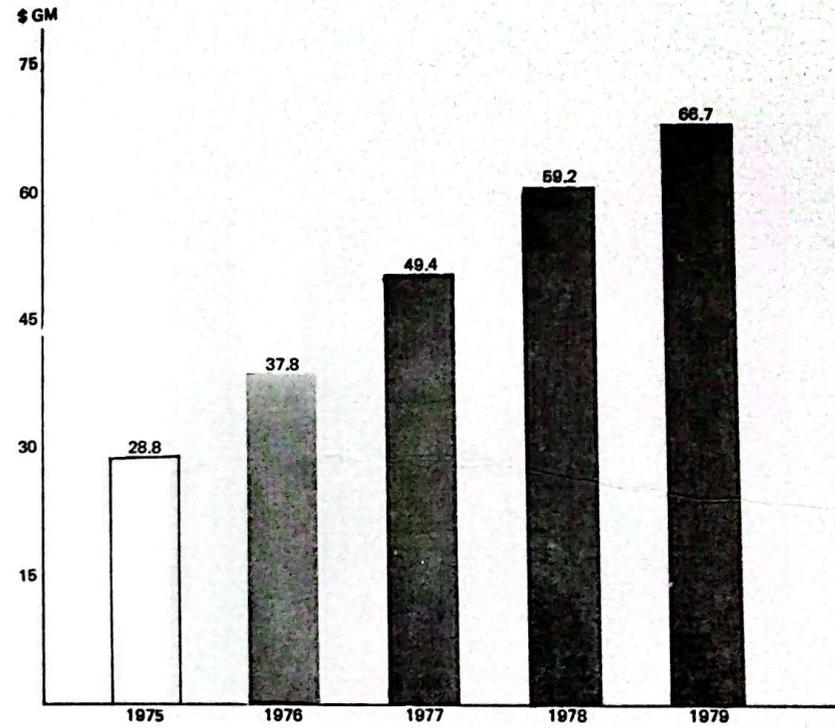
INTEREST ON DEPOSITORS FUNDS

TRANSFERS TO RESERVES

**GROWTH OF MORTGAGES IN FORCE  
1975 - 1979**



**GROWTH OF NET ASSETS  
1975 - 1979**



# GROWTH OF SHAREHOLDERS AND DEPOSITORS FUNDS 1975 - 1979

