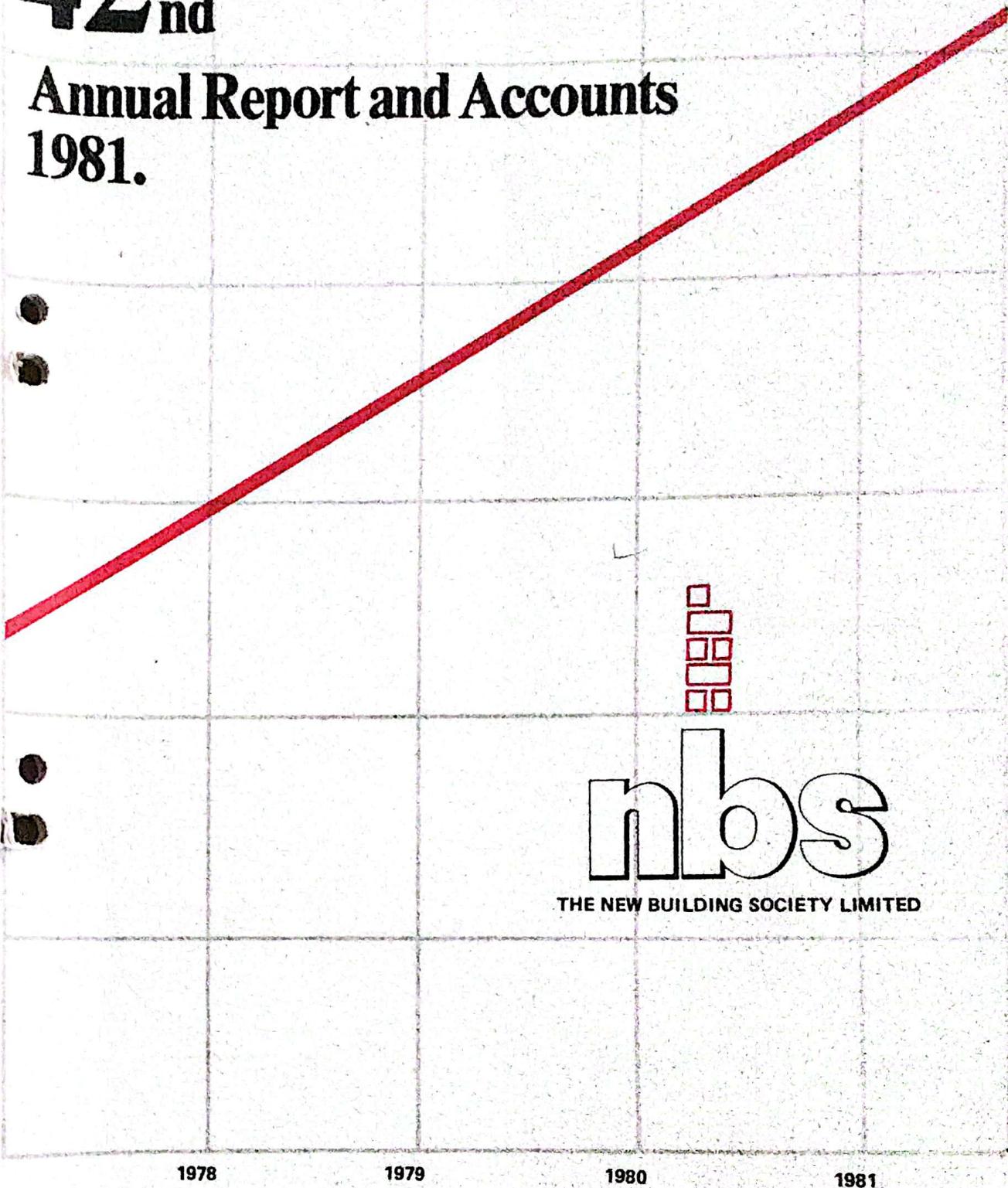


42nd

Annual Report and Accounts 1981.



nbs

THE NEW BUILDING SOCIETY LIMITED

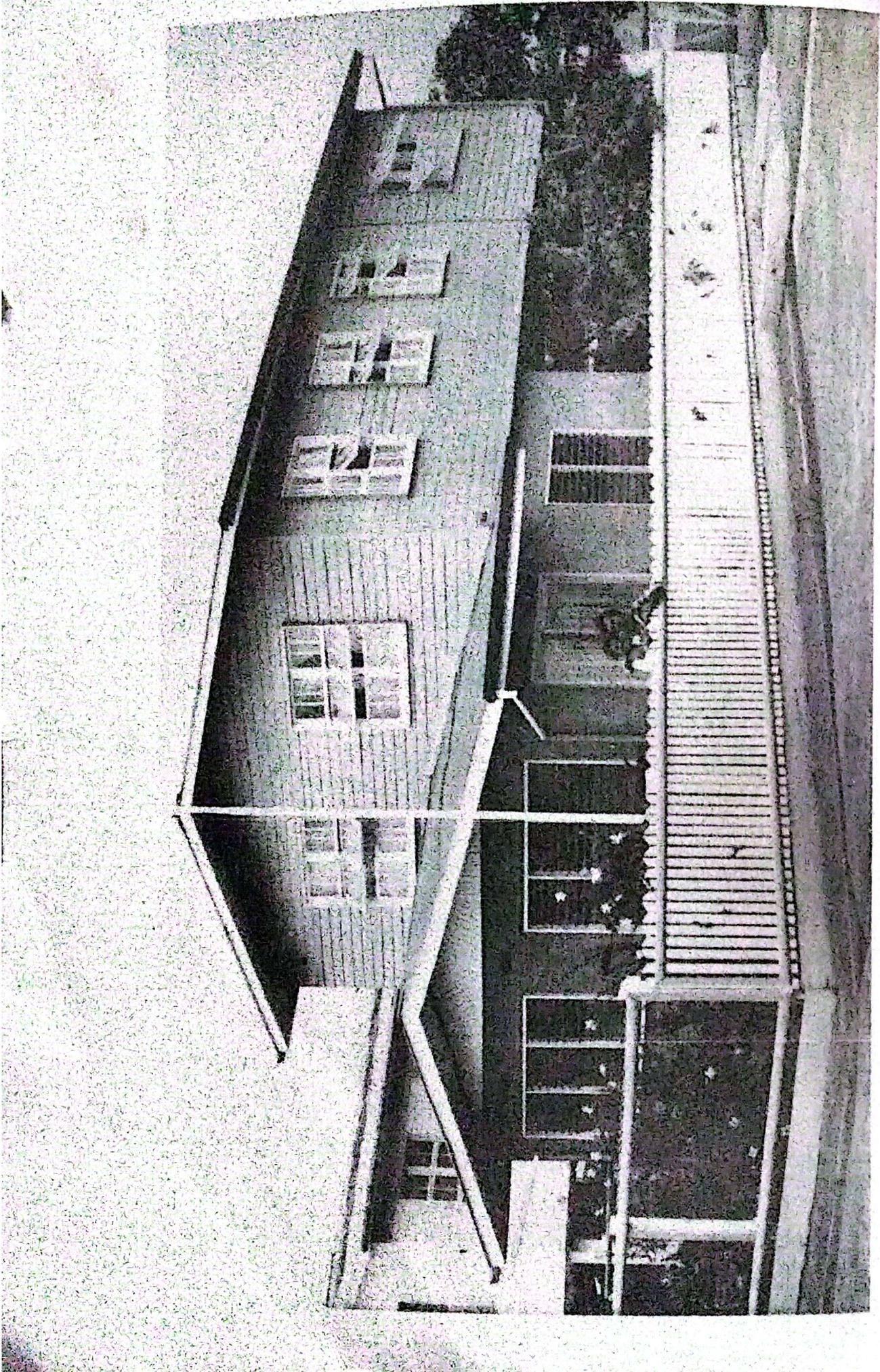
1978

1979

1980

1981

TOGETHER WE GROW STRONGER EACH YEAR



Home improvement loans offered by the **CS** let active home owners the opportunity to make renovations on very favourable terms.

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Notice of Meeting



NOTICE is hereby given that the Forty-second Annual General Meeting of the Members of the New Building Society Limited, will be held at 5.00 p.m. on Monday, April 19th 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 1981.
2. To confirm the appointment by the board of Directors of Mr. G.A. Comacho as a Director.
3. To fix the Remuneration of the Directors for the year 1982.
4. To appoint Auditors for the year 1982 and to fix their remuneration.
5. To approve the sum of Fifty-four Thousand dollars (\$54,000.) to be donated to Charity and for Educational Purposes to be allocated as follows:-
 - i) \$25,000. to the University of Guyana.
 - ii) \$14,000. to the Lions Club of New Amsterdam to purchase land for the erection of a building in New Amsterdam for the benefit of the Handicapped.
 - iii) \$15,000. to miscellaneous Charitable institutions or organisations as approved by the Board.
6. To consider and if thought fit, to pass the following Resolution as a Special Resolution:-

"That Rule 21(2) (ii) be amended to read as follows:-

(ii) "That no advance in respect of such security shall exceed fifty thousand dollars."
7. Any other business of which due notice shall have been given.

BY ORDER OF THE BOARD
JULES de CAMBRA
DIRECTOR/SECRETARY
March 30th, 1982

DIRECTORS

A.I. Crum-Ewing, Esq., — OBE — Chairman
Mooner A. Khan, Esq., JP — Vice Chairman
Miss T. Gaskin
Dr. J.K.M. Richmond, DDS
C.H. de Silva, Esq., FCIS

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

BRANCH MANAGERS

New Amsterdam — Joseph F. Dowlettram Esq.
Linden — Jean Forde Esq.

SOLICITORS

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

BANKERS

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

AUDITORS

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

Report of the Directors

for the year ended December 31, 1981



The Directors are pleased to present the Forty-second Annual Report and Financial Statement of the Society for the year ended December 31, 1981.

SHARES AND DEPOSITS

During the year, 6,849 investors opened accounts, and the total investments in the Society increased by \$10,450,425 to \$83,479,328.

MORTGAGES

The total amount advanced during the Financial year as loans on the security of freehold and leasehold property was \$11,513,330. The total number of Mortgages executed was 539.

At December 31, 1981, there were 4,568 mortgages in force totalling \$57,847,203.

Rebates — The Society gave a half of one per cent (½%) rebate for 1981 to borrowers whose accounts were not more than two months in arrear at October 31, 1981. This amounted to \$263,032.

From January 1st, 1981, the interest rate on mortgages was increased to 12% per annum as a result of the decisions taken by the Central Bank in 1980.

ASSETS

Total Assets increased by \$11,009,117 during the year to \$87,267,418 representing a growth of 14.4%.

Report of the Auditors

TO THE MEMBERS OF
THE NEW BUILDING SOCIETY LIMITED
FOR THE YEAR ENDED DECEMBER 31 1981

We have examined the attached accounts set out on pages 8 to 13 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 December 31, 1981; of the excess of income over expenditure and of the source and application of funds for the year then ended.

JACK A. ALI, SONS & CO, AUDITORS

145 Crown Street
Queenstown
Georgetown
GUYANA

March 3, 1982.

LIQUIDITY & RESERVES

The Society maintained a strong financial position through 1981. At year end, liquid assets (i.e. Cash and Short Term Investments) were \$18,539,880 representing 21.2% of total assets.

The General Reserve was increased by \$558,692 to \$3,788,090 or 4.34% of total assets at December 31, 1981.

ANNUAL VALUATION

The Annual Valuation of the Assets and Liabilities of the Society (as required by the Board) revealed no likely loss.

Five properties were in the Society's possession at year end and will be sold in 1982.

DIRECTORATE

During 1981, Mr. C.V. Too-Chung resigned from the Board to take up residence abroad.

AUDITORS

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

A. I. CRUM EWING
Chairman
March 30th, 1982



When she gets older
she will need more
than just pocket money.

THE NEW BUILDING SOCIETY LTD.

Georgetown
New Amsterdam
Linden





A visit to us should be
 one of the first plans
 you make together.



THE NEW BUILDING SOCIETY LTD.

Georgetown
 New Amsterdam
 Linden

Balance Sheet

December 31, 1981



	NOTES	1981	1980
		\$	\$
CAPITAL			
Due to Shareholders:			
Fully paid investing shares		644	638
Five dollar shares		66,193,425	56,267,929
Save and prosper shares		11,015,316	11,106,108
Subscription investing shares		3,138	4,705
		<u>77,212,523</u>	<u>67,379,378</u>
Due to depositors		6,266,805	5,049,525
Total Capital		83,479,328	73,028,903
RESERVES			
	1	<u>3,788,090</u>	<u>3,229,398</u>
Total capital and reserves		<u>87,267,418</u>	<u>76,258,301</u>
Represented by			
FIXED ASSETS			
	2	960,114	974,455
INVESTMENTS			
	3	9,482,198	9,265,333
LOAN ASSETS			
Mortgage accounts	4	57,847,203	54,399,880
Housing loans	5	23,217	20,732
Brezina-Guyana Housing Project		36,276	41,191
Properties in possession		85,393	78,547
Temporary loans		50,401	26,796
		<u>58,042,490</u>	<u>54,567,146</u>
CURRENT ASSETS			
Debtors and prepayments		546,234	378,935
Cash and bank balances		9,801,568	8,022,164
Treasury bills at cost		8,738,312	3,255,122
		<u>19,086,114</u>	<u>11,656,221</u>
LESS - CURRENT LIABILITIES			
Creditors and accruals	9	<u>303,498</u>	<u>204,854</u>
NET CURRENT ASSETS		18,782,616	11,451,367
Total net assets		<u>87,267,418</u>	<u>76,258,301</u>

A.I. Crum-Ewing - Director

Mooneer A. Khan - Director

Jules de Cambra - Secretary

Revenue, Expenditure & Appropriation Accounts.

For the year ended December 31, 1981



	1981 \$	1980 \$
REVENUE		
Interest earned on:		
Mortgage loans	6,768,590	5,422,113
Housing loans and purchase tenancies	5,691	6,624
Temporary loans	4,607	3,685
Bank accounts	940,466	666,015
Treasury bills	777,678	302,410
Investments	800,315	766,655
Net profit on sale of investments	18,793	24,226
Net profit on sale of fixed assets	47,450	—
Fees, commissions, rule books, etc.	54,990	51,356
Administration fees — P.O.H.L.F. and others	12,007	11,212
Inspection fees	15,012	17,353
Rents received	18,500	17,000
	<u>9,464,099</u>	<u>7,288,649</u>
EXPENDITURE		
Management expenses	955,968	729,845
Directors' fees	19,200	16,800
Directors' travelling	10,800	7,200
Audit fees	13,500	12,500
Office premises	27,063	19,534
Charitable and educational donations	45,000	40,000
Depreciation	71,752	69,539
Losses on mortgage	9,296	—
	<u>1,152,579</u>	<u>895,418</u>
Excess of income over expenditure	<u>8,311,520</u>	<u>6,393,231</u>
Distributed as follows —		
Interest on:		
Fully paid investing shares	7	7
Five dollar shares	6,012,563	4,600,154
Save and prosper shares	1,197,171	1,070,037
Subscription investing shares	155	264
Deposits	492,932	403,934
	<u>7,702,828</u>	<u>6,074,396</u>
Unappropriated income before extraordinary item	608,692	318,836
Extraordinary item (note 12)	50,000	—
Unappropriated income transferred to revenue reserve	<u>558,692</u>	<u>318,836</u>

Funds Administered by the Society

At December 31, 1981



	NOTES	1981 \$	1980 \$
A. BREZINA — GUYANA HOUSING PROJECT			
LIABILITIES			
U.S. Investors		374,061	408,155
Guyana investors		101,053	115,083
Sundry creditors		34,894	35,489
		<u>510,008</u>	<u>558,727</u>
Represented by:			
ASSETS			
Mortgages	6	490,319	553,367
Sundry debtors		19,689	5,360
		<u>510,008</u>	<u>558,727</u>
B. LINDEN COMMUNITY DEVELOPMENT ASSOCIATION			
LIABILITIES			
Linden Community Development Association		255,204	307,766
Represented by:			
ASSETS			
Mortgages	7	242,807	295,369
Properties in possession		12,397	12,397
		<u>255,204</u>	<u>307,766</u>
C. PUBLIC OFFICERS HOUSING LOAN FUNDS			
LIABILITIES			
Advanced by Government		82,464	82,464
Less — accumulated overpayment of interest		61,422	61,422
		21,042	21,042
Excess of income over expenditure		16,110	15,206
		<u>37,152</u>	<u>36,248</u>
Represented by:			
ASSETS			
Mortgages	8	18,905	21,724
Cash at Bank		18,247	14,524
		<u>37,152</u>	<u>36,248</u>

Notes to the Accounts

For the year ended December 31, 1981



	1981 \$	1980 \$		
1. RESERVES				
CAPITAL				
Balances at January 1 and December 31, 1981	55,828	55,828		
REVENUE				
Balance at January 1, 1981	3,173,570	2,854,735		
Add:				
Unappropriated income for the year	558,692	318,835		
Balance at December 31, 1981	3,732,262	3,173,570		
TOTAL RESERVES	3,788,090	3,229,398		
2. FIXED ASSETS				
	Cost/ Valuation	Accumulated Depreciation	Net Book Value	Net Book Value
	\$	\$	\$	\$
At December 31, 1981				
Freehold land	94,830	—	94,830	94,830
Freehold buildings	746,856	104,915	641,941	650,346
Motor vehicles	53,942	12,012	41,930	19,223
Office equipment	96,526	55,708	40,818	36,908
Machinery and equipment	368,469	227,874	140,595	173,048
	<u>1,360,623</u>	<u>400,509</u>	<u>960,114</u>	<u>974,455</u>
Movements to fixed assets				
Cost/Valuation at January 1, 1981			1,329,167	
Additions at Cost				
Freehold buildings		6,435		
Motor vehicles		45,960		
Office equipment		10,866		
Machinery and equipment		6,700		
			69,961	
			1,399,128	
Disposals at cost				
Motor vehicles			38,505	
Cost/valuation at December 31, 1981			1,360,623	
Analysis of Cost or Valuation				
At Valuation				
Freehold land — year of valuation 1970			94,830	
At Cost				
Freehold buildings			746,856	
Motor vehicles			53,942	
Office equipment			96,526	
Machinery and equipment			368,469	
			<u>1,360,623</u>	

Notes to the Accounts

For the year ended December 31, 1981



	Nominal	Market Value	1981 Book Value	1980 Book Value
		\$	\$	\$
3. INVESTMENTS (at cost)				
LOCAL				
Government of Guyana				
3½% British Guiana Government 1976/86 bonds	G\$ 2,600	832	1,677	1,577
7% British Guiana Government 1966/86 debentures	50,000	32,000	50,000	50,000
7% Government of Guyana 1973/83 first issue debentures	500,000	375,000	500,000	500,000
7% Government of Guyana 1973/83 third issue debentures	500,000	360,000	500,000	500,000
7% Government of Guyana 1976/86 loan	1,000,000	640,000	1,000,000	1,000,000
7% Government of Guyana 1970/80 fixed date debentures	—	—	—	42,500
7% Government of Guyana 1977/87 seventh series debentures	1,000,000	620,000	1,000,000	1,000,000
Municipal				
8% Mayor & Town Council 1972/92 equated annuity registered bonds	14,188	7,652	14,188	15,024
8% Mayor & Town Council 1975/95 fixed date registered bonds	150,000	99,000	150,000	150,000
8% Mayor & Town Council N.A. 1972/92 equated annuity registered bonds	7,303	3,944	7,303	7,705
7% Mayor & Town Council N.A. 1970/85 equated annuity registered bonds	6,586	4,281	8,586	8,210
8% Mayor & Town Council N.A. 1973/93 equated annuity registered bonds	385,450	200,434	385,450	404,000
8% Mayor & Town Council 1975/85 fixed date registered bonds	246,000	162,360	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. 1977/87 equated annuity registered bonds	263,150	178,942	263,150	295,982
Other				
6½% Loan - Guyana Co-operative Mortgage Finance Bank		2,000,000	2,000,000	2,000,000
carried forward		4,851,955	6,274,354	6,471,098

Notes to the Accounts

For the year ended December 31, 1981



3. INVESTMENTS (at cost)(Cont'd)	Nominal	Market Value	1981	1980
			Book Value	Book Value
		\$	\$	\$
brought forward		4,851,955	6,374,354	6,471,098
Overseas				
5½% Australia 1981/82 stock	£ 75,172	368,345	259,468	259,468
6% Australia 1981/83 stock	28,756	122,215	95,999	95,999
7% Australia 1979/81 stock	—	—	—	39,229
7½% New Zealand Government 1983/86 stock	57,933	214,350	233,588	233,588
8½% Treasury loan 1997	17,420	57,485	79,449	79,449
9% Treasury loan 1992/96	48,962	165,245	187,419	187,419
12½% Treasury loan 1985	54,302	226,710	248,698	204,982
12½% Treasury loan 1993	123,976	502,105	610,961	610,961
9% Treasury loan 1994	48,715	163,195	221,963	221,963
12% Treasury stock 1983	53,615	258,020	255,724	255,724
13% Treasury stock 1990	18,130	78,410	82,951	82,951
13½% Treasury loan 1997	98,650	414,370	511,232	511,232
14½% Treasury loan 1994	35,530	169,655	175,085	—
13½% Treasury loan 1993	30,440	134,695	136,242	—
7½% Barbados Government Development (1967) loan 1975/85	E.C. \$ 9,250	8,787	9,065	11,270
		<u>7,735,542</u>	<u>9,482,198</u>	<u>9,265,333</u>

Notes to the Accounts

For the year ended December 31, 1981



4. MORTGAGE ACCOUNTS	1981		1980	
	No of Securities	Amount \$	No of Securities	Amount \$
Balances not exceeding \$ 500	99	13,794	93	8,440
Balances exceeding \$ 500 but not \$1,000	75	59,466	75	56,127
Balances exceeding \$ 1,000 but not \$ 2,000	157	237,936	179	274,192
Balances exceeding \$ 2,000 but not \$ 3,000	191	481,465	169	423,981
Balances exceeding \$ 3,000 but not \$ 4,000	188	659,785	216	766,940
Balances exceeding \$ 4,000 but not \$ 5,000	200	899,172	211	954,710
Balances exceeding \$ 5,000 but not \$10,000	1,032	7,828,931	1,058	7,974,130
Balances exceeding \$10,000 but not \$15,000	1,002	12,566,434	990	12,394,480
Balances exceeding \$15,000 but not \$20,000	711	12,355,625	668	11,647,316
Balances exceeding \$20,000 but not \$25,000	463	10,818,095	438	9,606,819
Balances exceeding \$25,000 but not \$30,000	397	10,920,867	348	9,627,448
Balances exceeding \$30,000	33	1,005,632	22	665,297
	<u>4,568</u>	<u>57,847,203</u>	<u>4,468</u>	<u>54,399,880</u>
5. HOUSING LOANS				
Balances not exceeding \$ 500	—	—	1	(400)
Balances exceeding \$ 500 but not \$ 1,000	—	—	1	926
Balances exceeding \$ 1,000 but not \$ 2,000	1	1,418	—	—
Balances exceeding \$ 4,000 but not \$ 5,000	—	—	1	4,706
Balances exceeding \$ 5,000 but not \$ 6,000	1	5,404	—	—
Balances exceeding \$15,000 but not \$20,000	1	16,395	1	15,500
	<u>3</u>	<u>23,217</u>	<u>4</u>	<u>20,732</u>

Notes to the Accounts

For the year ended December 31, 1987



8. BREZINA - GUYANA HOUSING PROJECT	1987		1980	
	No of Securities	Amount \$	No of Securities	Amount \$
Balances exceeding \$ 1,000 but not \$ 2,000	1	1,166	1	1,311
Balances exceeding \$ 2,000 but not \$ 4,000	1	3,217	—	—
Balances exceeding \$ 5,000 but not 10,000	36	312,014	31	279,827
Balances exceeding \$10,000 but not \$15,000	14	157,414	23	256,996
Balances exceeding \$15,000 but not \$20,000	1	16,508	1	15,233
	<u>53</u>	<u>490,319</u>	<u>56</u>	<u>553,367</u>
7. LINDEN COMMUNITY DEVELOPMENT ASSOCIATION				
Balances not exceeding \$ 500	4	870	3	1,017
Balances exceeding \$ 500 but not \$ 1,000	2	1,769	1	561
Balances exceeding \$ 1,000 but not \$ 2,000	13	18,612	14	20,979
Balances exceeding \$2,000 but not \$ 3,000	7	18,038	9	22,725
Balances exceeding \$ 3,000 but not \$ 4,000	3	10,685	4	13,194
Balances exceeding \$ 4,000 but not \$ 5,000	4	17,375	6	27,805
Balances exceeding \$ 5,000 but not \$10,000	11	78,175	11	80,059
Balances exceeding \$10,000 but not \$15,000	1	14,059	2	22,166
Balances exceeding \$15,000 but not \$20,000	—	—	1	17,849
Balances exceeding \$20,000 but not \$25,000	1	20,768	1	21,665
Balances exceeding \$30,000	2	62,458	2	67,349
	<u>48</u>	<u>242,807</u>	<u>54</u>	<u>295,369</u>

Notes to the Accounts

For the year ended December 31, 1981



8. PUBLIC OFFICERS' HOUSING LOAN FUND	1981		1980	
	No. of Securities	Amount \$	No. of Securities	Amount \$
Balances not exceeding \$ 500	2	335	1	25
Balances exceeding \$ 500 but not \$ 1,000	1	741	1	624
Balances exceeding \$ 1,000 but not \$ 2,000	—	—	1	1,241
Balances exceeding \$ 2,000 but not \$ 3,000	1	2,294	2	5,247
Balances exceeding \$10,000 but not \$15,000	1	15,535	1	14,587
	<u>5</u>	<u>18,905</u>	<u>6</u>	<u>21,724</u>
9. CREDITORS				
Included in this figure is \$ 15,503 (1980 - \$2,564) which was collected from Brezina's debtors but was not paid over as at December 31, 1981.				
10. CAPITAL COMMITMENTS				
Authorised and contracted for Nil (1980 - Nil).				
Authorised but not contracted for \$14,701 (1980 - \$14,701).				
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 \$100,000 has been provided for in these accounts.				
12. EXTRAORDINARY ITEM				
In accordance with a decision of the Board of Directors, the amount of \$50,000 which accrued to the Society in conformity with the conditions of the Society's Group Personal Accident Policy, was paid to the Estate of a deceased employee.				

Significant Accounting Policies

At December 31, 1981



(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.

(4) **INVESTMENTS**

Investments are stated at cost. No provision is made for diminution in the value of investments — which are to be held to the date of maturity. Profits or losses on disposals are shown in the revenue account in the year in which such disposals are identified.

Statement of Source and Application of Funds

For the year ended December 31 1981.



	1981		1980	
	\$	\$	\$	\$
SOURCE OF FUNDS				
Operations				
Unappropriated income for the year		558,692		318,835
Net profit on disposal of investments		(18,793)		—
Net profit on disposal of fixed assets		(47,450)		—
Depreciation		71,752		69,539
		<u>564,201</u>		<u>388,374</u>
FUNDS GENERATED FROM OPERATIONS				
FUNDS FROM OTHER SOURCES				
Increase in advances by Shareholders	9,833,145		8,484,526	
Increase in deposits received	617,280		795,820	
Proceeds from redemption and sale of investments	156,971		235,525	
Proceeds from sale of fixed assets	60,000		—	
		<u>10,667,396</u>		<u>9,515,871</u>
		<u>11,231,697</u>		<u>9,904,245</u>
APPLICATION OF FUNDS				
Increase in loan assets	3,475,344		4,947,309	
Purchase of fixed assets	69,961		15,706	
Purchase of investments	355,043		478,859	
		<u>3,900,348</u>		<u>5,441,874</u>
		<u>7,331,249</u>		<u>4,462,371</u>
Represented by:				
INCREASE/(DECREASE) IN WORKING CAPITAL				
Increase in debtors		167,289		71,070
(Increase)/decrease in creditors		(98,644)		(19,104)
Movement in net liquid funds:				
Increase/(decrease) in cash balances	1,779,404		4,570,663	
Increase/(decrease) in short term investments	5,483,190		(160,258)	
		<u>7,262,694</u>		<u>4,410,405</u>
		<u>7,331,249</u>		<u>4,462,371</u>



A home renovated by the Society.