

**44th  
Annual Report  
and Accounts  
1983**



**THE NEW BUILDING SOCIETY LIMITED**

The New Building Society Limited

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FINANCIAL STATEMENTS

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The New Building Society Limited

NOTICE OF MEETING

NOTICE is hereby given that the forty-fourth Annual General Meeting of the Members of The New Building Society Limited will be held at 5.00 p.m. on Monday, 9th April, 1984 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 1983.
2. To fix the remuneration of the Directors for the year 1984.
3. To appoint Auditors for the year 1984.
4. To fix the remuneration of the Auditors for the year 1984.
5. To approve of an amount 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  
Director/Secretary  
28th February, 1984.

DIRECTORS

A.I. Crum-Ewing, Esq., — OBE — Chairman  
Mooneer A. Khan, Esq., JP — Vice Chairman  
C.H. da Silva, Esq., FCIS  
G.A. Camacho, Esq.,  
E.P. Christiani, Esq.,  
F.A. Eytte, Esq., A.A.

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

BRANCH MANAGERS

New Amsterdam — Paul B. Purnwasy, Esq.,  
Linden — Aubrey Mendes de Franca, Esq.,

SOLICITORS

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

Messrs. Mc Doom & Co.  
Harcourt Hall  
Lot 1 Croal Street  
Georgetown.

BANKERS

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

AUDITORS

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

## The New Building Society Limited

### REPORT OF THE DIRECTORS

The Directors are pleased to present the Forty-Fourth Annual Report and Financial Statement of the Society for the year ended 31st December, 1983.

#### Shares and Deposits

During the year 7,151 Investors opened accounts and the Total Investments in the Society increased by \$20,145,201 to \$115,195,425.

#### Mortgages

The total amount advanced during the Financial year as loans on the security of freehold and leasehold property was \$9,135,887. The total number of Mortgages executed was 343. At 31st December, 1983 there were 4,265 mortgages in force totalling \$57,532,829.

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 outstanding was \$18,262.

#### Assets

Total Assets increased by \$21,216,122 during the year to \$120,993,337 representing a growth of 21.26%.

#### Liquidity and Reserves

The Society maintained a strong financial position through 1983. At year end, liquid assets (i.e. Cash and Short-term Investments) were \$33,458,357 representing 27.65% of the Total Assets. The General Reserve was increased by \$977,600 to \$5,379,541 or 4.44% of Total Assets at year-end.

#### Annual Valuation

The Annual Valuation of the Assets and Liabilities of the Society (as required by the Board) revealed no likely loss. Six properties were in the Society's possession at year-end and will be sold in 1984.

#### Auditors

The Auditors, Messrs. Jack A. Alli, Sons & Company, Accountants, retire and are eligible for re-election.

A. I. CRUM EWING  
Chairman  
28th February, 1984

## The New Building Society Limited

### Report of the Auditors To The Members Of The New Building Society Limited

We have examined the financial statements set out on pages 4 to 21 and have obtained all the information and explanations which we required. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary.

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 proper accounting records have been maintained and the financial statements, which are in agreement therewith and which have been prepared under the historical cost convention, modified by the valuation of freehold land, give a true and correct view of the state of the Society's affairs at December 31, 1983; of the excess of its income over expenditure and of the source and application of its funds for the year then ended.

JACK A. ALLI, SONS & CO.  
Correspondents of Price Waterhouse  
145 Crown Street  
Queenstown  
Georgetown, Guyana

5th March, 1984

The New Building Society Limited

REVENUE AND APPROPRIATION ACCOUNTS

Income Note

Interest earned on:  
 Mortgage loans  
 Housing loans and purchase tenancies  
 Temporary loans  
 Bank Accounts  
 Treasury bills  
 Investments  
 Net profit on sale of investments  
 Net profit on sale of fixed assets  
 Gains on exchange rate on sale of investments  
 Fees, commissions, rule books etc.  
 Administration fees - P.O.H.L.F. and others  
 Inspection fees  
 Rents received

Expenditure

Management expenses  
 Director's fees  
 Director's travelling  
 Audit fees  
 Office premises  
 Charitable and educational donations  
 Grant to the City of Georgetown  
 Depreciation

Excess of income over expenditure

Distributed as follows

Interest on  
 Fully paid investing shares  
 Five dollar shares  
 Save and prosper shares  
 Subscription investing shares  
 Deposits

Unappropriated income transferred to revenue reserve

The New Building Society Limited

FOR THE YEAR ENDED DECEMBER 31, 1983

1983

1982

\$

\$

7,239,567  
 5,466  
 2,123  
 1,056,924  
 2,265,759  
 2,929,698  
 1,170  
 —  
 —  
 64,990  
 8,616  
 15,770  
 18,312  
13,608,395

6,709,301  
 5,721  
 4,408  
 908,529  
 1,834,111  
 2,647,007  
 267,258  
 50  
 103,939  
 61,980  
 11,736  
 14,302  
 10,733  
11,096,955

1,218,726  
 21,000  
 18,000  
 16,000  
 28,870  
 30,000  
 120,000  
 69,681  
1,522,277  
12,086,118

1,057,709  
 16,800  
 13,200  
 16,000  
 64,346  
 54,000  
 —  
 70,654  
1,332,709  
9,754,246

7  
 9,074,198  
 1,313,183  
 —  
 721,130  
11,108,518  
\$ 977,600

7  
 7,324,018  
 1,250,473  
 105  
 575,792  
9,150,395  
\$ 613,851

The notes on pages 12 to 21 form part of these financial statements.

The New Building Society Limited

BALANCE SHEET

	Note
<b>Investors' Balances, Liabilities And Reserves</b>	
Shares	
Deposits	
Creditors and Accruals	2
Reserves	
<b>Assets</b>	
Loan assets	3
Investments and cash	4
Fixed Assets	5
Debtors and prepayments	

Approved by the Board of Directors

A.I. CRUM EWING Director

MOONEER A. KHAN Director

JULES de CAMBRA Director/Secretary

The notes on pages 12 to 21 form part of these financial statements

The New Building Society Limited

DECEMBER 31, 1983

1983 \$	1982 \$
106,033,296	87,733,952
9,162,129	7,318,272
418,371	325,050
5,379,541	4,401,941
<u>120,993,337</u>	<u>99,777,215</u>
57,721,948	56,977,281
62,313,060	41,757,222
916,002	975,050
42,327	87,662
<u>120,993,337</u>	<u>99,777,215</u>

The New Building Society Limited

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

Source of Funds

Excess of income over expenditure  
 Adjustment for items not  
 involving the movement of funds  
 Depreciation  
 Net profit on disposal of fixed  
 asset  
 Net receipts from shareholders  
 and depositors (including  
 interest capitalised)  
 Decrease in loan assets

Funds from other sources:  
 Proceeds from disposal of fixed assets

Application of Funds

Increase in loan assets  
 Purchase of fixed assets

Increase in available funds

Represented by:  
 Increase in investments and cash  
 (Decrease)/Increase in debtors  
 and prepayments  
 Increase in creditors and  
 accruals

The New Building Society Limited

FOR THE YEAR ENDED DECEMBER 31, 1983

	1983		1982	
	\$	\$	\$	\$
				613,851
		977,600		
				70,654
		69,681		(50)
		—		
		20,145,201		11,570,896
		—		1,065,209
		<u>21,192,482</u>		<u>13,320,560</u>
		—		50
		<u>21,192,482</u>		<u>13,320,510</u>
	744,667		—	
	<u>10,633</u>		<u>85,590</u>	
		755,300		85,590
		<u>20,437,182</u>		<u>13,235,020</u>
	20,555,838		13,237,399	
	(25,335)		19,173	
	<u>(5,021)</u>		<u>(21,552)</u>	
		<u>20,437,182</u>		<u>13,235,020</u>

The notes on pages 12 to 21 form part of these financial statements.

FUNDS ADMINISTERED BY THE SOCIETY

AT DECEMBER 31, 1983

A. BREZINA-GUYANA HOUSING PROJECT

1983

1982

\$

\$

Note

Liabilities

U.S. Investors  
Guyana Investors  
Sundry creditors

347,303  
76,037  
48,696

353,684  
91,441  
34,096

472,036

479,221

Represented by:

Assets

Mortgages  
Sundry debtors  
External payment deposits

9

415,866  
19,431  
36,739

455,348  
23,873

472,036

479,221

B. LINDEN COMMUNITY DEVELOPMENT ASSOCIATION

Liabilities

Linden Community Development Association

204,385

226,240

Represented by:

Assets

Mortgages

10

204,385

226,240

C. PUBLIC OFFICERS HOUSING LOAN FUND

Liabilities

Advanced by Government  
Less - Accumulated overpayment of interest

66,464  
61,422

66,464  
61,422

Excess of income over expenditure

5,042  
17,786

5,042  
16,939

22,828

21,981

Represented by:

Assets

Mortgages  
Cash at bank

11

19,926  
2,902

18,902  
3,079

22,828

21,981

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 1983

	Note	1983 \$	1982 \$
<b>1. SHARES</b>			
Fully Paid Investing Shares		658	651
Five Dollar Shares		94,759,021	78,696,632
Save and Prosper Shares		11,272,875	11,035,587
Subscription Investing Shares		742	1,082
		<u>106,033,296</u>	<u>87,733,952</u>
<b>2. RESERVES</b>			
<b>CAPITAL</b>			
Balances at January 1 and December 31, 1983		<u>55,828</u>	<u>55,828</u>
<b>REVENUE</b>			
Balances at January 1, 1983		4,346,113	3,732,262
Add:			
Unappropriated income for the year		<u>977,600</u>	<u>613,851</u>
Balance at December 31, 1983		<u>5,323,713</u>	<u>4,346,113</u>
<b>TOTAL RESERVES</b>		<u>5,379,541</u>	<u>4,401,941</u>
<b>3. LOAN ASSETS</b>			
Mortgage accounts	7	57,532,829	56,851,623
Housing loans	8	25,072	24,154
Brezina-Guyana Housing Project		27,892	32,906
Properties in possession		110,315	39,769
Temporary loans		25,840	28,829
		<u>57,721,948</u>	<u>56,977,281</u>
<b>4. INVESTMENTS AND CASH</b>			
<b>Foreign Investments</b>			
Final redemption date in:			
not more than 5 years		4,655	6,860
5-15 years		<u>1,985,260</u>	<u>1,788,279</u>
<b>Local Investment</b>			
(a) repayable in not more than 6 months		23,244,919	14,062,967
(b) Final redemption date in:			
not more than 5 years		2,739,745	3,780,141
5-15 years		<u>22,312,360</u>	<u>12,535,505</u>
		<u>50,286,939</u>	<u>32,173,772</u>
carried forward			

NOTES TO THE FINANCIAL STATEMENTS

4. INVESTMENTS AND CASH (Cont'd)

brought forward  
Cash at Bank and in Hand  
Repayable in not more than 6 months  
Interest Accrued (gross)

Market value of investments  
Maturity value of investments

	1983	1982
	\$	\$
	50,286,939	32,173,772
	10,213,438	8,771,542
	<u>1,812,683</u>	<u>811,908</u>
	<u>62,313,060</u>	<u>41,757,222</u>
	46,361,931	30,908,213
	<u>50,362,914</u>	<u>32,252,671</u>

5. FIXED ASSETS

At December 31, 1983

	Cost Valuation \$	Accumulated Depreciation \$	Net Book Value \$	Net Book Value \$
Freehold land	94,830	—	94,830	94,830
Freehold buildings	830,534	137,015	693,519	704,288
Motor vehicles	53,942	30,396	23,546	32,738
Office Equipment	105,736	71,463	34,273	39,042
Machinery and equipment	371,629	301,795	69,834	104,152
	<u>1,456,671</u>	<u>540,669</u>	<u>916,002</u>	<u>975,050</u>

Movements to fixed assets

Cost/Valuation at January 1, 1983

Additions at cost

Freehold buildings

Office equipment

Machinery and equipment

5,745

3,288

1,600

1,446,038

Cost/Valuation at December 31, 1983

10,633

1,456,671

Analysis of Cost or Valuation

At Valuation

Freehold land - year of valuation 1970

94,830

At cost

Freehold buildings

Motor vehicles

Office equipment

Machinery and equipment

830,534

53,942

105,736

371,629

1,456,671

NOTES TO THE FINANCIAL STATEMENTS

6. GRANT TO CITY OF GEORGETOWN

The Shareholders at the forty-third Annual General Meeting held on April 18, 1983, approved the allocation of the sum of \$360,000 - in three equal instalments the first of which has been provided for in these financial statements - as a grant to the City of Georgetown to meet the cost of an artesian well.

7. MORTGAGE ACCOUNTS

Balances not exceeding \$500  
 Balances exceeding \$500 but not \$1,000  
 Balances exceeding \$1,000 but not \$2,000  
 Balances exceeding \$2,000 but not \$3,000  
 Balances exceeding \$3,000 but not \$4,000  
 Balances exceeding \$4,000 but not \$5,000  
 Balances exceeding \$5,000 but not \$10,000  
 Balances exceeding \$10,000 but not \$15,000  
 Balances exceeding \$15,000 but not \$20,000  
 Balances exceeding \$20,000 but not \$25,000  
 Balances exceeding \$25,000 but not \$30,000  
 Balances exceeding \$30,000 but not \$50,000  
 Balances exceeding \$50,000

No. of Securities

1983 Amount

No. of Securities

1982 Amount

	No. of Securities	1983 Amount	No. of Securities	1982 Amount
Balances not exceeding \$500	81	\$	108	7,835
Balances exceeding \$500 but not \$1,000	63	10,780	67	48,093
Balances exceeding \$1,000 but not \$2,000	139	46,914	158	238,485
Balances exceeding \$2,000 but not \$3,000	140	205,718	145	364,415
Balances exceeding \$3,000 but not \$4,000	183	346,719	193	678,016
Balances exceeding \$4,000 but not \$5,000	170	641,998	169	758,157
Balances exceeding \$5,000 but not \$10,000	956	722,318	1,020	7,664,035
Balances exceeding \$10,000 but not \$15,000	910	7,169,549	976	12,201,033
Balances exceeding \$15,000 but not \$20,000	666	11,303,593	690	12,059,908
Balances exceeding \$20,000 but not \$25,000	500	11,853,676	474	10,618,801
Balances exceeding \$25,000 but not \$30,000	345	11,166,963	414	11,325,160
Balances exceeding \$30,000 but not \$50,000	102	9,719,002	29	886,685
Balances exceeding \$50,000	10	342,199	--	--
		503,400		
	<u>4,265</u>	<u>57,532,829</u>	<u>4,443</u>	<u>56,851,523</u>

8. HOUSING LOANS

Balances not exceeding \$500  
 Balances exceeding \$500 but not \$1,000  
 Balances exceeding \$1,000 but not \$2,000  
 Balances exceeding \$2,000 but not \$3,000  
 Balances exceeding \$5,000 but not \$10,000  
 Balances exceeding \$15,000 but not \$20,000

	No. of Securities	1983 Amount	No. of Securities	1982 Amount
Balances not exceeding \$500	--	--	--	--
Balances exceeding \$500 but not \$1,000	--	--	--	--
Balances exceeding \$1,000 but not \$2,000	--	--	--	--
Balances exceeding \$2,000 but not \$3,000	1	2,719	1	2,159
Balances exceeding \$5,000 but not \$10,000	1	5,396	1	5,586
Balances exceeding \$15,000 but not \$20,000	1	16,957	1	16,410
	<u>3</u>	<u>25,072</u>	<u>3</u>	<u>24,154</u>

NOTES TO THE FINANCIAL STATEMENTS

	No. of Securities	1983 Amount
<b>9. BREZINA -- GUYANA HOUSING PROJECT</b>		
Balances under \$500	1	\$
Balances exceeding \$500 but not \$1,000	—	268
Balances exceeding \$1,000 but not \$2,000	—	—
Balances exceeding \$2,000 but not \$4,000	—	—
Balances exceeding \$4,000 but not \$5,000	—	—
Balances exceeding \$5,000 but not \$10,000	36	—
Balances exceeding \$10,000 but not \$15,000	10	287,865
Balances exceeding \$15,000 but not \$20,000	1	112,407
	1	15,326
	<u>48</u>	<u>415,866</u>

10. LINDEN COMMUNITY DEVELOPMENT ASSOCIATION

Balances not exceeding \$500	5	851
Balances exceeding \$500 but not \$1,000	3	2,530
Balances exceeding \$1,000 but not \$2,000	7	10,066
Balances exceeding \$2,000 but not \$3,000	5	12,492
Balances exceeding \$3,000 but not \$4,000	4	13,577
Balances exceeding \$4,000 but not \$5,000	3	12,937
Balances exceeding \$5,000 but not \$10,000	8	56,896
Balances exceeding \$10,000 but not \$15,000	—	—
Balances exceeding \$15,000 but not \$20,000	1	16,323
Balances exceeding \$20,000 but not \$25,000	1	21,634
Balances exceeding \$25,000 but not \$30,000	2	57,079
	<u>39</u>	<u>204,385</u>

FOR THE YEAR ENDED DECEMBER 31, 1983 (Cont'd)

	No. of Securities	1982 Amount
		\$
	—	—
	1	904
	1	1,002
	—	—
	1	4,221
	35	289,777
	13	148,124
	1	15,320
	<u>52</u>	<u>465,346</u>

NOTES TO THE FINANCIAL STATEMENTS

	No. of Securities
<b>11. PUBLIC OFFICERS' HOUSING LOAN FUND</b>	
Balances not exceeding \$500	1
Balances exceeding \$500 but not \$1,000	1
Balances exceeding \$1,000 but not \$2,000	-
Balances exceeding \$2,000 but not \$3,000	1
Balances exceeding \$15,000 but not \$20,000	1
	<u>4</u>

**12. SIGNIFICANT ACCOUNTING POLICIES**

**(a) DEPRECIATION**

Freehold buildings are written off over a period of fifty years. Motor vehicles, office and other equipment are written off by equal instalments over the estimated useful lives ranging from 4 to 10 years.

**(b) 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 financial statements only if it would materially affect the financial statements.

**(c) INVESTMENTS**

Investments are stated at cost to the Society.

FOR THE YEAR ENDED DECEMBER 31, 1983

1983 Amount \$	No. of Securities	1982 Amount \$
6	1	29
772	1	725
-	1	1,603
1,527	-	-
17,621	1	16,545
<u>19,926</u>	<u>4</u>	<u>18,902</u>