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**Annual Report  
and Accounts**  
1985



THE NEW BUILDING SOCIETY LIMITED

THE NEW BUILDING SOCIETY LIMITED

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**NOTICE OF MEETING**

Notice is hereby given that the Forty-Sixth Annual General Meeting of the Members of The New Building Society Limited, will be held at 5.00 p.m. on Monday, 21st April 1986 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 1985.
2. To fix the remuneration of Directors for the year 1986.
3. To approve of a Pension Scheme for the Directors.
4. To appoint Auditors for the year 1986.
5. To fix the remuneration of the Auditors for the year 1986.
6. To approve of the sum of \$80,000.00 to be donated to Charity and for Educational Purposes.
7. To approve the sum of One Hundred and Eighty Thousand dollars (\$180,000.00) to be allocated as follows:-
  - i) \$100,000 to the Medical School at the University of Guyana.
  - ii) \$80,000 to provide for Ten (10) Bursaries tenable at the Govt. Technical Institute over a period of Two years in Carpentry, Masonry, Plumbing and Electrical Engineering.
8. Any other business of which due notice shall have been given.

By **ORDER OF THE BOARD**  
Jules de Cambra A.A.  
Director/Secretary  
28th February, 1986

**DIRECTORS**

A.I. Crum-Ewing, Esq., A.A., - OBE - Chairman  
Mooneer A. Khan, Esq., JP - Vice Chairman  
Jules de Silva, Esq., FCIS  
P. Christiani Esq., M.S.  
F.A. Eytie, Esq., A.A.  
C. Fernandes Esq.

Jules de Cambra, Esq., A.A. - Director/Secretary  
Samuel A. Ramdeen, Esq., - Assistant Secretary  
Maunce 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 Doorn & Co.  
Harcourt Hall  
Lot 1 Croal Street  
Georgetown

**BANKERS**

Barclays Bank P.L.C.,  
National Bank of Industry & Commerce Limited  
Guyana National Co-operative Bank  
Bank of Baroda

**AUDITORS**

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

## THE NEW BUILDING SOCIETY LIMITED

### REPORT OF THE DIRECTORS

The Directors are pleased to present the Forty-sixth Annual Report and Financial Statement of the Society for the year ended 31st December, 1985.

#### Shares and Deposits

During the year 8,976 Investors opened accounts and the total Investments in the Society increased by \$67,918,096 to \$230,383,213.

#### Mortgages

The total amount advanced during the Financial year as loans on the security of freehold and leasehold property was \$12,389,665. The total number of Mortgages executed was 399. At 31st December, 1985 there were 4,019 mortgages in force totalling \$61,462,731.

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.) The total amount outstanding was \$21,672.

#### Assets

Total Assets increased by \$70,845,617 during the year to \$240,217,501 representing a growth of 41.83%.

#### Liquidity and Reserve

The Society maintained a strong financial position through 1985. At year end, liquid Assets (i.e. Cash and Short Term Investments) were \$103,440,362 representing 43.06% of Total Assets.

The General Reserve was increased by \$2,772,986 to \$9,286,769 which is 3.8% 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. Three properties were in the Society's possession at year end and will be sold in 1986.

#### Auditors

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

A. I. Crum-Ewing, A.A. — O.B.E.  
Chairman  
28th February, 1986

## 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 6 to 25 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, transfers, 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, 1985 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

February 27, 1986.

Georgetown, Guyana

**THE NEW BUILDING SOCIETY LIMITED**  
**REVENUE AND APPROPRIATION ACCOUNTS**

	Notes
<b>Income</b>	
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	
Fees, commissions, rule books, etc.	
Administration fees - P.O.H.L.F. and others	
Inspection fees	
Rents received	

**Expenditure**

Management expenses	
Directors' fees	
Directors' travelling	
Audit fees	
Office premises	
Charitable and educational donations	
Grant to the city of Georgetown	6
Depreciation	
Losses on mortgage accounts	

Excess of income over expenditure

Distributed as follows-

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

Unappropriated income transferred to revenue reserves

The notes on pages 14 to 25 form part of these financial statements.

**THE NEW BUILDING SOCIETY LIMITED**  
**FOR THE YEAR ENDED DECEMBER 31, 1985**

	1985	1984
	\$	\$
	7,260,696	7,004,003
	3,208	5,385
	12,293	2,437
	292,469	1,584,205
	9,563,941	5,184,469
	8,755,242	3,602,132
	2,925	8,260
	44,490	—
	120,103	76,206
	7,994	7,579
	16,272	16,182
	9,540	14,630
	<u>26,089,173</u>	<u>17,480,488</u>
	1,926,287	1,643,086
	21,000	21,000
	30,000	25,800
	26,000	20,000
	23,157	25,205
	60,000	40,000
	330,000	120,000
	80,675	69,344
	15,346	—
	<u>2,512,465</u>	<u>1,964,435</u>
	<u>23,576,708</u>	<u>15,516,053</u>
	7	7
	18,023,054	12,110,649
	1,383,536	1,343,747
	1,397,125	927,408
	<u>20,803,722</u>	<u>14,381,811</u>
	<u>2,772,986</u>	<u>1,134,242</u>

**THE NEW BUILDING SOCIETY LIMITED**  
**BALANCE SHEET**

	Note	1985
<b>Investor's Balances, Liabilities And Reserves</b>		
Shares		
Deposits		211,873,821
Creditors and Accruals		18,609,332
Reserves	2	547,519
		<u>9,266,769</u>
		<u>240,217,501</u>
<b>Assets</b>		
Loan assets	3	61,645,806
Investments and cash	4	177,488,218
Fixed Assets	5	1,007,258
Debtors and prepayments		76,217
		<u>240,217,501</u>

Approved by the Board of Directors February 25th 1986

**MOONEER A. KHAN** Director  
**C.H. Da SILVA** Director  
**JULES de CAMBRA** Director/Secretary

The notes on pages 14 to 25 form part of these financial statements.

**THE NEW BUILDING SOCIETY LIMITED**  
**DECEMBER 31, 1985**

	1984
	\$
	149,070,196
	12,854,321
	392,884
	<u>6,571,769</u>
	<u>169,371,834</u>
	58,727,268
	108,596,628
	1,007,146
	47,821
	<u>169,371,834</u>

**THE NEW BUILDING SOCIETY LIMITED**  
**STATEMENT OF SOURCE AND APPLICATION OF FUNDS**

**THE NEW BUILDING SOCIETY LIMITED**  
**FOR THE YEAR ENDED DECEMBER 31, 1985**

	1985		1984	
	\$	\$	\$	\$
<b>Source of funds</b>				
Unappropriated income after deducting Interest on shares and deposits Adjustment for items not involving the movement of funds		2,772,986		1,134,242
Depreciation		80,675		63,344
Net profit on sale of fixed assets		(44,490)		—
Net receipts from shareholders and depositors (including interest capitalised)		67,918,006		47,209,692
		<u>70,727,267</u>		<u>48,473,276</u>
<b>Funds from other source</b>				
Sale of fixed assets		48,000		—
		<u>70,775,267</u>		<u>48,473,276</u>
<b>Application of Funds</b>				
Increase in loan assets	(1,918,519)		(2,005,341)	
Purchase of fixed assets	<u>(90,297)</u>		<u>(154,488)</u>	
		(2,008,816)		(2,159,829)
<b>Increase in available funds</b>		<u><u>68,766,451</u></u>		<u><u>46,313,449</u></u>
<b>Represented by:</b>				
Increase in investments and cash	68,892,590		46,282,568	
Increase in debtors and prepayments	28,396		5,494	
(Increase)/Decrease in creditors and accruals	<u>(154,535)</u>		<u>25,387</u>	
		<u><u>68,766,451</u></u>		<u><u>46,313,449</u></u>

The notes on pages 14 to 25 form part of these financial statements.

THE NEW BUILDING SOCIETY LIMITED  
FUNDS ADMINISTERED BY THE SOCIETY

THE NEW BUILDING SOCIETY LIMITED  
AT DECEMBER 31, 1988

A. BREZINA GUYANA HOUSING PROJECT

	Notes	1985 \$	1984 \$
<b>Liabilities</b>			
U.S. Investors			347,107
Guyana Investors		312,000	70,449
Sundry creditors		64,281	72,232
		83,786	490,011
		<u>454,128</u>	<u>562,800</u>
Represented by:			
<b>Assets</b>			
Mortgages	9	362,297	347,076
Sundry debtors		10,777	62,059
External payment deposits		72,071	56,807
		<u>454,144</u>	<u>466,042</u>

B. LINDEN COMMUNITY DEVELOPMENT ASSOCIATION

<b>Liabilities</b>			
Linden Community Development Association		180,668	194,523
Represented by:			
<b>Assets</b>			
Mortgages	10	<u>180,668</u>	<u>194,523</u>

C. PUBLIC OFFICERS HOUSING LOAN FUNDS

<b>Liabilities</b>			
Advanced by Government		65,464	60,464
Less accumulated overpayment of Interest		61,422	61,422
		5,042	5,042
Excess of Income over expenditure		19,857	18,697
		<u>24,899</u>	<u>23,733</u>
Represented by:			
<b>Assets</b>			
Mortgages	11	20,950	20,741
Cash at bank		3,949	2,992
		<u>24,899</u>	<u>23,733</u>

**THE NEW BUILDING SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**THE NEW BUILDING SOCIETY LIMITED**

**FOR THE YEAR ENDED DECEMBER 31, 1985**

	Notes	1985 \$	1984 \$
<b>1. Shares</b>			
Fully paid investing shares		672	685
Five dollar shares		199,796,442	137,982,270
Save and prosper shares		12,076,767	11,627,307
		<u>211,873,881</u>	<u>149,610,196</u>
<b>2. RESERVES</b>			
<b>CAPITAL</b>			
Balances at January 1 and December 31, 1985		<u>55,828</u>	<u>55,828</u>
<b>REVENUE</b>			
Balance at January 1, 1985		6,457,955	6,323,713
Add:			
Unappropriated income for the year		<u>2,772,986</u>	<u>1,134,242</u>
		<u>9,230,941</u>	<u>6,457,955</u>
<b>TOTAL RESERVES</b>		<u><u>9,286,769</u></u>	<u><u>6,513,783</u></u>
<b>3. LOAN ASSETS</b>			
Mortgage accounts	7	81,462,731	59,460,706
Housing loans	8	5,484	9,975
Brezina-Guyana Housing Project		20,352	25,981
Properties-in-possession		44,777	132,373
Temporary loans		112,464	98,254
		<u>61,645,808</u>	<u>59,727,289</u>
<b>4. INVESTMENTS AND CASH</b>			
<b>Foreign Investments</b>			
Final redemption date in:			
not more than 5 years		2,405,598	2,167,988
5-15 years			
<b>Local Investments</b>			
(a) Repayable in not more than 6 months		98,444,582	62,653,961
(b) Final redemption date in:			
not more than 5 years		42,126,887	2,696,023
5 - 15 years		21,762,005	22,989,146
		<u>164,739,072</u>	<u>90,609,568</u>

carried forward

THE NEW BUILDING SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

THE NEW BUILDING SOCIETY LIMITED  
FOR THE YEAR ENDED DECEMBER 31, 1985

4. INVESTMENTS AND CASH (CONT'D)

	1985	1984
	\$	\$
Brought forward		
Cash at bank and In hand		
Repayable in not more than 6 months	164,739,072	90,509,568
Interest accrued (gross)		
	4,995,780	15,117,253
	7,753,366	1,968,807
	<u>177,488,218</u>	<u>108,595,628</u>
Market value of investments	159,492,149	86,536,099
Maturity value of investments	165,484,815	92,595,957

5. FIXED ASSETS

(a) Book Values

At December 31, 1985

	Cost Valuation	Accumulated Depreciation	Net Book Value	Net Book Value
	\$	\$	\$	\$
Freehold land	94,830	-	94,830	94,830
Freehold buildings	844,755	170,553	674,202	689,804
Motor vehicles	180,957	43,982	136,975	77,287
Furniture and equipment	123,955	88,530	35,425	40,460
Machinery and equipment	434,477	368,651	65,826	98,765
	<u>1,678,974</u>	<u>671,716</u>	<u>1,007,258</u>	<u>1,001,146</u>

(b) Movements to fixed assets

Cost/Valuation at January 1, 1985

Additions at cost

		1,611,159
Freehold buildings	1,280	
Motor vehicles	85,497	
Furniture and equipment	3,520	90,297
		<u>1,701,456</u>

Carried forward

THE NEW BUILDING SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

5. FIXED ASSETS (Cont'd)

(b) Movements to fixed assets (Cont'd)  
Brought forward

Disposal at cost  
Motor vehicle  
Cost/Valuation at December 31, 1985

1985  
\$

1,701,456

22,482

578,974

(c) Analysis of Cost or Valuation

At Valuation  
Freehold land - year of valuation 1970  
At Cost  
Freehold buildings  
Motor vehicles  
Furniture and equipment  
Machinery and equipment

94,830

844,755

180,957

123,955

434,477

1,678,974

(d) Capital Commitment

The following capital commitment is not provided for  
in these financial statements:

Authorised and contracted for  
Authorised but not contracted for

—

539,300

539,300

1984

\$

6. GRANT TO THE CITY OF GEORGETOWN

The Shareholders at the forty-third Annual General Meeting held on April 18th 1983 approved the allocation of the sum of \$360,000 in three equal instalments the third of which fell due during the year - as a grant to the City of Georgetown to meet the cost of an artesian well.

A further \$210,000 was approved for this project by the Shareholders at the forty-fifth Annual General Meeting held on April 15, 1985. This sum together with the third instalment of the original allocation, making a total of \$330,000 have been provided for in these financial statements.

THE NEW BUILDING SOCIETY LIMITED  
FOR THE YEAR ENDED DECEMBER 31, 1985

**THE NEW BUILDING SOCIETY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**7. MORTGAGE ACCOUNTS**

	No. of Securities	1985 Amount \$	No. of Securities	1984 Amount \$
Balances not exceeding \$500	69		87	7,080
Balances exceeding \$500 but not \$1,000	47	5,977		
Balances exceeding \$1,000 but not \$2,000	121	35,553	67	51,575
Balances exceeding \$2,000 but not \$3,000	125	184,754	122	180,338
Balances exceeding \$3,000 but not \$4,000	145	310,604	142	352,775
Balances exceeding \$4,000 but not \$5,000	145	513,779	151	527,889
Balances exceeding \$5,000 but not \$10,000	162	731,968	173	782,960
Balances exceeding \$10,000 but not \$15,000	880	6,623,008	907	6,812,977
Balances exceeding \$15,000 but not \$20,000	769	9,553,809	831	10,304,005
Balances exceeding \$20,000 but not \$25,000	591	10,230,534	653	11,326,928
Balances exceeding \$25,000 but not \$30,000	459	10,312,027	470	10,542,499
Balances exceeding \$30,000 but not \$50,000	267	7,284,048	310	8,443,993
Balances exceeding \$50,000	364	14,665,011	234	9,364,354
	20	1,011,659	15	764,324
	<u>4,019</u>	<u>61,462,731</u>	<u>4,162</u>	<u>59,460,706</u>

**8. HOUSING LOANS**

Balances exceeding \$3,000 but not \$4,000			1	3,922
Balances exceeding \$5,000 but not \$10,000	1	5,484	1	6,053
	<u>1</u>	<u>5,484</u>	<u>2</u>	<u>9,975</u>

**THE NEW BUILDING SOCIETY LIMITED**  
**FOR THE YEAR ENDED DECEMBER 31, 1985.**

**THE NEW BUILDING SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

	No. of Securities	1985 Amount \$
<b>9. BREZINA-GUYANA HOUSING PROJECT</b>		
Balances under \$500	-	-
Balances exceeding \$500 but not \$1,000	-	-
Balances exceeding \$1,000 but not \$2,000	1	1,532
Balances exceeding \$2,000 but not \$4,000	1	3,697
Balances exceeding \$4,000 but not \$5,000	1	4,767
Balances exceeding \$5,000 but not \$10,000	37	280,550
Balances exceeding \$10,000 but not \$15,000	3	36,172
Balances exceeding \$15,000 but not \$20,000	2	35,379
	<u>45</u>	<u>362,797</u>

<b>10. LINDEN COMMUNITY DEVELOPMENT ASSOCIATION</b>		
Balances not exceeding \$500	4	636
Balances exceeding \$500 but not \$1,000	1	828
Balances exceeding \$1,000 but not \$2,000	4	5,515
Balances exceeding \$2,000 but not \$3,000	4	9,147
Balances exceeding \$3,000 but not \$4,000	1	3,651
Balances exceeding \$4,000 but not \$5,000	2	8,328
Balances exceeding \$5,000 but not \$10,000	7	45,621
Balances exceeding \$10,000 but not \$15,000	-	-
Balances exceeding \$15,000 but not \$20,000	1	16,830
Balances exceeding \$20,000 but not \$25,000	2	44,072
Balances exceeding \$25,000 but not \$30,000	1	25,735
	<u>27</u>	<u>190,869</u>

**THE NEW BUILDING SOCIETY LIMITED**

**FOR THE YEAR ENDED DECEMBER 31, 1985**

No. of Securities	1985 Amount \$
-	-
1	762
-	-
-	-
-	-
37	286,132
6	67,906
2	32,276
<u>46</u>	<u>387,076</u>

3	368
4	2,785
8	13,116
2	5,051
3	10,638
2	8,984
7	48,616
-	-
1	17,907
1	22,012
2	54,986
<u>33</u>	<u>184,523</u>

**THE NEW BUILDING SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

	No. of Securities	1985 Amount \$
<b>11. PUBLIC OFFICERS HOUSING LOAN FUNDS</b>		
Balances not exceeding \$500	1	
Balances exceeding \$500 but not \$1,000	1	(152)
Balances exceeding \$1,000 but not \$2,000	—	892
Balances exceeding \$15,000 but not \$20,000	—	—
Balances exceeding \$20,000 but not \$25,000	1	—
	<u>3</u>	<u>20,210</u>
		<u>20,950</u>

**THE NEW BUILDING SOCIETY LIMITED**  
**FOR THE YEAR ENDED DECEMBER 31, 1985**

No. of Securities	1984 Amount \$
1	6
1	823
1	1,146
1	18,766
—	—
<u>4</u>	<u>20,741</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.