

**47<sup>th</sup>  
Annual Report  
and Accounts  
1986**



THE NEW BUILDING SOCIETY LIMITED

The comparative figures  
shown on page 21 should  
be those on page 23

**CONTENTS**

	<u>PAGES</u>
Notice of Meeting and Agenda	2
Directors and Bankers	3
Report of the Directors	4
Report of the Auditors	5
Revenue and Appropriation Accounts	6 and 7
Balance Sheet	8 and 9
Statement of Source and Application of Funds	10 and 11
Funds Administered by the Society	12 and 13
Notes to the Financial Statements	14 - 25

**NOTICE OF MEETING**

Notice is hereby given that the Forty-Seventh Annual General Meeting of the Members of The New Building Society Limited will be held at 5.00 p.m. on Monday 13th April, 1987 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 1986.
2. To confirm the appointment by the Board of Directors of Mr. Joseph Arthur King, S.C. as a Director..
3. To elect Directors for the period 1987-1989.
4. To fix the remuneration of the Directors for the year 1987.
5. To appoint Auditors for the year 1987..
6. To fix the remuneration of the Auditors for the year 1987.
7. To consider and if thought fit, pass the following Resolution as a Special Resolution – that Rule 21 (2) ii be amended to read as follows:- "that no advance in respect of such security shall exceed Two Hundred and Fifty Thousand Dollars."
8. To approve the sum of \$120,000.00 to be donated to Charity and for Educational Purposes.
9. Any Other Business of which due notice shall have been given.

By **ORDER OF THE BOARD**  
Jules de Cambra, A.A.  
Director/Secretary  
6th March, 1987

**DIRECTORS**

Mooneer A. Khan, Esq., JP – Chairman  
C. H. da Silva, Esq., FCIS – Vice Chairman  
P. Christiani Esq., M.S.  
F. A. Eytte, Esq., A.A.  
C. Fernandes Esq.  
J.A. King Esq., S.C.  
Jules de Cambra, Esq., A.A. - Director/Secretary  
Samuel A. Ramdeen, Esq., - Assistant Secretary  
Maurice L. Arjoon, Esq., - Accountant

**BRANCH MANAGERS**

New Amsterdam – Paul B. Putnwasy, 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 P.L.C.,  
National Bank of Industry & Commerce Limited  
Guyana National Co-operative Bank  
Bank of Baroda

**AUDITORS**

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

## THE NEW BUILDING SOCIETY LIMITED

### REPORT OF THE DIRECTORS

The Directors are pleased to present the forty-seventh Annual Report and Financial Statement of the Society for the year ended 31st December, 1986.

#### Shares and Deposits

During the year 7,925 Investors opened accounts and the Total Investments in the Society increased by \$108,661,206 to \$339,044,419.

#### Mortgages

The total amount advanced during the Financial year on the Security of Freehold and Leasehold Property was \$9,610,417. The total number of Mortgages executed was 268. At 31st December, 1986 there were 3,833 mortgages in force totalling \$60,519,651. One mortgage account was more than twelve months in arrear at the end of the year (Section 17/(i) C of the Society's Ordinance). The total amount outstanding was \$3,919.

#### Assets

Total Assets increased by \$115,124,007 during the year to \$355,341,508 representing a growth of 47.92%.

#### Liquidity and Reserves

The Society maintained a strong financial position through 1986. At year end, Liquid Assets (i.e. Cash and Short Term Investment) were 136,819,307 representing 38.50% of Total Assets.

The General Reserve was increased by \$6,120,835 to \$15,407,604 which is 4.34% 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. Four properties were in the Society's possession at year-end and will be sold during 1987.

#### Directorate

Mr. A.I. Crum Ewing, O.B.E., A.A. former Chairman, died on 23rd May, 1986. Mr. Joseph Arthur King, S.C. was appointed to fill this 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 listed below, retire after The Forty-seventh Annual General Meeting. They are eligible and offer themselves for re-election.

## THE NEW BUILDING SOCIETY LIMITED

Mooneer A. Khan, Esq., J.P., C.H. da Silva, Esq., F.C.I.S.,  
E.P. Christiani, Esq., M.S., F.A. Eytte, Esq., A.A. C.J.  
Fernandes, Esq., J.A. King, Esq., S.C.

#### Auditors

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

#### BY ORDER OF THE BOARD

Jules de Cambra, A.A.  
Director/Secretary  
6th March, 1987

### 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, transports, purchase-tenancy contract 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, 1986 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

March 5, 1987

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

Income	Notes
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	
Gain on foreign currency transactions	
<b>Expenditure</b>	
Management expenses	
Directors' fees	
Directors travelling	
Directors' pension	
Audit fees	
Office premises	
Charitable and educational donations	
Grant to the City of Georgetown	
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	2

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

**THE NEW BUILDING SOCIETY LIMITED**  
**FOR THE YEAR ENDED DECEMBER 31, 1986**

1986	1985
\$	\$
7,285,952	7,260,696
1,992	3,208
7,813	12,290
14,882	292,469
12,458,044	9,563,941
18,882,714	8,755,242
923	2,925
–	44,490
136,314	120,103
8,502	7,994
15,143	16,272
2,370	9,540
52,111	–
<u>38,866,760</u>	<u>26,089,173</u>
2,249,345	1,926,287
29,400	21,000
30,000	30,900
1,313	–
30,000	26,000
24,113	23,157
200,000	60,000
–	330,000
78,166	80,675
–	15,346
<u>2,642,337</u>	<u>2,512,465</u>
<u>36,224,423</u>	<u>23,576,708</u>
7	7
26,338,281	18,023,054
1,449,936	1,383,536
2,315,364	1,397,125
<u>30,103,588</u>	<u>20,803,722</u>
<u>6,120,835</u>	<u>2,772,986</u>

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

	Note
<b>Investors' Balances, Liabilities And Reserves</b>	
Shares	1
Deposits	
Creditors and Accruals	2
Reserves	
 <b>Assets</b>	
Loan assets	3
Investments and cash	4
Fixed Assets	5
Debtors and prepayments	

**THE NEW BUILDING SOCIETY LIMITED**  
**DECEMBER 31, 1986**

1986	1985
\$	\$
308,807,706	211,873,861
30,236,713	18,509,332
889,485	547,519
15,407,604	9,286,769
<u>355,341,508</u>	<u>240,217,501</u>
60,642,830	61,645,808
293,036,189	177,488,216
1,603,350	1,007,258
59,139	76,217
<u>355,341,508</u>	<u>240,217,501</u>

Approved by the Board of Directors March 4, 1987

**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**  
**FUNDS ADMINISTERED BY THE SOCIETY**

**THE NEW BUILDING SOCIETY LIMITED**  
**AT DECEMBER 31, 1986**

**A BREZINA - GUYANA HOUSING PROJECT**

	Notes	1986 \$	1985 \$
<b>Liabilities</b>			
U.S. Investors		316,058	316,058
Guyana Investors		37,568	54,291
Sundry creditors		103,738	83,796
		<u>457,364</u>	<u>454,145</u>
<b>Represented by:</b>			
<b>Assets</b>			
Mortgages	B	284,258	362,297
Sundry debtors		27,263	19,777
External Payment Deposits		145,843	72,071
		<u>457,364</u>	<u>454,145</u>

**B. LINDEN COMMUNITY DEVELOPMENT ASSOCIATION**

<b>Liabilities</b>			
Linden Community Development Association		<u>144,632</u>	<u>160,669</u>
<b>Represented by:</b>			
<b>Assets</b>			
Mortgages	9	<u>144,632</u>	<u>160,669</u>

**C. PUBLIC OFFICERS HOUSING LOAN FUNDS**

<b>Liabilities</b>			
Advanced by Government		62,964	66,464
Less - Accumulated overpayment of interest		<u>61,422</u>	<u>81,422</u>
		1,542	5,042
Sundry creditors		126	
Excess of income over expenditure		20,767	19,857
		<u>22,450</u>	<u>24,899</u>
<b>Represented by:</b>			
<b>Assets:</b>			
Mortgages	10	22,218	20,950
Cash at bank		232	3,949
		<u>22,450</u>	<u>24,899</u>

THE NEW BUILDING SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

THE NEW BUILDING SOCIETY LIMITED

FOR THE YEAR ENDED DECEMBER 31, 1986

	Notes	1986 \$	1985 \$
<b>1. SHARES</b>			
Fully paid investing shares		679	672
Five dollar shares		296,243,594	199,796,442
Save and Prosper shares		12,563,433	12,076,767
		<u>308,807,706</u>	<u>211,873,881</u>
<b>2. RESERVES</b>			
<b>CAPITAL</b>			
Balances at January 1 and December 31, 1986		<u>55,828</u>	<u>55,828</u>
<b>REVENUE</b>			
Balance at January 1, 1986		9,230,941	6,457,955
Add:			
Unappropriated income for the year		6,120,835	2,772,986
Balance at December 31, 1986		<u>15,351,776</u>	<u>9,230,941</u>
<b>TOTAL RESERVES</b>		<u>15,407,604</u>	<u>9,286,769</u>
<b>3. LOAN ASSETS</b>			
Mortgage accounts	6	60,519,651	61,462,731
Housing loans	7	6,303	5,484
Brezing-Guyana Housing Project		14,331	20,352
Properties-in-possession		49,288	44,777
Temporary loans		53,257	112,464
		<u>60,642,830</u>	<u>61,645,808</u>
<b>4. INVESTMENTS AND CASH</b>			
<b>Foreign Investments</b>			
Final redemption date in:			
5 - 15 years		2,405,598	2,405,598
<b>Local Investments</b>			
(a) Repayable in not more than 6 months		128,461,218	98,444,582
(b) Final redemption date in:			
not more than 5 years		40,078,128	42,126,887
5 - 15 years		96,400,775	21,762,005
		<u>267,345,719</u>	<u>164,739,072</u>
		<i>carried forward</i>	

**THE NEW BUILDING SOCIETY LIMITED**  
**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

**5. FIXED ASSETS**

**(a) Book values**

At December 31, 1986

Freehold land  
 Freehold buildings  
 Motor vehicles  
 Furniture and equipment  
 Machinery and equipment

Cost Valuation \$	Accumulated Depreciation \$	Net Book Value \$	Net Book Value \$
94,830	—	94,830	94,830
891,994	187,762	704,232	674,202
180,957	78,076	102,881	136,975
136,958	96,270	40,688	35,425
1,048,493	387,774	660,719	65,826
<u>2,353,232</u>	<u>749,882</u>	<u>1,603,350</u>	<u>1,007,258</u>

**(b) Movements to fixed assets**

Cost/Valuation at January 1, 1986

Additions at cost

Freehold buildings  
 Furniture and equipment  
 Machinery and equipment

Cost/Valuation at December 31, 1986

carried forward

**THE NEW BUILDING SOCIETY LIMITED**  
**FOR THE YEAR ENDED DECEMBER 31, 1986**

1986 \$	1985 \$
267,345,719	164,739,072
8,358,089	4,995,780
17,332,381	7,753,366
<u>293,036,189</u>	<u>177,488,218</u>
244,973,382	159,492,149
270,283,289	165,484,815

THE NEW BUILDING SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

5. FIXED ASSETS (Cont'd)

(c) Analysis of Cost or Valuation

At Valuation

Freehold land – year of valuation 1970

1986  
\$

94,830

At Cost

Freehold buildings

891,994

Motor vehicles

180,957

Office equipment

36,958

Machinery and equipment

48,493

2,353,232

(d) Capital Commitment

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

Authorised but not contracted for

75,121

539,300

THE NEW BUILDING SOCIETY LIMITED  
FOR THE YEAR ENDED DECEMBER 31, 1986

1985  
\$

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

**6. 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

**7. HOUSING LOANS**

Balances exceeding \$5,000  
 but not \$10,000

**THE NEW BUILDING SOCIETY LIMITED**  
**FOR THE YEAR ENDED DECEMBER 31, 1986**

	No. of Securities	1986 Amount \$	No. of Securities	1985 Amount \$
	78	16,532	69	1,532
				3,897
	56	41,691	47	4,787
	112	167,543	121	280,550
	111	282,586	125	36,172
	144	509,294	145	35,379
	145	649,341	162	
	816	6,144,255	880	<u>362,297</u>
	741	9,227,050	769	
	526	9,160,735	591	
	387	8,637,489	459	836
	249	6,798,586	267	928
	452	18,066,334	364	5,515
	16	817,215	20	9,147
	<u>3,833</u>	<u>60,519,651</u>	<u>4,019</u>	3,651
				8,329
				45,621
				16,830
	<u>1</u>	<u>6,303</u>	<u>1</u>	44,077
				25,735
				<u>160,669</u>

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

**8. BREZINA-GUYANA HOUSING PROJECT**

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  
Balances exceeding \$10,000  
but not \$15,000  
Balances exceeding \$15,000  
but not \$20,000

**9. LINDEN COMMUNITY DEVELOPMENT ASSOCIATION**

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

**THE NEW BUILDING SOCIETY LIMITED**  
**FOR THE YEAR ENDED DECEMBER 31, 1986**

	No. of Securities	1986 Amount \$	No. of Securities	1985 Amount \$
			1	5,977
	1	2,892	1	35,563
	2	8,855	1	184,754
	34	239,239	37	310,004
	3	33,472	3	513,779
	-	-	2	731,968
				<u>6,823,008</u>
	<u>40</u>	<u>284,258</u>	<u>45</u>	<u>9,853,809</u>
				10,230,534
	1	126	4	10,312,027
	1	967	1	7,284,048
	4	5,532	4	14,665,011
	2	5,354	4	1,011,659
	1	3,186	1	<u>61,462,731</u>
	2	9,102	2	
	5	34,906	7	
	1	17,114	1	
	2	41,575	2	<u>5,484</u>
	1	25,770	1	
	<u>20</u>	<u>144,632</u>	<u>27</u>	

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

**10. PUBLIC OFFICERS HOUSING LOAN FUNDS**  
 Balances not exceeding \$500  
 Balances exceeding \$500  
 but not \$1,000  
 Balances exceeding \$15,000

**THE NEW BUILDING SOCIETY LIMITED**  
**FOR THE YEAR ENDED DECEMBER 31, 1986**

No. of Securities	1986 Amount \$	No. of Securities	1985 Amount \$
—	—	1	(152)
1	933	1	892
1	21,285	1	20,210
<u>2</u>	<u>22,218</u>	<u>3</u>	<u>20,950</u>

wn in  
 , and  
 page 21.

**11. 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.