



1940 - 2000



**new building  
society limited**

**60th Annual Report & Accounts 1999**

# THE NEW BUILDING SOCIETY LIMITED

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## THE NEW BUILDING SOCIETY LIMITED

### NOTICE OF MEETING

Notice is hereby given that the Sixtieth Annual General Meeting of the Members of the New Building Society Limited will be held at 5.00 p.m. on Thursday, 27<sup>th</sup> April, 2000 at the Le Meridien Pegasus, Seawall Road, Kingston, Georgetown.

### AGENDA

1. To consider the Accounts, Balance Sheet and the Reports of the Directors and Auditors for the year 1999.
2. To fix the remuneration of the Directors for the year 2000.
3. To appoint Auditors for the year 2000.
4. To fix the remuneration of the Auditors for the year 2000.
5. To approve the sum of \$6M to be donated to Charity and for Educational Purposes for the year 2000.
6. To consider and if thought fit to approve the expenditure in the sum of \$60M for the 60<sup>th</sup> Anniversary Developmental Projects.
7. Any Other Business of which due notice shall have been given.

By Order of the Board  
Monica E. La Bennett  
Director/Secretary  
March 31, 2000

Please Note:

Only members holding the following Accounts or their duly appointed proxies are entitled to vote.

Save & Prosper Accounts  
Five Dollar Share Accounts  
Mortgage Accounts ( Advance Shares )

Please bring your Passbook to gain entry to the Meeting.

## THE NEW BUILDING SOCIETY LIMITED

### DIRECTORS

R. Bhookmohan Esq. -	Chairman
L.O Rockliffe Esq. -	Vice Chairman
S Bovell Esq.	
Dr. N.K. Gopaul	
M. McDoom S.C.	
Y. Yhann (Mrs.)	
M.E. LaBennet ( Ms.)	

### MANAGEMENT

Ms. M.E. LaBennett, F.C.C.A, MBA-	Director/Secretary
M.L. Arjoon Esq.	Assistant Secretary/ Accountant
N. Mohamed Esq.	Manager, Georgetown Operations
M. Majeed Esq.	IT Systems Administrator
M. Raffiq A.I.C.B.	Manager, Berbice Operations
K. Vincent Esq.	Branch Manager, Linden

### SOLICITORS

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

Messrs. McDoom & Co.  
2 Avenue of the Republic,  
Georgetown

### BANKERS

Guyana Bank for Trade and Industry Limited  
National Bank of Industry & Commerce Limited  
Guyana National Cooperative Bank  
Bank of Baroda

### AUDITORS

Jack A. Alli, Sons & Company  
Associates of PricewaterhouseCoopers  
145 Crown Street, Queenstown, Georgetown

## THE NEW BUILDING SOCIETY LIMITED

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED DECEMBER 31, 1999

The Directors are pleased to present the 27<sup>th</sup> Annual Report and Financial Statement of the Society for the year ended 31<sup>st</sup> December 1999.

#### Balance Sheet Summary

During the year a 5.7% net increase was recorded (1998: 5.2%). Investment Income derived from 50,468,871.147 is \$15,236,067.124, an increase of \$70.2% on \$11,199,811.242 (1998: \$1,242,237,604). Investment Income represents 25.87% of Total Assets at year end (1998: 28.77%).

#### Mortgages

The Total amount advanced during the Financial year as loans on the mortgage-dividend and Leasehold Properties was \$1,857,464,470 and the total number of mortgages advanced was 726 (1998: \$1,234,735,804) was advanced and 715 mortgages were repaid.

At 31<sup>st</sup> December 1999 there were 1,154 mortgages of funds totaling \$9,798,786.000 which is 23.04% of Total Assets (1998: \$4,927,260,637 - 45.30%).

Five and a half mortgage accounts were more than twelve (12) months in arrears at the end of the year. The total amount outstanding was \$1,728,242.

#### Assets

Total Assets increased by \$1,035,960,779 during the year to \$4,963,246,419 representing a growth of 20.99% (1998: 15.86%).

#### Liquidity and Financing

At 31<sup>st</sup> December 1999 Liquid Assets, i.e. Cash and Short Term Investments stood at \$1,504,871,147 representing 29.33% of Total Assets (1998: \$1,318,983,410 representing 32.43%).

At the end of the year Total Reserves amounted to \$1,611,473,744 which is 32.46% of Total Assets (1998: 32.89%).

#### Capital Structure

The Annual Valuation of the Assets and Liabilities of the Society as required by the Board is attached as a table below.

There were seven (7) properties of possession at the end of the year, which will be sold during the year 2000.

## THE NEW BUILDING SOCIETY LIMITED

#### Auditors

The Auditors, Messrs. Jack A. Alli, Sons and Company, Incorporated, have audited the accounts of the Society.

By Order of the Board,  
Messrs. J. A. Alli, Sons & Co.  
Queens Town,  
March 30, 2000.

### REPORT OF THE AUDITORS TO THE MEMBERS OF THE NEW BUILDING SOCIETY LIMITED

We have audited the financial statements of The New Building Society Limited as set out on pages 4 to 21. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Approved Accounting Standards. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant judgments made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We have inspected the mortgage deeds, promissory and other securities and title deeds and found them to be in order.

In our opinion, the financial statements, which have been prepared under the historical cost convention, modified by the inclusion of freehold land and buildings, give a true and fair view of the state of affairs of the Society at December 31, 1999, and of the results of its operations and the assets and liabilities of its funds for the year ended December 31, 1999, in accordance with Approved Accounting Standards.

JACK A. ALLI, SONS & CO.  
Associates of PricewaterhouseCoopers  
145 Crown Street,  
Queens Town,  
March 30, 2000



# THE NEW BUILDING SOCIETY LIMITED

## BALANCE SHEET

### INVESTORS' BALANCES, LIABILITIES AND RESERVES

Shares  
Deposits  
Creditors and accruals  
Reserves

### ASSETS

Loan assets  
Investments and cash  
Fixed assets  
Debtors and prepayments

Approved by the Board of Directors

  
R. Bhoomohan

CHAIRMAN

  
L.O. Roekcliffe

VICE-CHAIRMAN

  
M.E. LaBennet

DIRECTOR / SECRETARY

The notes on pages 14 to 27 form an integral part of these financial statements

# THE NEW BUILDING SOCIETY LIMITED

DECEMBER 31, 1999

NOTES	1999 \$	1998 \$
1	9,918,442,076	9,129,668,294
	317,645,048	339,257,003
2	100,775,515	69,362,058
	1,611,473,744	1,374,068,249
	<u>11,948,336,383</u>	<u>10,912,355,604</u>
3	6,088,844,175	4,922,495,929
4	5,564,752,002	5,822,371,898
5	265,545,052	142,119,294
	29,195,154	25,368,483
	<u>11,948,336,383</u>	<u>10,912,355,604</u>

# THE NEW BUILDING SOCIETY LIMITED

## STATEMENT OF SOURCE AND APPLICATION OF FUNDS

### SOURCE OF FUNDS

#### Operations

Unappropriated income after deducting interest on shares and deposits

Adjustment for items not involving the movement of funds:

Depreciation

Provision for losses on loan assets

Gain on disposal of fixed assets

Net receipts from shareholders and depositors (including interest capitalised)

Proceeds on sale of fixed assets

### APPLICATION OF FUNDS

Increase in loan assets

Purchase of fixed assets

(Decrease) / increase in available funds

Represented by:

(Decrease)/ increase in Investment and cash

Increase in debtors and prepayments

(Increase) in creditors and accruals

The Notes on pages 14 to 27 form an integral part of these financial statements.

# THE NEW BUILDING SOCIETY LIMITED

## FOR THE YEAR ENDED DECEMBER 31, 1999

	1999		1998	
	\$	\$	\$	\$
		237,405,495		158,714,138
		13,087,495		16,211,117
		20,000,000		10,600,000
		(300,000)		
	767,161,827			1,312,259,604
	1,459,136	768,620,965		
		<u>1,038,813,953</u>		<u>1,491,184,859</u>
	(1,186,348,246)		(1,523,222,162)	
	(137,672,389)		(17,913,918)	
		(1,324,020,635)		(1,341,136,080)
		<u>(285,206,682)</u>		<u>150,048,779</u>
	(257,619,896)		172,966,364	
	3,826,671		230,854	
	(31,413,457)		(23,148,439)	
		<u>(285,206,682)</u>		<u>150,048,779</u>

**THE NEW BUILDING SOCIETY LIMITED**

**FUNDS ADMINISTERED BY THE SOCIETY**

**A. BREZINA-GUYANA HOUSING PROJECT**

**LIABILITIES**

U.S. investors

Represented by:

**ASSETS**

Sundry debtors  
External payment deposits

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

**LIABILITIES**

Advanced by Government  
Less - Accumulated overpayment of  
Interest

Sundry creditors  
Excess of income over expenditure

Represented by:

**ASSETS**

Mortgages  
Cash at bank

The notes on pages 14 to 27 form an integral part of these financial statements.

**THE NEW BUILDING SOCIETY LIMITED**

**FOR THE YEAR ENDED DECEMBER 31, 1999**

NOTE	1999	1998
	\$	\$
	755,520	745,358
	755,520	574,741
	-	170,617
	755,520	745,358
	57,490	57,490
	61,422	61,422
	(3,932)	(3,932)
	344	344
	46,850	44,216
	43,262	40,628
7	43,156	40,522
	106	106
	43,262	40,628

## THE NEW BUILDING SOCIETY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

#### 1. SHARES

Five dollar shares  
Save and prosper shares

#### 2. RESERVES

##### Non-Distributable

Balance at January 1, 1999  
and December 31, 1999

##### Distributable

Balance at January 1, 1999

##### Add

Unappropriated income for the year

Balance at December 31, 1999

##### Total Reserves

#### 3. LOAN ASSETS

Mortgage accounts (Note 6)  
Temporary loans  
Properties in possession  
Provision for losses on loan assets

## THE NEW BUILDING SOCIETY LIMITED

### FOR THE YEAR ENDED DECEMBER 1999

	1999	1998
	\$	\$
	5,746,524,460	5,444,087,329
	4,171,917,616	3,685,580,965
	<u>9,918,442,076</u>	<u>9,129,668,294</u>
	95,586,629	95,586,629
	1,278,481,620	1,112,767,482
	237,405,495	158,714,138
	<u>1,515,887,115</u>	<u>1,278,481,620</u>
	<u>1,611,473,744</u>	<u>1,374,068,249</u>
	6,098,786,916	4,921,260,635
	1,698,423	273,250
	18,358,836	10,962,044
	(30,000,000)	(10,000,000)
	<u>6,088,844,175</u>	<u>4,922,495,929</u>

**THE NEW BUILDING SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**4. INVESTMENTS AND CASH**

**Foreign Investments**

**Final Redemption Date in**

- Not more than 5 years
- 5 - 10 years
- 10 - 20 years

**Local Investments**

- (a) Repayable in not more than 6 months
- (b) Final redemption date in not more than 5 years

**Cash at Bank and in Hand**

- Repayable in not more than 6 months

**Interest Accrued (Gross)**

**Market Value of Investments**

**Maturity Value of Investments**

**THE NEW BUILDING SOCIETY LIMITED**

**FOR THE YEAR ENDED DECEMBER 1999**

1999

1998

\$

\$

79,368,805  
148,132,566  
31,854,761

84,174,123  
83,297,445  
31,854,761

3,330,000,000  
1,375,220,000

3,393,753,500  
1,832,298,240

174,871,147

145,229,910

425,304,723

251,763,919

5,564,752,002

5,822,371,898

5,635,675,130

5,936,529,215

5,894,719,387

6,356,486,889

**THE NEW BUILDING SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**5. Fixed Assets**

(a) Book Values  
At December, 1999

Freehold Land  
Freehold Buildings  
Motor Vehicles  
Furniture and Equipment  
Machines & Equipment  
Construction Work in Progress

**THE NEW BUILDING SOCIETY LIMITED**

**FOR THE YEAR ENDED DECEMBER 1999**

	Cost/ Valuation	Accumulated Depreciation	1999 Net Book Value	1998 Net Book Value
Freehold Land	20,288,000	-	20,288,000	20,288,000
Freehold Buildings	116,134,899	10,497,363	105,637,536	85,222,084
Motor Vehicles	59,039,456	16,430,292	42,609,164	11,826,849
Furniture and Equipment	4,171,542	1,529,444	2,642,098	2,692,564
Machines & Equipment	26,353,178	19,414,670	6,938,508	6,923,249
Construction Work in Progress	87,429,746	-	87,429,746	15,166,748
	<u>313,416,821</u>	<u>47,871,769</u>	<u>265,545,052</u>	<u>142,119,294</u>

**THE NEW BUILDING SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**THE NEW BUILDING SOCIETY LIMITED**

**FOR THE YEAR ENDED DECEMBER 1999**

**5. FIXED ASSETS (CONT'D)**

**(c) Analysis of Cost or Valuation**

At Valuation

	1999	1998
	\$	\$
Freehold land - year of valuation 1993	20,288,000	20,288,000
Freehold buildings - year of valuation 1993	80,927,000	80,927,000

At Cost

Freehold buildings	35,207,899	42,806,412
Machinery, furniture and equipment	50,524,720	27,615,424
Motor vehicles	59,038,456	28,828,210
Work-in-progress	87,429,746	15,166,748
Cost / Valuation at December 31, 1999	<u>313,416,821</u>	<u>185,631,794</u>

**(d) Capital Commitment**

The following capital commitments are not provided for in these financial statements

Authorised and contracted for	32,003,516	
Authorised but not contracted for	<u>9,164,500</u>	<u>112,000,000</u>

**THE NEW BUILDING SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**6. MORTGAGE ACCOUNTS**

	Number of Securities
Balances not exceeding \$500	6
Balances exceeding \$500 but not \$1,000	6
Balances exceeding \$1,000 but not \$2,000	4
Balances exceeding \$2,000 but not \$3,000	5
Balances exceeding \$3,000 but not \$4,000	3
Balances exceeding \$4,000 but not \$5,000	2
Balances exceeding \$5,000 but not \$10,000	13
Balances exceeding \$10,000 but not \$15,000	17
Balances exceeding \$15,000 but not \$20,000	7
Balances exceeding \$20,000 but not \$25,000	12
Balances exceeding \$25,000 but not \$30,000	14
Balances exceeding \$30,000 but not \$50,000	28
Balances exceeding \$50,000 but not \$100,000	49
Balances exceeding \$100,000 but not \$200,000	82
Balances exceeding \$200,000 but not \$250,000	53
<b>Carried Forward</b>	<b>301</b>

**THE NEW BUILDING SOCIETY LIMITED**

**FOR THE YEAR ENDED DECEMBER 1999**

1999		1998	
Amount	Number of Securities	Number of Securities	Amount
\$ 749	8		\$ 1,822
5,161	6		4,768
5,845	4		7,100
13,204	10		26,021
9,238	12		41,341
9,186	6		26,785
87,284	17		115,391
208,618	21		270,977
124,614	7		118,919
268,831	12		264,559
382,417	6		160,677
1,091,024	36		1,410,154
3,670,449	64		4,566,066
12,240,241	91		13,375,515
11,769,296	62		13,904,488
<b>29,886,137</b>	<b>362</b>		<b>34,284,583</b>

**THE NEW BUILDING SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**6. MORTGAGE ACCOUNTS (CONT'D)**

Brought Forward

Balances exceeding \$250,000  
but not \$500,000

Balances exceeding \$500,000  
but not \$750,000

Balances exceeding \$750,000  
but not \$1,000,000

Balances exceeding \$1,000,000  
but not \$1,500,000

Balances exceeding \$1,500,000  
but not \$2,000,000

Balances exceeding \$2,000,000  
but not \$2,500,000

Balances exceeding \$2,500,000  
but not \$3,000,000

Balances exceeding \$3,000,000  
but not \$4,000,000

Balances exceeding \$4,000,000  
but not \$5,000,000

Balances exceeding \$5,000,000

**THE NEW BUILDING SOCIETY LIMITED**

**FOR THE YEAR ENDED DECEMBER 31, 1999**

	1999		1998	
	Number of Securities	Amount \$	Number of Securities	Amount \$
Brought Forward	301	29,886,137	362	34,284,583
Balances exceeding \$250,000 but not \$500,000	237	89,774,734	242	91,318,657
Balances exceeding \$500,000 but not \$750,000	249	153,306,967	233	142,980,896
Balances exceeding \$750,000 but not \$1,000,000	273	242,885,815	241	211,602,638
Balances exceeding \$1,000,000 but not \$1,500,000	454	568,906,726	396	491,136,854
Balances exceeding \$1,500,000 but not \$2,000,000	401	705,459,062	321	561,126,389
Balances exceeding \$2,000,000 but not \$2,500,000	272	611,363,429	220	491,728,475
Balances exceeding \$2,500,000 but not \$3,000,000	225	621,823,245	196	544,639,436
Balances exceeding \$3,000,000 but not \$4,000,000	329	1,148,995,753	243	855,448,119
Balances exceeding \$4,000,000 but not \$5,000,000	323	1,473,448,008	268	1,215,411,682
Balances exceeding \$5,000,000	87	452,937,040	54	281,582,906
	<u>3151</u>	<u>6,098,786,916</u>	<u>2,776</u>	<u>4,921,260,635</u>

**THE NEW BUILDING SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

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

Balances exceeding \$35,000

**8. SIGNIFICANT ACCOUNTING POLICIES**

**(a) Depreciation**

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

**(b) Investments**

Investments are stated at cost to the Society.

**(c) Foreign Currencies**

Transactions involving foreign currencies are converted at standard rates of exchange.

At balance sheet date all amounts denominated in foreign currencies, except investments, 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.

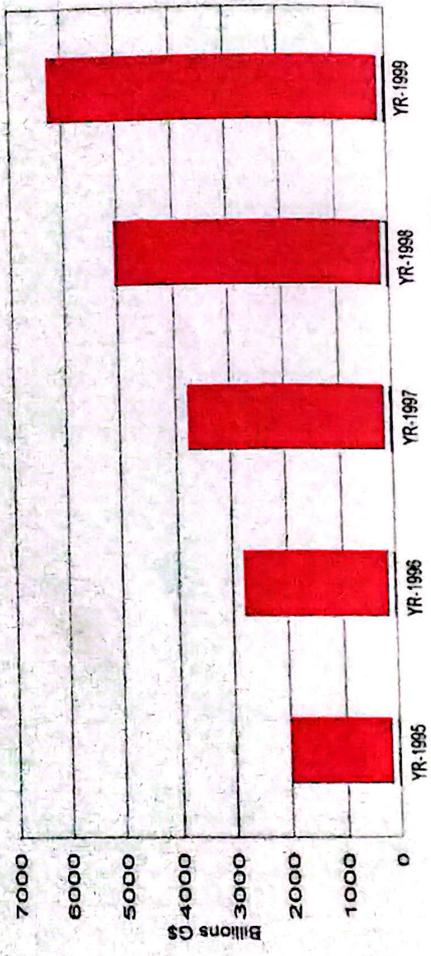
**THE NEW BUILDING SOCIETY LIMITED**

**FOR THE YEAR ENDED DECEMBER 31, 1999**

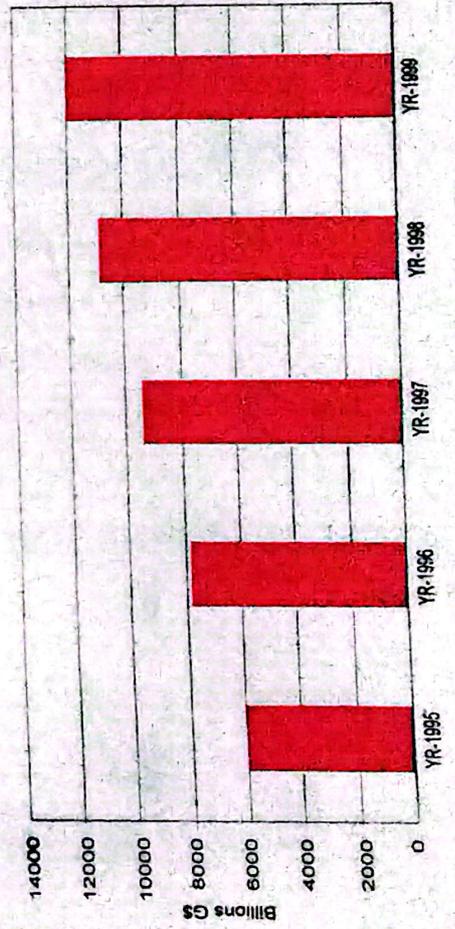
1999 1998

Number of Securities	Amount \$	Number of Securities	Amount \$
1	43,156	1	40,522

MORTGAGE GROWTH FOR PERIOD 1995-99

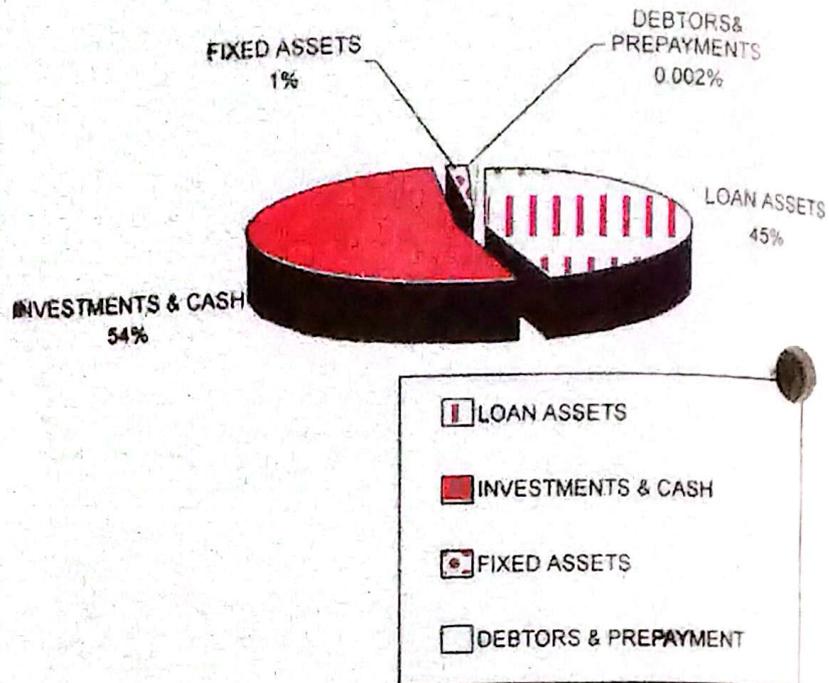


ASSETS GROWTH FOR PERIOD 1995-99



# THE NEW BUILDING SOCIETY LIMITED

## ASSETS COMPOSITION 1998



## ASSETS COMPOSITION 1999

