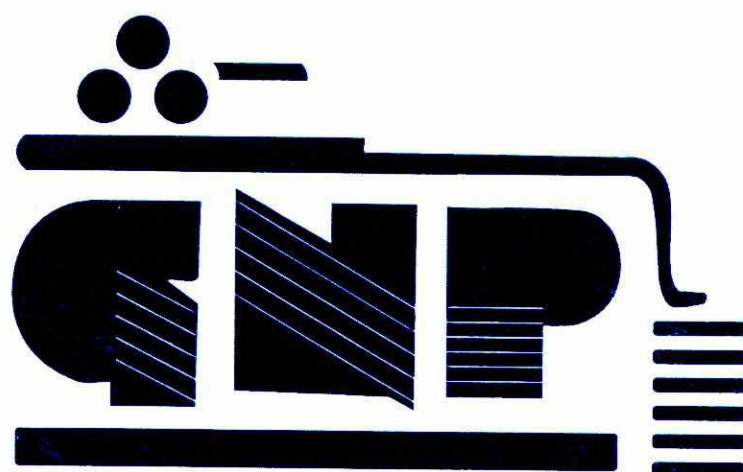


GUYANA NATIONAL PRINTERS LIMITED



Annual Report
2007

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Cecil	Ramsingh	- Chairman
Aubrey	Collins	- (retired)
Percival	Boyce (Jnr)	
Mazrul	Bacchus	
Cyril	Belgrave	
Clive	Harrison	
Mark	Harris	
Maharajia	Sahadeo	- (retired)
Michael	Gordon	- (retired)
Don	Grenardo	- Worker Representative

REGISTERED OFFICE

1 Public Road
La Penitence
Georgetown
Tele # 225-1242

MANAGEMENT

Marlyn	Nedd	- General Manager/Director/Company Secretary
David	Collins	- Sales Manager
Errol	Chan	- Production Manager
Denise	Souvenir	- Finance Manager

BANKERS

Republic Bank (Guyana) Ltd – Water Street, Georgetown
New Building Society – Avenue of the Republic

AUDITORS

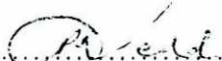
Auditor General - 63 High Street Kingston, Georgetown

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the **27th Annual General Meeting** of **Guyana National Printers Limited** will be held on **2010 April 21**, in the Company's Boardroom, 1 Public Road, La Penitence Georgetown **at 10:00 Hours** for the following purposes:

1. To receive and consider the Company's Accounts for the year ended **2007 December 31**, and the reports of the Directors and Auditors thereon.
2. To approve dividends in respect of the year ended **2007 December 31**, as recommended by the directors.
3. To appoint Auditors
4. To authorize the Directors to fix the remuneration of the Auditors
5. To transact any other business of an Annual General Meeting.

BY ORDER OF THE BOARD


.....
Marlyn Nedd (Mrs)
Company Secretary
GUYANA NATIONAL PRINTERS LIMITED

CHAIRMAN'S REPORT

Operations

Sales in **2007** totalled **\$218.7M** compared with a 2006 performance of **\$265M**. This 2007 performance reflects a decrease of approximately **19%** on that of 2006.

A pre-tax profit of **\$25.3M** was realized, a reduction of **47%** against the **2006** figure of **\$48M**. The significant reduction in turnover compared to 2006's is mainly due to the fact that in 2006 a considerable amount of work pertaining to general elections was produced for the Guyana Elections Commission.

Profits retained in the business for the year ending **2007 December 31**, was **\$19.4M** as compared with **\$38M** for the previous year. This represents a decline of approximately **50%** when compared with **2006**, however it would have been very difficult for the company to maintain such a high level of performance.

What is important to note is that even with the decline, the Company was able to retain profits well above what will be considered to be the required rate of return for a Company of this size and nature, moreso, taking into consideration the age of the income generating assets.

The ratio of earnings retained to every dollar of shareholder's equity is as follows:

<u>2007</u>	<u>2006</u>
\$6.92: \$1	\$13.50: \$1

Cost of sales was recorded at **75%** compared with **67%** in 2006. This was due mainly to steep increases in the price of paper and other raw materials which was as a result of the astronomical increase in the price of crude oil on the world market.

Equipment

The Company purchased a used Heidelberg **KORD 64** single-colour press

from Schiebeler & Company (Trinidad) in the sum of **G\$5.2M**. This press though a far cry from the 4 and 5 colour presses which the Company's competitors are equipped with, lends some amount of reliability to the factory's productive capacity.

A **RZ220 Risograph Digital Duplicator** was purchased in October from Associated Industries Ltd (**Ainlim**) in the sum of **\$1.5M**. This piece of equipment is utilized for the speedy production of certain one (**1**) colour jobs and is useful in the printing of small gazettes and bills which are usually required at very short notice.

The Schiebeler (**T'dad**) engineer visited the Plant during the month of June at the invitation of Management and carried out an assessment of the presses and other equipment. He advised that the old **KORD 64** and the **SORZM** presses were beyond rehabilitation. Recommendation in terms of rehabilitative works were also made with regard to the other presses.

Commenting on the bindery and finishing equipment, the engineer said that they were old and in a dilapidated condition and that parts and repairs could be very costly, he also mentioned that in some cases parts were no longer available.

Concluding his report, the engineer recommended that the Company should make an assessment of what products it would want to produce so as to be in a position to better decide the type of equipment which were needed. He pointed out that the market demand for colour jobs required that the Company should be equipped with a 4 colour processor. He also recommended that a programmable guillotine and corresponding folding machine and a stitcher and binder should be acquired for the bindery. Commenting on our pre-press operations, the engineer said that in order for the printery to be effective, the acquisition of an image setter or computer to plate equipment was essential.

Referring to the physical environment, the engineer recommended that a smaller area be identified and prepared for a modern styled printery complete with walls, ceiling, lighting and air-conditioning.

Breakdowns of the exercise book machine occurred regularly, during the

year. Repairs were carried out by the in-house maintenance personnel. On occasions local machine shops were contracted to fabricate parts or machine worn (parts). Maintenance personnel were also kept rather busy responding to the many demands for repairs.

Expenses

Operating costs were reduced by **4%** compared with that of **2006**, however employment costs rose by approximately **13%**.

Training

Training of workers continued both in-house and external (**local**) throughout the year. Employees were trained in the areas of Supervisory Management, Effective Communication and Customer Service. The supervisor of the Accounts Department commenced the Foundation Certificate in Accounting Programme which is being conducted by the Public Service Ministry.

Our in-house technical training programmes were ongoing in the Camera, Offset and Bindery sections, this became even more imperative because of the steady turnover of trainee operators.

Industrial Relations and Other Relations

The Industrial Relations climate was stable throughout the year. During the month of July some 19 employees wrote to the Chief Labour Officer, expressing fears about the future of the Company in view of the fact that there was no upgrade of machinery and there was a marked reduction of sales intake. The workers also made mention of their low wages/salaries and spiraling cost of living.

Workers benefitted from a nine (**9**) percent increase in wages and salaries retroactive from **2007 January 01**.

The Company continued to make donations to schools and other institutions. Schools were also accommodated on educational tours of the factory.

A total of ten (10) students from the Government Technical Institute and Secondary schools served their work study stint with the Company during the months of July and August.

Once again the workers' children who were successful at the Secondary school Entrance Examination were issued with bursaries of a five (5) year duration. On this occasion four (4) bursaries were issued.

Legal Matter

The matter with the Mayor and City Council was resolved with Guyana National Printers Limited paying the rates and taxes on the basis of the revised valuation. The National Industrial and Commercial Investments Limited (NICIL) was instrumental in the resolution of the matter.

Workers Contributions

Our workers, despite the frustrations of a few performed creditably under far from ideal conditions. Their contributions have enabled the Company to achieve favourable results for yet another year. I therefore extend sincere thanks to them on behalf of the Board of Directors.



Audit Office of Guyana

*P.O. Box 1002, 63 High Street, Georgetown, Georgetown, Guyana
Tel 592-925-7539, Fax 592-926-7957, <http://www.audit.org.gy>*

AG: 20/2009

17 March 2009

REPORT OF THE AUDITOR GENERAL
TO THE MEMBERS OF THE BOARD OF DIRECTORS OF THE
GUYANA NATIONAL PRINTERS LIMITED
ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007

I have audited the accompanying financial statements of Guyana National Printers Limited which comprise the balance sheet as at 31 December 2007, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes. The audit was conducted in accordance with the Audit Act of 2004.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. I conducted my audit in accordance with International Standards on Auditing issued by the International Federation of Accountants (IFAC), and those of the International Organization of Supreme Audit Institutions (INTOSAI). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amount and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not

for the purpose of appropriateness of accounting policies used and the reasonableness made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Qualified Opinion

In May 2008, the company received a tax liability statement of G\$33.937M from the Guyana Revenue Authority, which was not settled or provided for. The company is disputing this liability but is unable to provide valid objections for each year in dispute. I am therefore unable to express an opinion on the tax recoverable of G\$17.864M and tax payable of G\$22.606M. The company did not accrue for interest and penalty on outstanding taxes as stated above. We are therefore unable to ascertain whether the liability and profit for the year is correctly stated.

The necessary information was not provided for the disclosures of the company's defined benefit pension plan as required by IAS 19 – Employee Benefits. In our opinion, as a result of this the company did not comply with IAS 19 – Employee Benefits and therefore did not comply with IFRS.

Included in the balance sheet is an amount of G\$28.295M shown as Trade Debtors. There were balances coming forward from previous year totalling G\$8.377M. The provision for doubtful debts was only G\$4.303M. As such, I am uncertain whether the amount of G\$28.295M shown as trade debtors is fairly stated as at 31 December 2007.


The amount of G\$33.905M shown as Advance Payments in the balance sheet could not be verified. In many instances the confirmations received did not agree with the balances shown and, no reconciliations were provided. As such I am uncertain about the amount of G\$33.905M shown as Advance Payments in the balance sheet as at 31 December 2007.

In my opinion, except for the matters stated in the preceding paragraphs, the financial statements give a true and fair view, in all material respects of the financial position of the Guyana National Printers Limited as at 31 December 2007 and of its financial performance and its cash flows for the year then ended in conformity with International Financial Reporting Standards and the Companies Act 1991.

Emphasis

Without further qualifying my opinion I wish to emphasise that the financial statements have been prepared using the principles applicable to a going concern which contemplate the realisation of assets and liquidation of liabilities in the normal course of business. However, as explained in Note 23 to the financial statements the Government of Guyana has taken a decision to privatise the company. No adjustment to assets and liabilities has been made as a result of this.

In addition, I wish to further emphasise that terms and conditions of the Government of Guyana loan in the sum of \$25.808M was not made available for examination. This loan is stated as a non-current, interest free liability in the financial statements of the company.


D. SHARMA

AUDITOR GENERAL (ag.)

AUDIT OFFICE
63 HIGH STREET
KINGSTON
GEORGETOWN
GUYANA

REPORT OF THE CHARTERED ACCOUNTANTS
DELOITTE & TOUCHE
TO THE AUDITOR GENERAL
ON THE FINANCIAL STATEMENTS OF
GUYANA NATIONAL PRINTERS LIMITED
FOR THE YEAR ENDED 31 DECEMBER 2007

Report on the Financial Statements

We have audited the accompanying financial statements of Guyana National Printers Limited which comprise the balance sheet as at 31 December 2007 and the income statement, statements of changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes as set out on pages 2 to 25.

Directors'/Management's Responsibility for the Financial Statements

The Directors/ Management are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

GUYANA NATIONAL PRINTERS LIMITED
 PROFIT AND LOSS ACCOUNT
 FOR THE YEAR ENDED 31 DECEMBER 2007

	<u>Notes</u>	<u>2007</u>	<u>2006</u>
		G\$	G\$
Revenue		218,782,496	265,201,782
Cost of sales		<u>(164,911,814)</u>	<u>(178,992,376)</u>
Gross profit		53,870,682	86,209,406
Other income	5	<u>9,335,305</u>	<u>1,316,995</u>
		63,205,987	87,526,401
Administrative expenses	6	<u>(37,847,910)</u>	<u>(39,627,972)</u>
Profit before tax		25,358,077	47,898,429
Taxation	7	<u>(5,878,961)</u>	<u>(9,885,157)</u>
Profit for the year		<u><u>19,479,116</u></u>	<u><u>38,013,272</u></u>
Earnings per share in dollars	8	<u><u>69.20</u></u>	<u><u>135.05</u></u>

"The accompanying notes form an integral part of these financial statements"

Opinion

1. In May 2008 the company received a tax liability statement of G\$33,936,667 from the Guyana Revenue Authority which was not settled or provided for.
The company is disputing this liability but is unable to provide valid objections for each year in dispute. We are therefore unable to express an opinion on the tax recoverable of G\$17,863,975 and tax payable of G\$22,606,224.
The company did not accrue for interest and penalty on outstanding taxes as stated above. We are therefore unable to ascertain whether the liability and profit for the year is correctly stated.
2. The necessary information was not provided for the disclosures of the company's defined benefit pension plan as required by IAS 19 – Employee benefits. In our opinion, as a result of this the company did not comply with IAS 19 – Employee benefits and therefore did not comply with IFRS.
3. Included in the balance sheet is an amount of G\$ 28,295,432 shown as trade debtors. There were balances coming forward from previous year totaling G\$ 8,377,164. The provision for doubtful debts was only G\$ 4,303,184.
As such we are uncertain whether the amount of G\$ 28,295,432 shown as trade debtors is fairly stated as at 31 December 2007.
4. We were unable to verify the balance for Advance Payments of G\$33,905,086 in the balance sheet. Confirmations received in many cases did not agree with the balances and no reconciliations were provided. As such we are uncertain about the amount of G\$33,905,086 shown as Advance Payments in the balance sheet as at 31 December 2007.

In our opinion except for the matters stated in the preceding paragraphs, the financial statements give a true and fair view, in all material respects of the financial position of Guyana National Printers Limited as at 31 December 2007 and of its financial performance and its cash flows for the year then ended

Emphasis

Without further qualifying our opinion, we wish to emphasise that the financial statements have been prepared using principles applicable to a going concern which contemplate the realization of assets and liquidation of liabilities in the normal course of business. However, as explained in Note 23 in the financial statements the Government of Guyana has taken a decision to privatise the company. No adjustment to assets or liabilities has been made as a result of this.

We wish to further emphasise that the terms and conditions of the Government of Guyana loan was not made available to us. This loan is stated as a non-current, interest free liability in the financial statements of the company.

Report on Other Legal and Regulatory Requirements

The financial statements comply with the requirements of the Companies Act 1991.



DELOITTE & TOUCHE
CHARTERED ACCOUNTANTS

March 5, 2009

77 Brickdam,
Stabroek, Georgetown,
Guyana

GUYANA NATIONAL PRINTERS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2007

	<u>Share capital</u>	<u>Accumulated earnings</u>	<u>Capital reserve</u>	<u>Total</u>
	G\$	G\$	G\$	G\$
As at 31 December 2005	<u>2,814,850</u>	<u>21,313,790</u>	<u>12,873,199</u>	<u>37,001,839</u>
Profit for the year	<u>-</u>	<u>38,013,272</u>	<u>-</u>	<u>38,013,272</u>
Total recognised income and expense for the year	<u>-</u>	<u>38,013,272</u>	<u>-</u>	<u>38,013,272</u>
As at 31 December 2006	<u>2,814,850</u>	<u>59,327,062</u>	<u>12,873,199</u>	<u>75,015,111</u>
Profit for the year	<u>-</u>	<u>19,479,116</u>	<u>-</u>	<u>19,479,116</u>
Total recognised income and expense for the year	<u>-</u>	<u>19,479,116</u>	<u>-</u>	<u>19,479,116</u>
Balance at 31 December 2007	<u><u>2,814,850</u></u>	<u><u>78,806,178</u></u>	<u><u>12,873,199</u></u>	<u><u>94,494,227</u></u>

"The accompanying notes form an integral part of these financial statements".

GUYANA NATIONAL PRINTERS LIMITED

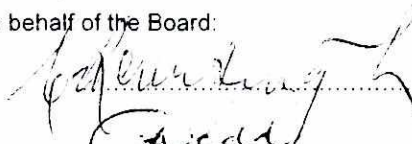
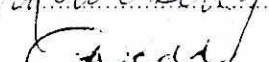
BALANCE SHEET

AT 31 DECEMBER 2007

	Notes	2007 G\$	2006 G\$
Non Current Assets			
Fixed assets	9	<u>15,177,819</u>	<u>8,632,953</u>
Current assets			
Inventories	10	67,603,901	77,310,179
Trade debtors	11(a)	28,295,432	22,401,910
Other debtors and prepayments	11(b)	1,592,255	1,606,229
Taxes recoverable		17,863,976	17,863,975
External payments deposits	12	100,977	100,977
Cash on hand and at bank		<u>71,283,493</u>	<u>41,583,152</u>
		<u>186,740,034</u>	<u>160,866,422</u>
TOTAL ASSETS		<u>201,917,853</u>	<u>169,499,375</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	14(a)	2,814,850	2,814,850
Accumulated earnings		78,806,178	59,327,062
Capital reserve	14(b)	<u>12,873,199</u>	<u>12,873,199</u>
		<u>94,494,227</u>	<u>75,015,111</u>
Non-current liabilities			
Loans	15	<u>25,807,272</u>	<u>25,807,272</u>
Current liabilities			
Trade creditors	16	9,473,325	9,952,717
Other creditors and accruals	13	8,397,504	17,132,920
Advance payments	17	33,905,086	18,589,381
Taxation		22,606,224	20,672,069
Bank overdraft (unsecured)	18	<u>7,234,215</u>	<u>2,329,905</u>
		<u>81,616,354</u>	<u>68,676,992</u>
TOTAL EQUITY AND LIABILITIES		<u>201,917,853</u>	<u>169,499,375</u>

These financial statements were approved by the Board of Directors on March 5, 2009

On behalf of the Board:

 Director
 Director

"The accompanying notes form an integral part of these financial statements"

GUYANA NATIONAL PRINTERS LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2007

	<u>2007</u> G\$	<u>2006</u> G\$
Operating activities		
Profit before tax	25,358,077	47,898,429
Adjustment for:		
Depreciation	<u>1,688,672</u>	<u>1,364,786</u>
Operating profit before working capital changes	27,046,749	49,263,215
(Increase)/decrease in inventories	9,706,278	(22,644,128)
Increase in debtors and prepayments	(5,879,548)	(5,098,003)
Decrease in creditors and accruals	(9,214,808)	(4,742,124)
Increase/(decrease) in advance payments	<u>15,315,705</u>	<u>(12,945,315)</u>
Cash generated from operations	36,974,376	3,833,645
Taxes paid	<u>(3,944,807)</u>	<u>(5,219,061)</u>
Net cash provided by/(used in) operating activities	<u>33,029,569</u>	<u>(1,385,416)</u>
Investing activities:		
Purchase of fixed assets	<u>(8,233,538)</u>	<u>(1,132,277)</u>
Net cash used in investing activities	<u>(8,233,538)</u>	<u>(1,132,277)</u>
Increase/(decrease) in cash and cash equivalents	24,796,031	(2,517,693)
Cash and cash equivalents at beginning of year	<u>39,253,247</u>	<u>41,770,940</u>
Cash and cash equivalents at end of year	<u><u>64,049,278</u></u>	<u><u>39,253,247</u></u>
Comprising:		
Cash on hand and at bank	71,283,493	41,583,152
Bank overdraft	<u>(7,234,215)</u>	<u>(2,329,905)</u>
	<u><u>64,049,278</u></u>	<u><u>39,253,247</u></u>

"The accompanying notes form an integral part of these financial statements".

GUYANA NATIONAL PRINTERS LIMITED

NOTES ON THE ACCOUNTS.

1. Incorporation and activities

The Guyana National Printers Limited was formerly known as the Guyana Lithographic Company Limited which was incorporated on May 26, 1976. It was then registered as Guyana National Lithographic Company Limited. From 1980 the Company merged with Guyana Printers Limited and the merged company was renamed Guyana National Printers Limited.

The Company's principal activities are to provide printing and packaging services.

2. Adoption of new and revised standards and interpretations

Effective in the current year

New standard

In the current year, the company adopted IFRS 7 Financial Instruments: Disclosures which are effective for annual reporting periods beginning on or after 1 January 2007. The impact of the adoption of IFRS 7 has been to expand the disclosures provided in these financial statements regarding the company financial instruments.

Amendments to relevant standard

IAS 1 – Capital Disclosures

Amendment to IAS 1 has been to expand the disclosures provided in these financial statements regarding the company's capital.

GUYANA NATIONAL PRINTERS LIMITED

NOTES ON THE ACCOUNTS

2. Adoption of new and revised standards and interpretations – cont'd

Effective in the current year – cont'd

Interpretations effective in the current year

The following interpretations to published standards are effective from the current financial period but they are not relevant to the company's operations:

IFRIC 7 – Applying the Restatement Approach under IAS 29, Financial Reporting in Hyperinflationary Economies

IFRIC 8 – Scope of IFRS 2

IFRIC 9 – Re- assessment of embedded derivatives

IFRIC 10 – Interim Financial Reporting and Impairment.

Available for early adoption in the current year

New standard

IFRS 8 – Operating Segment

This becomes effective for period beginning on or after 1 January 2009. IFRS 8 replaces IAS 14 Segment Reporting. IFRS 8 requires an entity to report financial and descriptive information about its reportable segments, which are operating segments or aggregations of operating segments that meet specified criteria.

Operating segments are components of an entity about which separate financial information is available that is evaluated regularly by chief operating decision makers in deciding how to allocate resources and in assessing performance. Management is reviewing the provisions of this standard to determine the impact, if any, against current practices and disclosures.

GUYANA NATIONAL PRINTERS LIMITED

NOTES ON THE ACCOUNTS

2. Adoption of new and revised standards and interpretations – cont'd

Available for early adoption for the current year – cont'd

Amendments to standards

- IAS 23 – (Revised) Borrowing Costs
- IAS 1 – (Revised) Presentation of Financial Statements

IAS 23 – (Revised) Borrowing costs

This becomes effective for periods beginning on and after 1 January 2009. The revisions to IAS 23 have had no impact on the company's accounting policies.

IAS 1 – (Revised) Presentation of Financial Statements

This becomes effective for periods beginning on or after 1 January 2009. Many textual changes have been made to IAS 1 (revised), including changes to the titles of individual financial statements (e.g a 'balance sheet' will in future be referred to as a 'statement of financial position'). The majority of the changes made are not substantive.

New Interpretations

- IFRIC 11 – IFRS 2: Group and Treasury Share Transactions
(effective 1 March 2007)
- IFRIC 12 – Service Concession Arrangements (effective 1 January 2008)
- IFRIC 13 – Customer Loyalty Programmes (effective 1 July 2008)
- IFRIC 14 – IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
(effective 1 January 2008)

GUYANA NATIONAL PRINTERS LIMITED

NOTES ON THE ACCOUNTS.

3. Summary of significant accounting policies

(a) Accounting convention

The financial statements have been prepared under the historical cost convention as modified for the revaluation of certain fixed assets and the accounting policies conform with International Financial Reporting Standards adopted by the Institute of Chartered Accountants of Guyana.

(b) Revenue and expense recognition

Revenue and expense are recognized on an accrual basis.

(c) Fixed assets and depreciation

Freehold land and buildings held for use in the supply of services or for administrative purposes are stated in the balance sheet at their revalued amounts. Revalued amounts are taken as the fair value at the date of revaluation less any subsequent accumulated impairment losses.

Any revaluation increase arising on the revaluation of such land, buildings and equipment is credited to revaluation reserve.

Depreciation of other fixed assets other than freehold land is calculated on the straight line method at rates sufficient to write off the cost or revaluation of these assets to their residual values over their estimated useful lives as follows:

Buildings	-	2%
Plant, machinery and equipment	-	10% -11%
Motor vehicles	-	25%

The gain or loss arising on the disposal or retirement of an item of fixed assets is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the profit or loss.

(d) Inventories

These are valued at the lower of cost and net realizable value using primarily the weighted average cost method.

GUYANA NATIONAL PRINTERS LIMITED

NOTES ON THE ACCOUNTS.

3. Summary of significant accounting policies – cont'd

(e) Translation of foreign currencies

Transactions in foreign currencies other than Guyana dollars are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary assets and liabilities carried at the fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in net profit or loss for the period, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are recognized directly in equity

(f) Taxation

Income tax expense represents the sum of tax currently payable and deferred tax.

Income tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted in Guyana at the balance sheet date.

Deferred tax

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized

GUYANA NATIONAL PRINTERS LIMITED

NOTES ON THE ACCOUNTS.

3. Summary of significant accounting policies – cont'd

(f) Taxation – cont'd

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realized. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities, and when they relate to income taxes levied by the same taxation authority, and the company intends to settle its current tax assets and liabilities on a net basis. At December 31, 2007 deferred tax assets not taken up due to uncertainties with respect to recoverability was approximately G\$ 63,755,700 (2006 – G\$69,708,228).

(g) Capital reserve

Surplus on revaluation of fixed assets (land and buildings) is credited to this account. This reserve is not distributable.

(h) Pension funding

The Company participates in a defined benefit pension plan for its employee's retirement benefits depending on length of service.

The contributions are held in trustee administered funds which are separate from the company's resources.

The plan covers all permanent employees. The last actuarial valuation was done as at 31 December 2003.

The valuation was done using the Projected Unit Credit Method, as required by the Standard and the company recognizes gains or losses immediately.

GUYANA NATIONAL PRINTERS LIMITED

NOTES ON THE ACCOUNTS.

3. Summary of significant accounting policies – cont'd

(i) Cash and cash equivalents

Cash and cash equivalents are comprised of cash on hand and at bank and bank overdraft.

(j) Fair value

The amount included in the financial statements for receivables and payables reflect their approximate fair value because of the short term maturity of these instruments.

4. Critical accounting judgments and key sources of estimation uncertainty

It is the directors' responsibility to select suitable accounting policies and to make judgments and estimates that are reasonable and prudent.

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(i) Debtors and other receivables

On a regular basis, management reviews debtors and other receivables to assess impairment. Based on the information available as to the likely impairment in cash flows, decisions are taken in determining appropriate provisions to be made for bad and doubtful debts.

GUYANA NATIONAL PRINTERS LIMITED

NOTES ON THE ACCOUNTS.

4. Critical accounting judgments and key sources of estimation uncertainty - cont'd

Key sources of estimation uncertainty – cont'd

(ii) Useful lives of fixed assets

Management reviews the estimated useful lives of fixed assets at the end of each year to determine whether the useful lives should remain the same.

(iii) Other financial assets

In determining the fair value of investments in the absence of a market, the Directors estimate the likelihood of impairment by using discounted cash flows.

GUYANA NATIONAL PRINTERS LIMITED

NOTES ON THE ACCOUNTS

	<u>2007</u>	<u>2006</u>
	G\$	G\$
5 Other income		
Interest income	1,144,581	944,958
Others	<u>8,191,000</u>	<u>372,037</u>
	<u>9,335,581</u>	<u>1,316,995</u>
6 Administrative expenses		
Employment cost:		
Salaries and wages	19,807,939	17,117,066
Pensions	1,746,454	1,267,016
Other staff costs	<u>4,828,933</u>	<u>4,897,738</u>
	26,383,326	23,281,820
Administrative expenses	8,706,566	13,415,451
Depreciation (a)	948,018	977,257
Auditor's remuneration	1,150,000	1,212,200
Interest	-	2,400
Directors' emoluments (b)	660,000	660,000
Bad debts	<u>-</u>	<u>78,844</u>
	<u>37,847,910</u>	<u>39,627,972</u>
(a) Depreciation charges		
Administration	948,018	977,257
Overhead	<u>740,654</u>	<u>387,529</u>
	<u>1,688,672</u>	<u>1,364,786</u>
(b) Directors' emoluments		
C.Ramsingh	120,000	120,000
M.Sahadeo	90,000	90,000
A.Collins	90,000	90,000
C.Belgrave	90,000	90,000
D.Grenardo	90,000	90,000
M.Gordon	90,000	90,000
P.Boyce	<u>90,000</u>	<u>90,000</u>
	<u>660,000</u>	<u>660,000</u>

GUYANA NATIONAL PRINTERS LIMITED

NOTES ON THE ACCOUNTS

7 Taxation

	<u>2007</u> G\$	<u>2006</u> G\$
Corporation tax (35%)	3,943,959	8,104,584
Property tax	<u>1,935,002</u>	<u>1,780,573</u>
	<u>5,878,961</u>	<u>9,885,157</u>

	<u>2007</u>		<u>2006</u>	
	G\$	%	G\$	%

Reconciliation of tax expenses and accounting profit

Accounting profit	<u>25,358,077</u>	<u>100.0</u>	<u>47,898,429</u>	<u>100.0</u>
Corporation tax at 35%	8,875,327	35.0	16,764,449	35.0
Add:				
Tax effect of expenses not deductible in determining taxable profit				
Depreciation for accounting purposes	591,035	2.3	477,675	1.0
Others	<u>57,700</u>	<u>0.2</u>	<u>20,195</u>	<u>-</u>
	9,524,062	37.5	17,262,319	36.0
Deduct:				
Tax effect of depreciation for tax purposes	968,238	3.8	690,296	1.4
Other	<u>611,280</u>	<u>2.4</u>	<u>362,855</u>	<u>0.8</u>
	7,944,544	31.3	16,209,168	33.8
Loss relief	<u>(4,000,585)</u>	<u>(15.8)</u>	<u>(8,104,584)</u>	<u>(16.9)</u>
Corporation tax	<u>3,943,959</u>	<u>15.5</u>	<u>8,104,584</u>	<u>16.9</u>

	<u>2007</u> G\$	<u>2006</u> G\$
8 Earnings per share		
Profit for the year after taxation	<u>19,479,116</u>	<u>38,013,272</u>
Number of shares issued	<u>281,485</u>	<u>281,485</u>
Earnings per share in dollars	<u>69.20</u>	<u>135.05</u>

GUYANA NATIONAL PRINTERS LIMITED

NOTES ON THE ACCOUNTS

9 Fixed assets

	Land and building		Plant, machinery and equipment	Motor vehicles	Total
	Freehold	Leasehold			
	G\$	G\$			
(a) Cost/valuation					
At 1 January 2007	8,259,956	957	62,330,692	6,916,015	77,507,620
Additions	-	-	8,233,538	-	8,233,538
At 31 December 2007	8,259,956	957	70,564,230	6,916,015	85,741,158
Depreciation					
At 1 January 2007	3,908,403	162	58,050,087	6,916,015	68,874,667
Charge for the year	156,378	-	1,532,294	-	1,688,672
At 31 December 2007	4,064,781	162	59,582,381	6,916,015	70,563,339
Net book values:					
At 31 December 2007	4,195,175	795	10,981,849	-	15,177,819
At 31 December 2006	4,351,553	795	4,280,605	-	8,632,953

(a) Property, plant and equipment vested on May 26, 1976 were stated at the book values of the previous owners (which were in excess of compensation prices) less provision for depreciation computed on those values until 1982 when revaluation was done by professional valuers. The surplus on the revaluation has been credited to capital reserve.

10 Inventories

	2007 G\$	2006 G\$
Raw materials	30,251,160	43,530,949
Finished goods	15,977,132	16,676,010
Work-in-progress	14,563,170	17,103,220
Spares	6,812,439	-
	<u>67,603,901</u>	<u>77,310,179</u>

The costs of inventory recognised as expense during the period with respect to the operations was G\$ 120,369,907 (2006: G\$ 126,798,965). Cost of sales includes labour cost and depreciation charges.

The costs of inventory recognised as expense includes G\$ 1,228,894 in respect of material written off. (2006: G\$ 2,111,810)

Inventories of G\$ 67,603,901 (2006: G\$77,310,179) are expected to be recovered within twelve months.

GUYANA NATIONAL PRINTERS LIMITED

NOTES ON THE ACCOUNTS

	<u>2007</u> G\$	<u>2006</u> G\$
11 (a) Trade debtors		
Trade debtors	32,598,616	26,705,094
Less: Provision for bad debts (i)	<u>4,303,184</u>	<u>4,303,184</u>
At 31 December	<u><u>28,295,432</u></u>	<u><u>22,401,910</u></u>
(i) At 1 January	4,303,184	5,001,598
Provision for the year	<u>-</u>	<u>(698,414)</u>
At 31 December	<u><u>4,303,184</u></u>	<u><u>4,303,184</u></u>

All of the above provision for bad debts is specific

(b) Other debtors and prepayments		
Prepayments	656,249	317,049
Other debtors	<u>936,006</u>	<u>1,289,180</u>
	<u><u>1,592,255</u></u>	<u><u>1,606,229</u></u>

12 External payments deposits	<u><u>100,977</u></u>	<u><u>100,977</u></u>
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These represents amounts deposited with commercial banks under External Payments Deposit Scheme for payments of amounts due to foreign suppliers. Such funds are restricted within the Scheme awaiting premission from Bank of Guyana to remit to foreign suppliers.

	<u>2007</u> G\$	<u>2006</u> G\$
13 Other creditors and accruals		
Accruals	5,892,217	12,622,889
Other creditors	<u>2,505,287</u>	<u>4,510,031</u>
	<u><u>8,397,504</u></u>	<u><u>17,132,920</u></u>

GUYANA NATIONAL PRINTERS LIMITED
NOTES ON THE ACCOUNTS

14 Share capital	<u>2007</u>	<u>2006</u>
(a) Authorised		
Number of ordinary shares	<u>300,000</u>	<u>300,000</u>
	G\$	G\$
Issued and fully paid 281,485 ordinary shares	<u>2,814,850</u>	<u>2,814,850</u>
These shares are of G\$10 par value and have equal voting rights and rights to dividend		
(b) Capital reserve		
At 1 January and 31 December	<u>12,873,199</u>	<u>12,873,199</u>
15 Loan		
Ministry of Finance	<u>25,807,272</u>	<u>25,807,272</u>
This represents monies borrowed from the Government of Guyana for which the terms and agreement are yet to be finalised.		
16 Trade creditors	<u>2007</u>	<u>2006</u>
	G\$	G\$
Local	8,099,661	7,945,636
Foreign	<u>1,373,664</u>	<u>2,007,081</u>
	<u>9,473,325</u>	<u>9,952,717</u>
17 Advance payments		
Local	<u>33,905,086</u>	<u>18,589,381</u>
This represents amounts received for jobs to be done on behalf of various customers.		
	<u>2007</u>	<u>2006</u>
	G\$	G\$
18 Bank overdraft		
Republic Bank Limited - salary account	44,511	-
Republic Bank Limited - current account	<u>7,189,704</u>	<u>2,329,905</u>
	<u>7,234,215</u>	<u>2,329,905</u>
Interest rate	<u>18.25</u>	<u>18.25</u>
This is an unsecured overdraft held at Republic Bank (Guyana) Limited		

GUYANA NATIONAL PRINTERS LIMITED

NOTES ON THE ACCOUNTS

19 (a) Analysis of financial assets and liabilities by measurement basis
2007

ASSETS	Loans and receivables	Financial assets and liabilities at amortised cost	Total
	G\$	G\$	G\$
Trade debtors	28,295,432	-	28,295,432
Other debtors and prepayments	1,592,255	-	1,592,255
Taxes recoverable	-	17,863,976	17,863,976
External payments deposit	-	100,977	100,977
Cash on hand and at bank	-	71,283,493	71,283,493
Total assets	29,887,687	89,248,446	119,136,133
LIABILITIES			
Loans	-	25,807,272	25,807,272
Trade creditors	-	9,473,325	9,473,325
Other creditors and accruals	-	8,397,504	8,397,504
Advance payments	-	33,905,086	33,905,086
Taxation	-	22,606,224	22,606,224
Bank overdraft	-	7,234,215	7,234,215
Total liabilities	-	81,616,354	107,423,626

2006

ASSETS	Loans and receivables	Financial assets and liabilities at amortised cost	Total
	G\$	G\$	G\$
Trade debtors	22,401,910	-	22,401,910
Other debtors and prepayments	1,606,229	-	1,606,229
Taxes recoverable	-	17,863,975	17,863,975
External payments deposit	-	100,977	100,977
Cash on hand and at bank	-	41,583,152	41,583,152
Total assets	24,008,139	59,548,104	83,556,243
LIABILITIES			
Loans	-	25,807,272	25,807,272
Trade creditors	-	9,952,717	9,952,717
Other creditors and accruals	-	17,132,920	17,132,920
Advance payments	-	18,589,381	18,589,381
Taxation	-	20,672,069	20,672,069
Bank overdraft	-	2,329,905	2,329,905
Total liabilities	-	68,676,992	94,484,264

(b) Fair value

Fair values have been determined as follows:

(i) Loans and receivables and Financial assets and liabilities

The directors consider that the carrying amounts of loans and receivables and financial assets and liabilities recorded at amortised cost in the financial statements approximate their fair values.

GUYANA NATIONAL PRINTERS LIMITED

NOTES ON THE ACCOUNTS

20 Capital risk management

The company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The company overall strategy remains unchanged from 2006.

The capital structure of the company consists of cash equivalents and equity comprising of share capital, accumulated earnings and capital reserve.

21 Financial risk management

Financial risk management objectives

The Company manages its financial risks through internal risk reports which analyse exposure by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by the use of techniques that are governed by management's policies on foreign exchange risk, interest rate risk and credit risk which are approved by the board of directors.

(a) Market risk

Market risk is the risk that the value of the financial instruments will fluctuate as a result of changes in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market. The company's exposure to market risk is minimal.

GUYANA NATIONAL PRINTERS LIMITED'

NOTES ON THE ACCOUNTS

21 Financial risk management - cont'd

(a) Market risk - cont'd

(i) Interest rate risk

The company is exposed to various risks that are associated with the effects of variations in interest rates. This impacts directly on its cash flows.

The company's management continually monitors and manages these risks through the use of appropriate tools and implements relevant strategies to hedge against any adverse effects.

	Average Interest rate %	Maturing 2007		
		Within 1 year G\$	Non interest bearing G\$	Total G\$
Assets				
Trade debtors	-	-	28,295,432	28,295,432
Other debtors and prepayments	-	-	1,592,255	1,592,255
Taxes recoverable	-	-	17,863,976	17,863,976
External payment deposits	-	-	100,977	100,977
Cash at bank and on hand	2.3	58,230,726	13,052,767	71,283,493
		<u>58,230,726</u>	<u>60,905,407</u>	<u>119,136,133</u>
Liabilities				
Loans	-	-	25,807,272	25,807,272
Trade creditors	-	-	9,473,325	9,473,325
Other creditors and accruals	-	-	8,397,504	8,397,504
Advance payments	-	-	33,905,086	33,905,086
Taxation	-	-	22,606,224	22,606,224
Bank overdraft	18.25	7,234,215	-	7,234,215
		<u>7,234,215</u>	<u>100,189,411</u>	<u>107,423,626</u>
Interest sensitivity gap		<u>50,996,511</u>		

	Average Interest rate %	Maturing 2006		
		Within 1 year G\$	Non interest bearing G\$	Total G\$
Assets				
Trade debtors	-	-	22,401,910	22,401,910
Other debtors and prepayments	-	-	1,606,229	1,606,229
Taxes recoverable	-	-	17,863,975	17,863,975
External payment deposits	-	-	100,977	100,977
Cash at bank and on hand	2.45-3.25	27,202,632	14,380,520	41,583,152
		<u>27,202,632</u>	<u>56,353,611</u>	<u>83,556,243</u>
Liabilities				
Loans	-	-	25,807,272	25,807,272
Trade creditors	-	-	9,952,717	9,952,717
Other creditors and accruals	-	-	17,132,920	17,132,920
Advance payment	-	-	18,589,381	18,589,381
Taxation	-	-	20,672,069	20,672,069
Bank overdraft	18.25	2,329,905	-	2,329,905
		<u>2,329,905</u>	<u>92,154,359</u>	<u>94,484,264</u>
Interest sensitivity gap		<u>24,872,727</u>		

GUYANA NATIONAL PRINTERS LIMITED

NOTES ON THE ACCOUNTS

21 Financial risk management - cont'd

(a) Market risk - cont'd

(ii) Price risk

Price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market.

The company's exposure to price risk arises is minimal as the Company does not actively trade in equities.

Management continually identifies, evaluates, underwrites and diversifies risk in order to minimize the total cost of carrying such risk.

(iii) Foreign currency risk

The company is exposed to foreign currency risk due to fluctuations in exchange rates on balances that are denominated in foreign currencies.

	2007				Total
	T&T\$	Sterling	Euro	US\$	G\$
Assets	4,095	884	-	22,162	5,062,844
Liabilities	-	-	9,308	18,364	10,182,047

	2006				Total
	T&T\$	Sterling	Euro	US\$	G\$
Assets	-	339	9,215	2,672	2,966,252
Liabilities	36,799	-	-	106,230	22,562,917

Foreign currency sensitivity analysis

The following table details the company's sensitivity to a 1.5% increase or decrease in the Guyana dollar against the relevant currencies. Although a rate is not formally adopted and used as a measure, 1.5% gives a prudent possibility of a change in rate.

The sensitivity analysis shows the impact of all assets and liabilities that are held in foreign currencies per the preceding table. A positive number below indicates an increase in profit if the currencies were strengthened 1.5% against the Guyana dollar. If the currencies were weaken 1.5% against the Guyana dollar, there would be equal and opposite impact on the profit and loss account and the balances would be negative.

	2007	2006
Loss	76,788	293,949

GUYANA NATIONAL PRINTERS LIMITED

NOTES ON THE ACCOUNTS

21 Financial risk management - cont'd

(b) Credit risk

Credit risk refers to the risk that a customer or counterparty will default on its contractual obligations resulting in financial loss to the company.

The company faces credit risk in respect of its trade and other receivables. However, this risk is controlled by close monitoring of these assets by the company. The maximum credit risk faced by the company is the balance reflected in the financial statements.

	<u>2007</u> G\$	<u>2006</u> G\$
Trade and other receivables (excluding prepayments)	<u>29,231,438</u>	<u>23,691,090</u>
The above balances are classified as follows:		
Current	12,986,166	12,747,810
Past due but not impaired	7,868,108	1,831,844
Impaired	<u>8,377,164</u>	<u>9,111,436</u>
	<u>29,231,438</u>	<u>23,691,090</u>
<u>Ageing of trade and other receivables which were past due but not impaired</u>		
	<u>2007</u> G\$	<u>2006</u> G\$
30-59 days	2,211,061	1,283,124
60-89 days	533,722	548,720
Over 90 days but less than 1 yr	<u>5,123,325</u>	<u>-</u>
	<u>7,868,108</u>	<u>1,831,844</u>
<u>Ageing of trade and other receivables which are impaired</u>		
	<u>2007</u> G\$	<u>2006</u> G\$
Balances over 1 year	<u>8,377,164</u>	<u>9,111,436</u>
Provision for bad debts (Specific)	<u>4,303,184</u>	<u>4,303,184</u>

GUYANA NATIONAL PRINTERS LIMITED

NOTES ON THE ACCOUNTS

21 Financial risk management - cont'd

(c) Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in raising funds to meet its commitments associated with financial instruments.

The company manages its liquidity risk by maintaining an appropriate level of resources in liquid or near liquid form.

	Maturing			
	2007			
	Within 1 year			
	On Demand	Due 3 - 12 mths	Over 1 year	Total
	G\$	G\$	G\$	G\$
Assets				
Trade debtors	-	28,295,432	-	28,295,432
Other debtors and prepayments	-	1,592,255	-	1,592,255
Taxes recoverable	-	17,863,976	-	17,863,976
External payments deposit	-	100,977	-	100,977
Cash on hand and at bank	71,283,493	-	-	71,283,493
	<u>71,283,493</u>	<u>47,852,640</u>	<u>-</u>	<u>119,136,133</u>
Liabilities				
Loans	-	-	25,807,272	25,807,272
Trade creditors	-	9,473,325	-	9,473,325
Other creditors and accruals	-	8,397,504	-	8,397,504
Advance payments	33,905,086	-	-	33,905,086
Taxation	-	22,606,224	-	22,606,224
Bank overdraft (unsecured)	7,234,215	-	-	7,234,215
	<u>41,139,301</u>	<u>40,477,053</u>	<u>25,807,272</u>	<u>107,423,626</u>
Net assets	<u>30,144,192</u>	<u>7,375,587</u>	<u>(25,807,272)</u>	<u>11,712,507</u>
2006				
Within 1 year				
	On Demand	Due 3 - 12 mths	Over 1 year	Total
	G\$	G\$	G\$	G\$
Assets				
Trade debtors	-	22,401,910	-	22,401,910
Other debtors and prepayments	-	1,606,229	-	1,606,229
Taxes recoverable	-	17,863,975	-	17,863,975
External payments deposit	-	100,977	-	100,977
Cash on hand and at bank	41,583,152	-	-	41,583,152
	<u>41,583,152</u>	<u>41,973,091</u>	<u>-</u>	<u>83,556,243</u>
Liabilities				
Loans	-	-	25,807,272	25,807,272
Trade creditors	-	9,952,717	-	9,952,717
Other creditors and accruals	-	17,132,920	-	17,132,920
Advance payments	18,589,381	-	-	18,589,381
Taxation	-	20,672,069	-	20,672,069
Bank overdraft (unsecured)	2,329,905	-	-	2,329,905
	<u>20,919,286</u>	<u>47,757,706</u>	<u>25,807,272</u>	<u>94,484,264</u>
Net assets/ liabilities	<u>20,663,866</u>	<u>(5,784,615)</u>	<u>(25,807,272)</u>	<u>(10,928,021)</u>

GUYANA NATIONAL PRINTERS LIMITED

NOTES ON THE ACCOUNTS

22 Related party transactions and balances

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions.

Listed below are transactions and balances with related parties:

	<u>2007</u> G\$	<u>2006</u> G\$
(i) Balances with Ministries and other Government agencies		
Due from	<u>24,198,129</u>	<u>20,266,353</u>
Due to	<u>(31,794,786)</u>	<u>(16,531,180)</u>
Key management personnel		
(ii) Compensation		
The company key management personnel comprises of its Chief Executive Officer and Managers. The remuneration paid to key management personnel for the year was as follows:-		
Short-term employee benefits	<u>13,215,019</u>	<u>11,044,649</u>
Post-employment benefits	<u>482,258</u>	<u>402,900</u>
(iii) Directors emoluments (note 6 (b))	<u>660,000</u>	<u>660,000</u>

23 The Government of Guyana has listed the company to be privatised.