

G U Y A N A  
A I R W A Y S  
C O R P O R A T I O N

A N N U A L   R E P O R T  
A N D  
A U D I T   O F   A C C O U N T S  
1969

AGENCIES DEPARTMENT

9. Agency sales in 1969 dropped slightly by 5% over 1968 from \$2.1 million to \$2.08 million, due primarily to more Agents appearing on the market. Commission earned, nevertheless, increased by just over 14% from \$281,437 to \$322,354.

10. The Corporation's share of the total British West Indian Airways, British Overseas Airways Corporation and Cruzeiro do Sol Sales was one-third, but this could be improved with the mounting of an advertising programme and greater sales representation. Sales in the Mackenzie and Berbice areas needed to be stepped up and better office facilities would therefore be necessary to enable this.

11. In respect of aircraft handling, the Corporation's revenue position improved over 1968 from \$166,165 to \$239,456, an increase of 44% due largely to increase in the scheduled of the Corporation's principals and ad hoc charters. In 1969, total flights handled increased to 887 - an increase of 83 and 10% over 1968.

12. Training of staff both in Reservations and Ground Handling was done on a considerable scale, both locally and overseas.

FINANCE AND ACCOUNTS

13. The Corporation showed a profit from aircraft operations of \$35,163.33, the excess being aircraft revenue over direct allocated and unallocated costs. On total operations which comprise all other revenues and expenditure which would include overheads with such items as provisions for depreciation and obsolescence, interest on capital and departmental overhead costs, a loss of \$276,025.12 for the year resulted.

14. Expenditure increased considerably for aircraft insurance from \$43,000 to \$79,000 and there were substantial increases in departmental costs of \$405,807, yjr significant items "Salaries and Wages" - \$144,516 or just under 14% and "Transport" - \$90,231 or 67% over 1968.

15. Aircraft revenue in 1969 was \$2,203,659 - an increase of over 11% or \$222,169 over 1968. Aircraft expenditure in 1969 was \$2,168,495, an increase of 16% or \$302,322 over 1968. Total revenue increase was 11% and total expenditure increase just under 19%.

PERSONNEL

16. Employment rose faster than in previous years. At the end of 1969 there were Staff employed - 365 compared with 330 in 1968.

17. Industrial relations were good and a new Union representing licensed Engineers was accepted as the bargaining unit for that classification of personnel.

Guyana Airways Corporation,  
32, Main Street,  
Georgetown.

ANNUAL REPORT FOR GAC FOR THE YEAR 1969

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Submitted below is the Annual Report of GUYANA AIRWAYS Corporation for the year 1969.

OPERATIONS

The fleet comprised of the following aircraft:

DC3s	..	4
Twin Otters	..	2
Grumman	..	1
Cessna 310G	..	1

2. During 1969, the Corporation's establishment of Captains increased from the very inadequate number of nine in 1968 to twelve, which permitted an increase of 14% in flying over the previous year. Total flying for 1969 was 9,516 hours, but this fell short of the budgeted figure by 1,633 hours.

3. DC3 flying declined due to the utilisation of two Twin Otters on a more extensive scale. Grumman flying fell off sharply with the construction of new airstrips and substitution of the Twin Otters at points previously served by amphibian aircraft. New and regular services were introduced to areas including Matthews Ridge, Mabaruma, Kaieteur and Karisparu.

3. An Operations Department was created which took over all appropriate functions applicable to such a Department, but which were previously carried out mainly by the Traffic as well as other Departments. It was expected that greater efficiency in the planning and execution of operations would have been achieved.

4. Cargo traffic in 1969 increased substantially by some 40% over 1968, due in part to operations into new areas and to a larger measure by movement of military personnel and supplies. Load factors achieved dropped slightly over 1968 due to the appreciable increase in capacity provided by two Twin Otters.

MAINTENANCE

5. There was no injection of capital for the physical improvement of the very inadequate Corporation's maintenance facilities, but despite this, there was some improvement in productivity due to the introduction of new maintenance methods and systems and better planning.

6. In 1969, there were nine unscheduled engine changes - a substantial number - modifications carried out on 2 DC3s to standardize the fleet, six mandatory modifications to the Twin Otters. The increased flying resulted in increased maintenance.

7. Apart from the Corporation's fleet of eight aircraft, maintenance was done on a Guyana Defence Force and the Director of Civil Aviation's aircraft.

8. The Corporation continued to lose a fair number of its skilled manpower mainly through emigration, and training programmes had to be mounted to counteract this problem. During 1969, five staff acquired licences and intensive training helped to achieve promotion of some junior mechanics to skilled positions. Despite increased workload over 1968 there were 3 fewer staff.

1962

MILEAGE FLOWN

D.C.3	...	...	650,400
Grumman	...	...	98,450
Cessna	...	...	50,040
Twin Otter	...	...	438,960
			<u>1,237,850</u>

HOURS FLOWN

D.C.3	...	...	4,065
Grumman	...	...	788
Cessna	...	...	294
Twin Otter	...	...	2,926
			<u>8,073</u>

Passengers Carried	...	48,938
Passenger Miles Flown	...	5,550,840
Seat miles available	...	20,002,280
Passenger load factor	...	28%

Total weight carried -

(a) Passenger & Baggage	..	7,999,586 lbs.
(b) Excess Baggage	..	71,501 "
(c) Cargo	..	11,344,009 "
(d) Mail	..	54,758 "
		<u>19,469,854 lbs.</u>
Total	..	..
Available Ton miles	..	..
Weight Load Factor	..	..
		57%

Thomas Stoll & Co.  
Accountants & Auditors.

Partners:

J Henry Thomas - Chartered Accountant.  
W G Stoll Certified Accountant.

5 America Street,  
Georgetown Guyana.

29th July, 1970.

GUYANA AIRWAYS CORPORATION.

AUDITORS REPORT.

We have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of our audit. In our opinion, proper books of account have been kept by the Corporation so far as appears from our examination of these books.

We have examined the annexed Balance Sheet and Profit and Loss Account which are in agreement with the books and accounts. In our opinion, and to the best of our information and according to the explanations given to us the Balance Sheet gives a true and fair view of the state of the Corporation's affairs as at 31st December 1969 and the Profit and Loss Account gives a true and fair view of the profit for the year ended 31st December, 1969, before providing for Depreciation and Obsolescence.

THOMAS STOLL & CO.  
ACCOUNTANTS/

GUYANA AIRWAYS  
BALANCE SHEET AS AT

CORPORATION  
31st DECEMBER 1969

<u>1968</u>	<u>LIABILITIES</u>	<u>\$</u>	
	<u>CAPITAL</u>		
930 000.00	7% Perpetual Debentures issued to the Government of Guyana	930,000.00	
<u>347,200.00</u>	Accrued Interest on Capital	<u>412,300.00</u>	1,342,300.00
<u>1,277,200.00</u>			
	<u>CAPITAL RESERVE</u>		
525 360.00	New Aircraft (1st Twin Otter)	525,360.00	
75 000.00	Atkinson Development	<u>75,000.00</u>	
600,360.00		600,360.00	
<u>(186,959.37)</u>	Less: Profit & Loss Balances	<u>312,984.49</u>	287,375.51
<u>413,400.63</u>			
	<u>LONG TERM LIABILITY</u>		
811,318.95	Canadian Govt. Loan - (2nd Twin Otter - Aircraft & Spares)		817,243.98
	<u>CURRENT LIABILITIES</u>		
199,736.89	Sundry Creditors & Credit Balances	280,532.46	
133,257.99	British West Indian Airways Ltd.	227,557.61	
201,170.24	British Overseas Airways Corporation	503,588.67	
<u>26,886.24</u>	Accrued Expenses	<u>43,741.01</u>	1,055,419.75
561,051.36			
			<u>3,502,339.24</u>
<u>3,062,970.94</u>			

  

<u>1968</u>	<u>ASSETS</u>	<u>\$</u>	
	<u>FIXED ASSETS</u>		
175 734.67	Land & Buildings	246,008.12	
1,368,523.85	Aircraft	1,874,626.99	
114,858.33	Airframe Engine & Radio Spares	456,392.84	
44,703.58	Engineering & Radio Plant & Equipment	144,823.80	
68,007.54	Furniture & Office Equipment	142,278.53	
			<u>1,771,827.97</u>
	<u>CAPITAL WORKS-IN-PROGRESS</u>		
18,780.49	Kaieteur Airstrip		19,793.32
	Head Office Building		1,470.56
	Ogle Airstrip		<u>900.00</u>
			22,163.88
	<u>CURRENT ASSETS</u>		
66,690.38	Stocks & Stores	65,644.59	
885,732.31	Sundry Debtors & Debit Balances	1,116,634.35	
247,214.10	Cash at Bank	407,560.46	
3,602.39	Cash in Hand	<u>3,708.10</u>	1,593,547.50
1,203,239.18			
	<u>PREPAID EXPENSES</u>		
18,979.56	Insurances	36,872.28	
<u>50,143.74</u>	Other	<u>40,691.02</u>	77,563.30
69,123.30			
	<u>ACCRUED REVENUE</u>		
	Carifta Revenue & Overriding Commission		<u>158,090.78</u>
			<u>3,502,339.24</u>
			<u>3,062,970.94</u>

GUYANA AIRWAYS

PROFIT & LOSS ACCOUNT FOR THE

1968	Direct Allocated Costs	Dakota	Grumman	Twin Otter	Cessna	Total
\$	\$	\$	\$	\$	\$	\$
43,099.58	Aircraft Insurance	30,221.27	3,315.17	42,507.68	2,974.41	79,018.53
264,747.45	Fuel & Oil	219,245.30	13,159.58	54,555.06	2,411.11	289,371.05
140,113.14	Consumption of Spares	117,237.43	11,793.08	49,066.25	1,264.25	179,361.41
225,028.64	Consumption of Engines	101,642.57	16,853.44	80,615.68	5,056.92	204,168.61
11,044.00	Landing Fees	26,779.51	930.00	5,776.49	-	33,486.00
2,669.57	Licences	2,687.17	266.80	586.29	140.40	3,680.66
860.33	Outside Repairs	1,046.96	-	-	-	1,046.96
1,013.26	Miscellaneous	22,111.22	123.05	269.60	-	22,503.87
<u>\$ 688,560.97</u>		<u>\$ 520,971.43</u>	<u>\$ 46,441.12</u>	<u>\$ 233,377.05</u>	<u>\$ 11,847.49</u>	<u>\$ 812,637.09</u>
	Unallocated Costs					
434,054.29	Flying Staff			538,003.42	512,599.44	
452,111.53	Engineering			136,686.50		
(62,645.50)	Less: Service Charges & Rents Receivable					
89,575.61	Radio & Electrical				401,316.92	
<u>264,240.87</u>	Ground Handling (Interior Services Dept.)				123,792.81	
1,177,336.80	As per Schedule of Departmental Costs				<u>318,149.60</u>	
257.14	Loss on Operation of Chartered Aircraft					1,355,858.77
<u>115,315.08</u>	Gross Profit on Aircraft Operation					<u>35,163.33</u>
<u>\$ 1,981,409.99</u>						<u>\$ 2,203,659.19</u>
236,202.26	Agencies Department			324,117.22		
98,724.66	Finance & Accounts			111,690.96		
100,512.45	Management - Administrative			143,559.56		
<u>29,228.33</u>	Management - Board			<u>28,191.12</u>		
464,667.70	As per Schedule of Departmental Costs				607,558.86	
65,100.00	Interest on Capital				65,100.00	
-	Expenditure Relative to Previous Years				6,806.41	
-	Loss on Disposal of Assets				1,202.42	
1,250.00	Salvage of Grumman Aircraft				-	
957.00	Survey of New Airstrips				-	
<u>111,367.16</u>	Profit before providing for Depreciation & Obsolescence					<u>\$ 680,667.69</u>
<u>\$ 643,341.86</u>						<u>\$ 680,667.69</u>
-	Loss before Depreciation & Obsolescence brought down				62,500.16	
63,967.13	Provision for Depreciation				74,320.26	
<u>144,711.56</u>	Provision for Obsolescence				<u>139,204.70</u>	
<u>\$ 208,678.69</u>					<u>\$ 276,025.12</u>	

CORPORATION

YEAR ENDED 31ST DECEMBER, 1969

1968	Aircraft Revenue	Dakota	Grumman	Twin Otter	Cessna	Total
\$	\$	\$	\$	\$	\$	\$
696,702.25	Passenger	426,682.92	40,282.25	291,525.88	51.00	750,542.05
10,006.72	Excess					
914,517.47	Baggage	4,969.06	1,412.90	5,493.95	-	11,875.91
	Freight	890,957.43	14,153.92	73,354.95	10.57	978,476.87
28,319.99	Mail	9,925.30	3,759.00	15,506.00	3.00	29,193.30
313,476.99	Charters	86,898.50	63,715.25	231,023.62	21,818.65	403,456.02
4,085.55	Landing Fees	220.60	1,016.00	4,011.70	204.65	5,452.95
25.00	Trucking	-	-	-	-	-
14,356.02	Miscellaneous	3,384.14	4,185.00	8,137.95	955.00	16,662.09
<u>\$ 1,981,409.99</u>		<u>\$ 1,423,037.95</u>	<u>\$ 128,524.32</u>	<u>\$ 629,054.05</u>	<u>\$ 23,042.87</u>	<u>\$ 2,203,659.19</u>
	Excess Profit from Aircraft Operation B/down					35,163.33
115,315.08						
297,252.45	Commission Receivable (B.W.I.A., B.O.A.C. & Others)			322,354.21		
144,359.36	Service Charges			207,542.79		
14,697.40	Freight Transportation			24,165.08		
7,827.57	Rents Received			10,924.84		
<u>41,828.48</u>	Miscellaneous			<u>18,017.28</u>		
621,280.34						583,004.20
9,886.54	Adjustments Relative to Previous Years					-
12,174.98	Profit on Disposal of Assets					-
-	Loss before providing for Depreciation & Obsolescence					<u>62,500.16</u>
<u>\$ 643,341.86</u>						<u>\$ 680,667.69</u>
-	Profit before Depreciation & Obsolescence brought down					-
111,367.16	Loss after providing for Depreciation & Obsolescence					276,025.12
<u>\$ 208,678.69</u>						<u>\$ 276,025.12</u>

GUYANA AIRWAYS CORPORATION

SUMMARY OF DEPARTMENTAL COSTS FOR THE YEAR ENDED

31ST DECEMBER, 1969

	\$	\$
<u>OPERATIONS</u>	512,753.30	.
Less Depreciation of Buildings & Contents	<u>153.86</u>	512,599.44
 <u>ENGINEERING</u>	 550,827.94	
Less Depreciation of Buildings & Contents	<u>12,824.52</u>	538,003.42
 <u>RADIO &amp; ELECTRICAL</u>	 152,087.94	
Less Depreciation of Buildings & Contents	<u>28,295.13</u>	123,792.81
 <u>INTERIOR SERVICES</u>	 322,541.75	
Less Depreciation of Buildings & Contents	<u>4,392.15</u>	318,149.60
 <u>AGENCIES - MAIN OFFICE</u>	 159,805.01	
Less Depreciation of Buildings & Contents	<u>8,369.58</u>	151,435.43
 <u>AGENCIES - INT'L AIRPORT TIMEHRI</u>	 175,951.56	
Less Depreciation of Buildings & Contents	<u>3,269.77</u>	172,681.79
  <u>FINANCE &amp; ACCOUNTS</u>	  186,934.47	
Less Depreciation of Buildings & Contents	10,143.51	
Less Interest on Capital	<u>65,100.00</u>	111,690.96
 <u>MANAGEMENT - ADMINISTRATIVE</u>	 147,959.47	
Less Depreciation of Buildings & Contents	<u>4,399.91</u>	143,559.56
 <u>MANAGEMENT - BOARD</u>	 30,662.95	
Less Depreciation of Buildings & Contents	<u>2,471.83</u>	28,191.12
		<u><u>\$ 2,100,104.13</u></u>