

GUYANA CREDIT CORPORATION

(Incorporated by Ordinance No 13 of 1954)

MEMBERS OF THE CORPORATION AS AT 30TH JUNE 1971

***H E Wilkinson**
Chairman

J G Ramson
Deputy Chairman

L R Wharton
S N Yearwood
P A Motie

S Backer
R Dowden
M Low

S H Paul

GENERAL MANAGER
R H Thompson

SECRETARY (AG.)
L A Payne

CHIEF ACCOUNTANT
A B Locke

* Mr S A Goring served as Chairman from the beginning of the financial year until 11th January 1971.

**REPORT ON THE OPERATIONS OF THE
GUYANA CREDIT CORPORATION
FOR THE YEAR ENDED 30TH JUNE, 1971.**

MEMBERS: The Chairman, Mr. S. A. Goring's appointment was revoked with effect from 11th January, 1971 and Mr. H. E. Wilkinson was appointed Chairman as well as a member from that date. The 9 members whose term of office ended on 31st March, 1971 were re-appointed until the 30th September, 1971.

STAFF: There was a further reduction of staff from 95 to 90, thus effecting an appreciable saving. The General Manager went on a six-weeks Managerial course sponsored by the A.I.D. This covered work in Washington D.C. as well as in St. Petersburg, Florida. It was largely an observation course in management which was quite informative and useful.

OFFICES: No new offices were erected nor were any closed; just general repairs and re-furnishing to existing ones were carried out. The branch offices remained at 22 during the year under review.

THE ACCOUNTS: The Auditors' Report on the Accounts of the Corporation for the year, the Income and Expenditure Account and Balance Sheet, are attached to this report, together with statistical data on the direction of lending and the sources of repayments.

INCOME & EXPENDITURE ACCOUNTS: Interest on loans and advances which is the main source of the Corporation's income was \$888,852.91 This was \$115,851 more than the previous year; this was due to the increase in the Loans Portfolio which incidentally was \$12,866,237 as against \$11,803,147 in 1970. The Corporation suffered a set-back of \$6,801 less than the previous year on other Income which was due mainly to the absence of fixed deposits in the Banks which resulted in the non-receipt of interest and the vacancy of the Queenstown property for two months during which time extensive repairs were carried out, inclusive of furnishing of major items of furniture.

A further drop of income of \$3,527 on the Ruimveldt Industrial Estate was due to extensive repairs done to the building.

The difference between salaries for this year and the last year was due to the revision of salaries and retrospective payments.

BAD DEBTS PROVISION: The provision of \$1.5 Million for bad debts remain the same as last financial year.

GENERAL: There has been a significant decrease in annual deficit which is \$151,208 for this year as against \$731,100 in the previous year. This is due to the heavy debts that had to be written off for the Black Bush Polder rice mills. Negotiations are still going on re the take-over of the Cane Grove rice mills. So far nothing has been finalised as yet.

The larger Loans Portfolio of \$12.8 million in the financial year just ended as against \$11.8 million in the previous year resulted in an increase of income from this source.

The operations of the Corporation showed a slight improvement to that of the previous year but it is envisaged that with strict budgetary control there will be further gains.

R. H. THOMPSON.

General Manager.

19.9.72

GUYANA CREDIT CORPORATION

ACCOUNTS

30TH JUNE 1971

THOMAS, STOLL & Co.

AUDITORS

5 America Street
Georgetown

2nd June 1972

**REPORT OF THE AUDITORS ON THE ACCOUNTS OF
THE GUYANA CREDIT CORPORATION
AT THE 30TH JUNE 1971**

We have examined the annexed Balance Sheet and Income and Expenditure Account which are in agreement with the books of account and we report that, we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit. In our opinion:

1. The administration and transactions comply with the relative provisions of Ordinance No 13 of 1954, as amended.
2. The Balance Sheet is properly drawn up so as to give a true and fair view of the state of the Corporation's affairs at 30th June 1971 and the Statement of Income and Expenditure gives a true and fair view of the excess of expenditure over income for the year ended on that date.

THOMAS, STOLL & CO
AUDITORS

GUYANA CREDIT

BALANCE

AS AT 30TH

30th June 1970	SUNDRY LIABILITIES		
\$			
1,879,344	Interest due to Treasury	2,284,830	
7,764	Less : Interest on Special Deposit with Accountant General	7,772	
<u>1,871,580</u>		<u>2,277,058</u>	
172,008	Sundry Creditors and Credit Balances	145,360	
<u>2,043,588</u>			2,422,418
	ADVANCES		
11,585,315	Treasury	11,585,315	
—	Treasury (Interest Free Loan)	483,454	
34,208	Guyana Rice Marketing Board (Food Production Loans)	35,236	
<u>11,619,523</u>			12,104,005
175,000	Guyana Rice Marketing Board (Rice Development Aid)	175,000	
134,785	Less : Loans made through Rice Action Committee	125,522	
<u>40,215</u>			49,478
	DEFICIT		
(2,477,805)	Excess of Expenditure over Income		(2,599,013)
	<div style="border: 1px solid black; padding: 5px; display: inline-block;"> The attached Notes and Schedules form part of this Balance Sheet </div>		
<u>\$11,255,521</u>			<u>\$11,976,888</u>

GEORGETOWN,
GUYANA
31st October, 1972

CORPORATION

SHEET

I JUNE, 1971.

30th June 1970				
\$				
237,719	Cash & Bank Balances	64,845		
308,307	Debtors & Debit Balances	102,072		
<u>546,026</u>				166,917
	LOANS, PORTFOLIO and SPECIAL ADVANCES			
	(As shown in the attached Schedule I)			
10,905,155	Capital	11,884,528		
897,992	Interest	1,001,710		
11,803,147		<u>12,886,238</u>		
1,500,000	Less: Provision for Bad Debts (See Note I)	1,500,000		
<u>10,303,147</u>				11,386,238
	PROPERTIES ACQUIRED TO SECURE LOANS PENDING RE-SALE			
	(At Corporation's Valuation)			
57,960				74,470
	AGRICULTURAL & INDUSTRIAL ASSETS			
	As shown in the attached Schedule II			
125,789				103,655
	FIXED ASSETS			
		Cost	Depreciation To Date	Net
187,579	Land and Buildings	280,317	95,475	184,842
35,020	Furniture, Fixtures and Other Moveable Properties	195,385	134,619	60,766
<u>222,599</u>		<u>475,702</u>	<u>230,094</u>	245,608
<u>\$11,255,521</u>				<u>\$11,976,888</u>

R. H. THOMPSON,
(Deputy Chairman)
AUBREY B. LOCKE,
(Chief Accountant).

GUYANA CREDIT CORPORATION

NOTES FORMING PART OF THE BALANCE SHEET

AS AT 30TH JUNE 1971

1. The Provision for Bad and Doubtful Debts represents 11.66% of total loans and advances outstanding as compared with 12.69% at 30th June, 1970. Repayments of loans and advances amounting to approximately \$3,223,556 are in arrear at 30th June 1971 (30th June 1970, approximately \$3,001,662).
2. The Corporation holds no adequate security for certain of the Crop Loans made to Co-operative Societies.
3. Pending the issue of Government leases the Corporation holds an Instrument of Charge securing the Cane Grove Scheme advances.
4. No provision has been made for an undetermined liability to the Department of Agriculture in respect of seed padi and corresponding charges to the various Co-operative Societies are omitted.

GUYANA CREDIT CORPORATION

SCHEDULE I

LOANS & ADVANCES
AS AT 30TH JUNE, 1971

30th June 1970		Capital	Interest	Total
\$		\$	\$	\$
10,021,925	Housing & Development including Crop Loans	10,536,474	605,952	11,142,426
412,560	Judgment Debtors	250,303	98,339	348,642
141,160	Local Authorities	129,594	4,725	134,319
536,370	Co-operative Societies	428,156	102,914	531,070
656,924	Cane Grove Rice Mill Co-operative	514,324	180,221	694,545
34,208	Crop Loans: Rice Marketing Board	25,677	9,559	35,236
<u>\$11,803,147</u>		<u>\$11,884,528</u>	<u>\$1,001,710</u>	<u>\$12,886,238</u>

SCHEDULE II

AGRICULTURAL & INDUSTRIAL ASSETS

AS AT 30TH JUNE 1971

30th June 1970			\$
1,109,902	47 Combines at cost		--
1,095,698	Less:—Recovered from Guyana Government		--
14,204	Due by Ministry of Agriculture		--
158,607	Industrial Building Ruimveldt at cost	158,607	
47,022	Less :—Depreciation	54,952	
111,585			103,655
<u>\$125,789</u>			<u>\$103,655</u>

GUYANA CREDIT CORPORATION

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED
30TH JUNE 1971

30th June 1970			\$
	\$	INCOME	\$
773,272		Interest on Loans and Advances	888,853
28,704		Other Income	21,903
11,104		Excess of Income Over Expenditure on Ruimveldt Industrial Estate Building Operations	7,577
<u>\$813,080</u>			<u>\$918,333</u>
		EXPENDITURE	
405,518		Interest on Treasury Advances	405,486
		Administrative Expenses	
304,568		Salaries and Fees	358,547
33,596		Travelling	35,921
11,504		Rent and Property Expenses	13,783
8,078		Printing and Stationery	6,873
4,644		Postages and Telephone	5,413
1,289		Legal Expenses	834
33,863		General Expenses	32,217
12,752		Staff Pension Schemes (Employer's Contributions)	12,851
7,646		National Insurance Scheme (Employer's Contributions)	10,199
19,543		Computer Bureau Charges—E.D.P.	10,748
437,483			487,386
7,056		Audit Fees	7,544
16,631		Depreciation	23,812
(400,000)		Provision for Bad Debts	—
1,075,302		Bad Debts	160,660
2,178		(Profits)/Loss on Resale and Revaluation of Properties Purchased	(15,347)
677,480			145,313
<u>1,544,168</u>			<u>1,069,541</u>
731,088		Excess of Expenditure over Income	151,208
1,716,717		Adverse Balance Brought Forward	\$2,447,805
<u>\$2,447,805</u>		Adverse Balance Carried Forward	<u>\$2,599,013</u>

GEORGETOWN,
GUYANA
31st October, 1972

R. H. THOMPSON
(Deputy Chairman)
AUBREY B. LOCKE
(Chief Accountant)

GUYANA CREDIT CORPORATION

APPENDIX "A"

SUMMARY OF LOANS PAID

Month	Agriculture		Agriculture Machinery		Rural & Urban Housing		Public Officers Housing		Industry		Fishing		RMB Co-ops, FPL & RAC		Logging		Local Authorities		Judgment Debtors		Total	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
1970																						\$
July	2	2,562	1	1,790	13	92,354	4	67,847	6	11,395	—	162	—	35,170	—	—	—	—	—	453	27	211,733
Aug.	3	27,738	—	17	14	84,458	11	69,532	4	2,057	—	—	25	—	—	—	—	—	—	161	32	183,988
Sept.	2	3,076	—	368	15	44,835	16	69,683	2	1,281	—	24	—	—	—	—	—	—	—	632	35	119,899
Oct.	—	251	—	321	12	111,590	5	58,964	5	3,678	—	39	—	270	—	1,161	—	—	—	194	22	176,468
Nov.	—	1,855	—	192	21	103,184	7	62,522	—	1,043	—	41	—	576	—	—	—	—	—	133	28	169,546
Dec.	1	2,706	—	34	18	66,589	10	46,145	4	4,145	—	17	—	429	—	—	—	—	—	182	33	120,247
1971																						
Jan.	—	324	—	112	12	103,196	10	64,919	1	2,110	—	—	—	449	—	—	—	—	—	146	23	171,256
Feb.	1	870	—	279	4	66,709	2	21,908	4	5,232	—	—	—	2,338	—	—	—	375	9,666	11	107,377	
March	—	960	—	250	8	107,447	6	112,068	—	6,751	—	—	—	1,173	—	01	—	—	—	125	14	228,735
April	—	1,253	—	80	4	60,962	4	48,558	2	3,503	—	15	—	1,006	—	—	—	—	—	567	10	115,944
May	2	9,340	—	407	5	44,884	2	21,235	2	2,139	—	—	—	—	—	—	—	114	—	169	11	78,288
June	2	484,393	1	200,042	7	60,660	5	14,996	1	947	—	221	—	62	—	2,550	—	—	—	693	16	764,564
Total for Year	13	535,328	2	203,892	133	946,868	82	658,377	31	44,281	—	519	1	41,458	—	3,712	—	489	13,121	262	2,448,045	
Total: June 1954																						
To: June 1971	4,291	5,004,267	30	891,024	9,611	13,574,971	1,435	7,645,934	880	5,408,056	76	329,108	3,284	7,536,278	16	167,159	17	125,707	46,853	19,640	40,729,357	

GUYANA CREDIT CORPORATION

APPENDIX "B"

SUMMARY OF REPAYMENTS

Month	Agriculture	Agriculture Machinery	Rural & Urban Housing	Public Officers Housing	Industry	Fishing	RMB & Co-op. FPL & RAC	Logging	Local Authorities	Judgment Debtors	Total
1970											\$
July	22,114	5,172	46,400	10,887	18,084	10	1,154	—	9,814	2,989	116,624
August	14,368	2,238	49,269	71,466	14,075	64	6,221	—	—	9,200	166,901
September	14,761	—	65,654	43,148	14,008	5,015	2,113	—	—	8,560	153,259
October	9,483	4,271	64,438	37,252	23,464	—	472	740	—	2,635	143,755
November	18,549	9,296	97,837	47,775	32,125	3,139	3,526	573	4,305	4,504	221,629
December	21,403	5,866	88,288	62,270	34,280	50	7,176	20	67	4,482	223,902
1971											
January	15,234	3,495	93,310	44,562	9,943	100	9,804	683	2,300	6,535	185,966
February	14,396	4,648	59,545	43,121	17,768	3,017	4,423	—	—	2,443	149,361
March	6,868	466	70,303	43,371	25,444	106	5,116	683	—	4,945	157,302
April	9,562	4,389	71,982	45,451	14,193	40	1,888	756	—	6,169	154,430
May	15,841	2,321	91,570	69,673	18,999	5,050	699	20	—	2,502	206,675
June	13,005	5,045	96,276	85,984	29,636	10,428	1,764	—	—	3,766	245,904
Total for Year	175,584	47,207	894,872	604,960	252,019	27,019	44,356	3,475	16,486	59,730	2,125,708
Total: June 1954 To: June 1971	4,491,755	901,913	13,062,066	7,077,939	4,507,484	225,297	4,657,738	18,977	182,451	545,658	35,671,278