

**GUYANA**

**AIRWAYS**

**CORPORATION**

**GUYANA AIRWAYS CORPORATION**

(Established 1st September, 1963 by Order in Council No. 71 of 1963 under the Public Corporations' Ordinance No. 23 of 1962).

Registered Office — 32 Main Street, Georgetown.

**Board Members**

1963	1964	1965	1966
S. A. Storey, Chairman & Official Member	Roopnarine, Chairman	A. Holder, Chairman	A. Holder, Chairman
R. Mandall, Member	R. Mandall, Dep. Chairman	J. Viera, Deputy Chairman	J. Viera, Deputy Chairman
A. Holder, Member	N. Franker, Official Member (P.S. Min. of Comms.)	P.S., Min. of Comms., Official Member	P.S., Min. of Trade Official Member
H. Michelmore, Member	A. Holder, Member	A. Salim	A. Salim, Member
Roopnarine, Member	H. Michelmore	C. H. Da Silva	C. H. Da Silva
J. M. Hart, Member	J. Hart	N. Bury	N. Bury
J. Samaroo, Member	J. Samaroo	W. Carrington	W. Carrington
C. Alexander, Member	C. Alexander	N. Khan	N. Khan
I. W. Boodhoo, Secretary (ag.)	S. Abbas	D. Brooks	D. Brooks
<b>General Manager</b>	H. R. Persaud, Secretary	H. R. Persaud, Secretary.	E. P. Christiani (ag.) — From 1.2.66 — 10.7.67
H. Wendt (Ag)	M. O. H. Khan	R. L. Abrams (Joined July 1965)	R. L. Abrams

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COMPOSITE ANNUAL REPORT

1963 (September — December) to 1966

The Board has pleasure in submitting this Composite Annual Report for the years 1963 (September to December only) to 1966 together with Audited Balance Sheets and Profit and Loss Accounts for these periods.

FINANCE

	Revenue (Aircraft only)	Expenditure (Allocated & Un- allocated costs)	Operating Surplus/Deficit
	\$	\$	\$
1963 (Sept/Dec)	397,365	352,397	44,968
1964	1,273,640	1,144,229	129,411
1965	1,407,195	1,167,676	239,519
1966	1,650,330	1,410,066.12	240,264

	Total Revenue \$	Total Expenditure \$	Depreciation & Obsolescence \$	Profit/Loss \$
1963 (Sept/Dec)	474,341	490,501	48,023	64,183
1964	1,465,266	1,642,870*	146,494	324,098
1965	1,636,581	1,687,469	138,091	188,979
1966	2,042,467	2,053,221	157,366	168,120

\* Includes \$46,300 loss on realization of fixed assets.

1963

The first 4 months of the life of the Corporation did not reveal any significant change over the comparable period for 1962. There was an improvement in the DC-3 revenue as well as an increase in expenditure over the comparable period for the previous year.

1964

1964, was an unsatisfactory year financially. Though there was an increase in flying, revenue earnings showed no improvement over 1963. An operating Surplus of \$129,411 was shown but overhead expenditure increased appreciably, \$46,300 had to be written off in respect of the loss of a Grumman, commission payable was greater and a loss of \$324,098 resulted.

PANNELL FITZPATRICK GRAHAM & CREWDSON AND  
FITZPATRICK, GRAHAM & CO.  
CHARTERED ACCOUNTANTS

P.O. Box 37  
The Demerara Life Buildings,  
Georgetown,  
Guyana.

17th November, 1966.

REPORT OF THE AUDITORS ON THE ACCOUNTS OF THE  
GUYANA AIRWAYS CORPORATION  
FOR THE PERIOD FROM 1ST SEPTEMBER, 1963 TO 31ST DECEMBER, 1963.

We have examined the Accounts of the Guyana Airways Corporation, which are in agreement with the books of the Corporation, and report that we have obtained all the information and explanations we have required.

We further report that, in our opinion, the annexed Balance Sheet dated 31st December, 1963 and the Profit and Loss Account for the period ended on that date, are properly drawn up so as to give respectively a true and correct view of the state of the Corporation's affairs at the 31st December, 1963 and of the loss for the period then ended, in accordance with generally accepted accounting principles.

)  
)  
) AUDITORS  
)  
CHARTERED ACCOUNTANTS )

GUYANA AIRWAYS CORPORATION  
BALANCE SHEET AS AT 31ST DECEMBER, 1963.

Capital

7% Perpetual Debenture (Secured by a first charge on all the Assets of the Corporation) \$930,000

Profit & Loss Account

Loss for period \$ 64,183  
 Less:- Government Subsidy 64,183  
 \$930,000

Employment of Capital

Fixed Assets less amounts written off (Note 1) \$664,239

Current Assets (Note 2)

Aircraft Supplies, Spare Parts \$221,540  
 Stores and Loose Tools (Note 3)  
 Debtors (Note 4) 369,894  
 Payment in advance and Receipt in Arrear 77,076  
 Cash and Bank Balances 140,510  
 \$809,020

Less Current Liabilities & Provision (Note 2)

Creditors and Accruals \$123,848  
 British West Indian Airways 369,893  
 Provision for Replacement of Aircraft Engines 49,518  
543,259  
 265,761

The attached notes 1 to 5 inclusive from a part of these accounts \$930,000

GUYANA AIRWAYS CORPORATION

	Opening Valuation 1st Sept. '63	Additions for 4 Mths.	Depreciation & Obsolescence for 4 Months	Balance 31st Dec. '63
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Note 1 Fixed Assets

Land & Buildings

Freehold Head Office Main Street	\$ 59,000	\$	\$ 2,107	\$ 56,893
Leasehold Land Building & Radio Workshop - Ruimveldt Terminal Shed - Annai	32,000	1,485	1,213	32,272
	1,000	-	36	964
	\$ 92,000	\$ 1,485	\$ 3,356	\$ 90,129

Aircraft

Dakotas	\$325,000	\$ 2,779	\$ 16,459	\$311,320
Grumman	180,000	850	9,000	171,850
Cessna	65,000	-	3,250	61,750
	\$570,000	\$ 3,629	\$ 28,709	\$544,920

Plant & Equipment

Engineering	\$ 2,343	\$	\$	\$ 1,825
Radio	14,929	457	2,894	12,492
Motor Transport	4,433		1,872	2,561
River Transport	1,090		128	962
Office	12,098	764	1,512	11,350
	\$ 34,893	\$ 1,221	\$ 6,924	\$ 29,190
Balance Sheet	\$696,893	\$ 6,335	\$ 38,989	\$664,239

The Corporation expects to write-off within 7 years, approximately 75% of its total Fixed Assets excluding Freehold Land.

GUYANA AIRWAYS CORPORATION

PROFIT AND LOSS ACCOUNT FOR THE PERIOD

1ST SEPTEMBER, 1963 TO 31ST DECEMBER, 1963

Operating Profit from Aircraft (Note 5)			\$ 44,968
<u>Add:</u> Other Income			
Commission Receivable		\$ 47,556	
Service Charges		12,380	
Miscellaneous		15,920	
Trucking		<u>1,120</u>	
			<u>76,976</u>
			\$121,944
<u>Less:</u> Overhead Expenses			
Agencies	\$ 30,986		
Interior Services	40,744		
Finance and Accounts	23,207		
Management Expenses	12,057		
Board Expenses	<u>7,924</u>		
		\$114,918	
Commission Payable		1,486	
Interest on Debenture		<u>21,700</u>	
			<u>138,104</u>
Loss for period before charging Depreciation and Obsolescence			\$ 16,160
<u>Add:</u> Depreciation and Obsolescence (Note 1)		\$ 38,989	
Loose Tools and Spares		<u>9,034</u>	<u>48,023</u>
Loss for period			\$ 64,183

GUYANA AIRWAYS CORPORATION

Note 2            The Current Assets and Current Liabilities were revalued  
by the Board at 1st September, 1963.

Note 3 Stocks

Aircraft Supplies and Spare Parts - Atkinson	\$161,997	
do. do. - Ramp	149,290	
Radio Supplies and Spare Parts - Ramp	<u>66,375</u>	
	\$377,662	
<u>Less:</u> Amount Written off		
Brought Forward	\$172,742	
Opening Adjustment	16,189	
Current Write-off	<u>8,260</u>	<u>197,191</u>
		\$180,471
Other Stocks & Loose Tools	\$ 25,642	
<u>Less:</u> Current Write-off	<u>774</u>	
		24,868
Engines on Hand		<u>16,201</u>
Balance Sheet		<u><u>\$221,540</u></u>

Stocks are stated by the Corporation at purchase cost  
after providing for slow-moving, obsolete, and unusable stocks.

GUYANA AIRWAYS CORPORATION

Note 4 Debtors

General Trade Debtors	\$136,752
B.W.I.A./B.O.A.C. Agency Debtors	78,527
Government Departments	142,490
Staff	27,991
Staff Pension and Insurance	4,047
Others	<u>87</u>
	\$389,894
Provision for Doubtful Debts	<u>20,000</u>
Balance Sheet	<u><u>\$369,894</u></u>

Note 5 Operating Profit from Aircraft

	<u>Dakota</u>	<u>Grumman</u>	<u>Cessna</u>	<u>Total</u>
Passenger	\$ 90,810	\$ 45,458	\$	\$136,268
Excess Baggage	1,036	1,096		2,132
Freight	179,043	12,203		191,246
Mail	4,008	4,655		8,663
Charters	4,395	43,365	9,696	57,456
Landing Fees		31		31
Miscellaneous	100	1,436	33	1,569
	<u>\$279,392</u>	<u>\$108,244</u>	<u>\$ 9,729</u>	<u>\$397,365</u>

Less Allocated Cost

	<u>Dakots</u>	<u>Grumman</u>	<u>Cessna</u>	<u>Total</u>
Fuel & Oil	\$ 45,198	\$ 13,410	\$ 806	\$ 59,414
Engine Consumption	15,488	14,565	1,054	31,107
Spares Consumption	15,088	11,353	395	26,836
Aircraft Insurance	4,693	2,144	3,024	9,861
Landing Fees	2,145		9	2,154
Licences	764	217	8	989
Miscellaneous		4		4
	<u>\$ 83,376</u>	<u>\$ 41,693</u>	<u>\$ 5,296</u>	<u>\$130,365</u>

\$267,000

Less Unallocated Cost

Flying Staff Pay and Expenses	\$ 92,326
Engineering and Radio Staff Pay & Expenses	129,706
	<u>\$222,032</u>
Profit & Loss Account	<u><u>\$ 44,968</u></u>

PANNELL FITZPATRICK GRAHAM & CREWDSON

and FITZPATRICK, GRAHAM & CO.

Chartered Accountants

P.O. Box 57

The Demerara Life Buildings,  
Georgetown,  
Guyana.

22nd April, 1967.

REPORT OF THE AUDITORS ON THE ACCOUNTS OF  
THE GUYANA AIRWAYS CORPORATION  
FOR THE YEAR ENDED 31ST DECEMBER 1964

We have examined the Accounts of the Guyana Airways Corporation, which are in agreement with the books of the Corporation, and report that we have obtained all the information and explanations we have required.

We further report that, in our opinion, the annexed Balance Sheet dated 31st December, and the Profit and Loss Account for the year ended on that date, are properly drawn up so as to give respectively a true and correct view of the state of the Corporation's affairs at the 31st December, 1964, and of the loss for the year then ended, in accordance with generally accepted accounting principles applied on a consistent basis.

Pannell Fitzpatrick Graham & Crewdson

Chartered Accountants

}  
} AUDITORS  
}

GUYANA AIRWAYS CORPORATION

BALANCE SHEET AS AT 31ST DECEMBER 1964

31.12.63

CAPITAL

	7% Perpetual Debenture (Secured by a first charge on all the Assets of the Corporation).		
\$930,000			\$930,000

PROFIT AND LOSS ACCOUNT

\$ 64,183	Loss for Year	\$324,098	
<u>64,183</u>	Less:- Government Subsidy	<u>345,817</u>	
-			21,719
<u>\$930,000</u>			<u>\$951,719</u>

EMPLOYMENT OF CAPITAL

	<u>FIXED ASSETS</u> less amounts written off (Note 1.)	
<u>\$664,239</u>		\$556,974

CURRENT ASSETS

\$221,540	Aircraft Supplies, Spare Parts, Stores and Loose Tools (Note 2)	\$221,515	
369,894	Debtors (Note 3)	376,150	
77,076	Payments in Advance and Receipt in Arrear	10,286	
140,510	Cash and Bank Balances	<u>371,845</u>	
<u>\$809,020</u>			\$979,796

LESS CURRENT LIABILITIES AND PROVISION

123,348	Creditors and Accruals	\$270,265	
369,893	British West Indian Airways	263,651	
49,518	Provision for Replacement of Aircraft Engines	51,135	
<u>\$543,259</u>			585,051
<u>\$265,761</u>			<u>394,745</u>
<u>\$930,000</u>			<u>\$951,719</u>

The attached notes 1 to 4 inclusive  
form a part of these accounts.

GUYANA AIRWAYS CORPORATION

PROFIT AND LOSS ACCOUNT FOR THE YEAR

ENDED 31ST DECEMBER, 1964

31/12/63

\$ 44,968 Operating Profit from Aircraft (Note 4) \$129,411  
Add:- Other Income

47,556	Commission Receivable	\$148,262
12,380	Service Charges	39,262
15,920	Miscellaneous	3,082
1,120	Trucking	<u>1,020</u>

191,626

\$121,944 \$321,037

Less:- Overhead Expenses

30,986	Agencies	\$ 93,161
40,744	Interior Services	134,694
23,207	Finance and Accounts	70,094
12,057	Administrative Expenses	27,980
<u>7,924</u>	Management and Board Expenses	<u>41,096</u>

\$114,918		\$367,025
1,486	Commission Payable	17,956
<u>21,700</u>	Interest on Debenture	<u>65,100</u>

\$138,104 450,081

\$ 16,160 Operating Loss \$129,044  
Add:- Expenditure relative to previous year 2,260

38,989	Depreciation and Obsolescence	
9,034	(Note 1)	119,304
-	Loose Tools and Spares	27,190
	Loss on Realisation of Fixed Assets	<u>46,300</u>

\$ 64,183 Loss for Year \$324,098

GUYANA AIRWAYS CORPORATION

NOTE 1. FIXED ASSETS

D E P R E C I A T I O N

Description	Opening	Addition	Disposals	Total	Opening	Depreciation	Accum. Depr.	Total	Net book	Net Book
	Balance 1.1.64	During Year	During Year	31.12.64	Balance 1.1.64	for Year	On Disposals	31.12.64	Value 31.12.64	Value 31.12.64
<u>Land and Buildings</u>										
Freehold Land & Bldgs. - Main St.	\$ 59,000	-	-	\$ 59,000	\$ 2,107	\$ 2,107		\$ 4,214	\$ 54,786	\$ 56,893
Leasehold Land & Bldgs. - Ruin.	33,485	\$ 3,250	-	36,735	1,213	4,389		5,602	31,133	32,272
Terminal Shed - Annai	1,000	-	-	1,000	36	120		156	844	964
Terminal Shed - Kamarang Bend	-	1,010	-	1,010	-	10		10	1,000	-
	\$ 93,485	\$ 4,260	-	\$ 97,745	\$ 3,356	\$ 6,626		\$ 9,982	\$ 87,763	\$ 90,129
<u>Aircraft</u>										
Dakotas	\$328,629	\$ 34,029	-	\$362,658	\$ 16,459	\$ 54,027		\$ 70,486	\$292,172	\$311,320
Grummans	180,000	-	\$(60,000)	120,000	9,000	27,000	\$(12,000)	24,000	96,000	171,850
Cessna	65,000	-	-	65,000	3,250	9,750		13,000	52,000	61,750
	\$573,629	\$ 34,029	\$(60,000)	\$547,658	\$ 28,709	\$ 90,777	\$(12,000)	\$107,486	\$440,172	\$544,920
<u>Plant and Equipment</u>										
Engineering	\$ 2,343	-	-	\$ 2,343	\$ 518	\$ 1,495		\$ 2,013	\$ 330	\$ 1,825
Radio	15,386	-	-	15,386	2,894	7,514		10,408	4,978	12,492
Motor Transport	4,433	\$ 13,620	-	18,053	1,872	7,508		9,380	8,673	2,561
River Transport	1,090	-	-	1,090	128	304		512	578	962
Furniture	12,862	8,130	-	20,992	1,512	5,000		6,512	14,480	11,350
	\$ 36,114	\$ 21,750	-	\$ 57,864	\$ 6,924	\$ 21,901		\$ 28,825	\$ 29,039	\$ 29,190
Balance Sheet	\$703,228	\$ 60,039	\$(60,000)	\$703,267	\$ 38,989	\$119,304	\$(12,000)	\$146,293	\$556,974	\$664,239

Depreciation rates used will reduce:

- (1) Buildings by approximately 75% over 6 years.
- (2) Aircraft to current Value.
- (3) Plant and Equipment to expected life period.

GUYANA AIRWAYS CORPORATION

Note 2. STOCKS

\$161,997	Aircraft Supplies and Spare Parts	\$190,085
	- Atkinson	
147,290	Aircraft Supplies and Spare Parts	131,621
	- Ramp	
66,375	Radio Supplies and Spare Parts	50,770
	- Ramp	
		\$377,662
	<u>less:-</u> Amount written off	
\$172,742	Brought Forward	\$188,931
16,189	Opening Adjustment	-
8,250	Current Write-off	<u>24,780</u>
		213,711
		158,765
\$ 25,642	Other Stocks & Loose Tools	\$ 30,579
774	<u>less:-</u> Current Write-off	<u>2,410</u>
		28,169
24,068	Engines on Hand	34,581
16,201		
		\$221,515
	Balance Sheet	<u>\$221,515</u>

Stocks are stated by the Corporation at purchase cost after providing for slow-moving, obsolete and unusable stocks.

GUYANA AIRWAYS CORPORATION

Note 3. Debtors

\$136,752	General Trade Debtors	\$ 225,832
78,527	B.W.I.A./B.O.A.C. Agency Debtors	50,456
142,490	Government Department	96,238
27,991	Staff	20,253
4,047	Staff Pension and Insurance	3,371
87	Others	-
<u>\$389,894</u>		<u>\$ 396,150</u>
20,000	Provision for Doubtful Debts	20,000
<u>\$369,894</u>	Balance Sheet	<u>\$ 376,150</u>

NOTE 4. OPERATING PROFIT FROM AIRCRAFT

	Dakota	Grumman	Cessna	Total	
\$136,268	Passenger	\$248,015	\$153,124	\$ 2,697	\$ 403,836
2,132	Excess Baggage	4,184	3,654	3	7,841
191,246	Freight	517,082	40,404	534	558,020
8,663	Mail	11,886	13,572	111	25,569
57,450	Charters	83,245	164,003	23,792	271,040
31	Landing Fees	-	98	126	224
1,509	Miscellaneous	-	2,970	1,140	4,110
<u>\$397,365</u>		<u>\$801,122</u>	<u>\$380,825</u>	<u>\$ 28,403</u>	<u>\$1,273,640</u>
	<u>Less Allocated Cost</u>				
\$ 59,414	Fuel and Oil	\$133,410	\$ 44,465	\$ 3,295	\$ 181,600
31,107	Engine Consumption	91,123	23,168	3,102	117,393
26,836	Spares Consumption	71,479	54,922	686	127,087
9,861	Aircraft Insurance	14,127	6,455	5,575	26,157
2,154	Landing Fees	7,279	8	-	7,287
989	Licences	2,322	680	130	3,132
4	Miscellaneous	2,352	84	-	2,436
<u>\$130,365</u>		<u>\$322,522</u>	<u>\$129,782</u>	<u>\$ 12,788</u>	<u>\$ 465,092</u>
<u>\$267,000</u>					<u>\$ 808,548</u>
	<u>Less:- Unallocated Cost</u>				
\$ 92,326	Flying Staff Pay and Expenses		\$263,663		
129,706	Engineering and Radio Staff Pay & Expenses		415,474		
<u>\$222,032</u>					<u>\$ 679,137</u>
<u>\$ 44,968</u>	Profit and Loss Account				<u>\$ 129,411</u>

PANNELL FITZPATRICK GRAHAM & CREWELSON

and FITZPATRICK, GRAHAM & CO.

Chartered Accountants

P.O. Box 37,

The Demerara Life Buildings,  
Georgetown,  
Guyana.

28th December, 1967.

REPORT OF THE AUDITORS TO THE MEMBERS OF

THE GUYANA AIRWAYS CORPORATION

FOR THE YEAR ENDED 31st DECEMBER, 1965.

We have examined the Accounts of the Guyana Airways Corporation which are in agreement with the books of the Corporation, and report that we have obtained all the information and explanations we have required.

We further report that, in our opinion, the annexed Balance Sheet dated 31st December, 1965, and the Profit and Loss Account for the year ended on that date, are properly drawn up so as to give respectively a true and correct view of the state of the Corporation's affairs at the 31st December, 1965, and of the loss for the year then ended, in accordance with generally accepted accounting principles applied on a consistent basis.

PANNELL FITZPATRICK GRAHAM & CREWELSON )

Chartered Accountants )

AUDITORS

GUYANA AIRWAYS CORPORATION

BALANCE SHEET

AT

31st DECEMBER, 1965

31.12.64

<u>CAPITAL</u>		
\$930,000	7% Perpetual Debenture (Secured by a first charge on all the Assets of the Corporation)	\$930,000
<u>PROFIT AND LOSS ACCOUNT</u>		
-	Balance brought forward	\$ 21,719
<u>Less:-</u>		
324,098	Loss for year	<u>188,979</u>
		\$167,260
<u>Less:-</u>		
345,817	Government Subsidy	<u>125,000</u>
<u>\$ 21,719</u>		<u>(42,260)</u>
<u>\$951,719</u>		<u>\$887,740</u>

<u>EMPLOYMENT OF CAPITAL</u>		
\$556,974	<u>FIXED ASSETS</u> ( Note 1 )	\$680,528

<u>CURRENT ASSETS</u>		
\$221,515	Stocks, Stores and Loose Tools	\$ 83,213
376,150	Debtors (Note 2)	410,155
10,286	Payments in Advance	9,411
<u>371,845</u>	Cash and Bank Balances	<u>280,323</u>
\$979,796		\$783,102

<u>LESS CURRENT LIABILITIES AND PROVISION</u>		
\$270,265	Creditors and Accruals	\$310,213
263,651	British West Indian Airways	216,425
<u>51,135</u>	Provision for Replacement of Aircraft Engines	<u>49,246</u>
<u>\$585,051</u>		<u>\$575,890</u>
<u>\$394,745</u>		<u>\$207,212</u>

The attached notes 1 to 3 inclusive form a part of these accounts.

\$951,719

\$887,740

GUYANA AIRWAYS CORPORATION

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1965.

31.12.64

\$129,411	Operating Profit from Aircraft (Note 3)		\$239,519
	<u>Add:-</u>		
	Other Income -		
148,262	Commission	\$173,696	
39,262	Service Charges	42,347	
1,020	Trucking	9,439	
<u>3,082</u>	Miscellaneous	<u>3,154</u>	<u>228,636</u>
\$321,037			\$468,155
	<u>Less:-</u>		
	Overhead Expenses -		
93,161	Agencies	\$118,118	
134,694	Interior Services	169,111	
70,094	Finance & Accounts	72,005	
27,980	Administrative Expenses	46,553	
41,096	Management and Board Expenses	<u>31,983</u>	
		\$437,770	
17,956	Commission Payable	10,675	
<u>65,100</u>	Interest on Debenture	<u>65,100</u>	
\$450,081			<u>\$513,545</u>
\$129,044	Operating Loss		45,390
	<u>Less:-</u>		
( 46,300)	Profit/(Loss) on Realisation of Fixed Assets	\$ 750	
-	Directors fee written back	<u>1,142</u>	
			<u>1,892</u>
\$175,344			\$ 43,498
	<u>Add:-</u>		
2,260	Net Expenditure relative to previous years	\$ 7,390	
119,304	Depreciation for year	143,260	
27,190	Less previous years stock adjustment	<u>8,260</u>	135,000
	Amount written off loose tools	\$ 3,866	
	Less Previous years adjustment	<u>775</u>	<u>3,091</u>
\$324,098	Loss for the year		<u>145,481</u>
			<u>\$180,979</u>

GUYANA AIRWAYS CORPORATION

Note 1 - Fixed Assets

	<u>D E P R E C I A T I O N</u>						Net Book Value 31.12.65	Net Book Value 31.12.64
	Cost at 1.1.65	Additions	Cost at 31.12.65	AT 1.1.65	Depreciation for year (B)	AT 31.12.65		
<u>Land and Buildings</u>								
Freehold Land & Buildings - Main Street	\$ 59,000	\$ -	\$ 59,000	\$ 4,214	\$ 2,107	\$ 6,321	\$ 52,679	\$ 54,786
Leasehold do - Ruimveldt	36,735	-	36,735	5,602	4,390	9,992	26,743	31,133
Terminal shed - Annai	1,000	-	1,000	156	108	264	736	844
do - Kamarang	1,010	-	1,010	10	119	129	881	1,000
	\$ 97,745		\$ 97,745	\$ 9,982	\$ 6,724	\$ 16,706	\$ 81,039	\$ 87,763
Work in Progress, Guard Room - Ramp	\$ -	\$ 1,007	\$ 1,007	\$ -	\$ -	\$ -	\$ 1,007	\$ -
<u>Aircraft</u>								
Dakotas	\$362,658	\$ 79,695	\$442,353	\$ 70,486	\$ 59,452	\$129,938	\$312,415	\$292,172
Grumman	120,000	-	120,000	24,000	18,000	42,000	78,000	96,000
Cessna	65,000	-	65,000	13,000	9,750	22,750	42,250	52,000
	\$547,658	\$ 79,695	\$627,353	\$107,486	\$ 87,202	\$194,688	\$432,665	\$440,172
<u>Plant and Equipment</u>								
Engineering	\$ 2,343	\$ 2,505	\$ 4,848	\$ 2,013	\$ 462	\$ 2,475	\$ 2,373	\$ 330
Radio	15,386	1,037	16,423	10,408	4,665	15,073	1,350	4,973
Motor Transport	18,053	9,276	27,329	9,380	5,570	14,950	12,379	8,673
River Transport	1,090	-	1,090	512	213	725	365	578
Furniture	20,992	12,779	33,771	6,512	5,384	11,896	12,875	14,480
	\$ 57,864	\$ 25,597	\$ 83,461	\$ 28,825	\$ 16,294	\$ 45,119	\$ 38,342	\$ 29,039
Airframes, Engines & Radio Spares (A)	\$183,545	\$ 1,750	\$185,295	\$ 24,780	\$ 33,040	\$ 57,820	\$127,475	\$ -
	\$886,812	\$108,049	\$994,861	\$171,073	\$143,260	\$314,333	\$680,528	\$556,974

Notes :-

(A) Airframes, Engines & Radio Spares previously shown under Current Assets - Stocks as follows:-

Cost to B.G. Airways (Gov.)      \$372,476

Less:-

Written - off by    do                      188,931

Cost to Guyana Airways Corp.      \$183,545

(B) Depreciation rates used will reduce:-

- (1) Buildings by approximately 75% over 5 years.
- (2) Aircraft to current value.
- (3) Plant and Equipment to expected life period.
- (4) Airframes, Engines and Radio Spares to Corporation's Valuation.

GUYANA AIRWAYS CORPORATION

Note 2 - DEBTORS

\$225,832	General Trade Debtors	\$237,059
50,456	B.W.I.A./B.O.A.C. Agency Debtors	56,278
96,238	Government Departments	94,135
20,253	Staff	37,921
3,371	Staff Pension and Insurances	4,762
<u>\$396,150</u>		<u>\$430,155</u>
20,000	Provision for Doubtful Debts	20,000
<u>\$376,150</u>	Balance Sheet	<u>\$410,155</u>

GUYANA AIRWAYS CORPORATION

Note 3 - OPERATING PROFIT FROM AIRCRAFT

	Dakota	Grumman	Cessna	Total
\$ 403,836	\$ 284,602	\$135,397	\$ 2,368	\$ 422,367
7,841	5,674	2,146	50	7,870
558,020	568,249	33,888	483	602,620
25,569	13,955	13,818	159	27,932
271,040	195,028	129,392	14,025	338,445
224	79	139	121	339
7,110	278	6,980	364	7,622
<u>\$1,273,640</u>	<u>\$1,067,865</u>	<u>\$321,760</u>	<u>\$17,570</u>	<u>\$ 1,407,195</u>

Less :-

Allocated Cost:-

\$ 181,600	\$ 153,145	\$ 36,676	\$ 1,333	\$ 191,154
117,393	89,051	19,447	4,080	112,578
127,087	83,337	30,657	1,628	115,622
26,157	13,829	4,815	5,966	24,610
7,287	9,410	13	-	9,423
3,132	1,568	434	110	2,112
2,436	41	289	30	360
<u>\$ 465,092</u>	<u>\$ 350,381</u>	<u>\$ 92,331</u>	<u>\$13,147</u>	<u>\$ 455,859</u>

\$ 808,548 \$ 951,336

Less:-

Unallocated Cost :-

\$ 263,663	Flying Staff Pay and Expenses	\$203,583	
415,474	Engineering & Radio Staff Pay and Expenses	508,234	
<u>\$ 679,137</u>			711,817

\$ 129,411 \$ 239,519

Profit and Loss Account

THOMAS, STOLL & CO.

Bankers:

Royal Bank of Canada

Accountants

Tel: 62090

P.O. Box: 336

Partners:

J. Henry Thomas - Chartered Accountant

W.G. Stoll - Certified Accountant

5, America Street,  
Georgetown, Guyana

2nd October, 1967.

The General Manager,  
Guyana Airways Corporation,  
Main Street,  
Georgetown.

Dear Sir,

We are enclosing a copy of our Audit Report along with  
four copies of the Final Accounts for 1966.

Yours sincerely,

Thomas, Stoll & Co.

THOMAS, STOLL & CO.  
Accountants

5 America Street,  
Georgetown, Guyana.

2nd October, 1967.

Members of the Board,  
Guyana Airways Corporation,  
Main Street, Georgetown.

AUDIT REPORT TO THE MEMBERS OF THE BOARD OF THE GUYANA  
AIRWAYS CORPORATION

INTRODUCTORY

The audit of the books of this Corporation was taken over from Messrs. Pannell Fitzpatrick Graham & Crewdson, Chartered Accountants, who carried on the audit since the inception of the Corporation. We have studied the notes and comments made by them regarding the previous audits which have just been completed. As a general rule we are in agreement with their comments and have asked that these be put into effect.

ACCOUNTING PRINCIPLES PROCEDURES SYSTEM

We are satisfied that the accounting code which has been revised and brought up to date caters for the number of accounts which the Corporation uses. We are however, not firmly convinced that all members of the accounting staff are fully conversant with the coding as set out, and would like to suggest that the code be regularly used by every member of the accounting staff; or at least the sections for which a staff member is responsible must be thoroughly studied by them. Faulty coding of accounts gives a wrong picture as the allocation of each item of expenditure is necessary for accurate accounting.

THE CONTROL ACCOUNTS as set up are not working properly. This is a very serious error and we have discussed it at length with the accounting supervisor. Unless the controls agree every month or whatever period is convenient the Trial Balance will always be difficult to agree.

Experience has shown that many accounting difficulties arise when the control accounts are not used.

ASSETS REGISTER

The Assets Register as set up by the Corporation leaves much room for improvement. There is no proper control in the location of assets and this is particularly weak as far as office equipment is concerned. Each item should be given a reference number so that in time an auditor can locate a piece of equipment without undue search; for example a card should be kept for each typewriter showing a serial number, date of purchase, depreciation, cost, location, etc. If the machine is sold or scrapped a clear entry should be shown and all relative information entered. This includes the reason for sale or scrap, the authority for such, person to whom sold and date.

MOTOR VEHICLES

We are not satisfied about the control of the motor vehicles. We would like to suggest that each vehicle used by the Corporation should carry a log book, in which is recorded mileage, purpose of the run, date of servicing, oil and gasoline used, name of driver responsible etc. Unless

these controls are instituted we feel that useful life of the vehicles can be reduced and also there will be room for irregularities.

### STORAGE OF RECORDS

We definitely are not satisfied with the system of storing old records. We were informed that with the repairs now in progress a room will be specially set apart for the storage of records. What is more important however, is that the system of reference is very weak. Unless proper binders are made and the records stored in numerical or chronological order, an Invoice may be so difficult to find that it might as well not be there.

### THE SECURITY OF VALUABLES

The location of the iron safe is not of the best. We strongly recommend that upon completion of the repairs and expansions a special strong room be set aside and in this room the safe should be encased in concrete. All tickets, whether local or overseas, should be placed in the strong room and if possible in special fireproof steel cabinets. Only the Accountant and the Secretary or other senior officer should have access to the strong room. We also feel that the Insurance Policies assigned by the Corporation to the staff together with policies for vehicles, buildings and aircraft should be kept in the strong room in special cabinets.

### BANKING SYSTEMS

There is no clear broad policy as to how the bank accounts should operate. Cheques are drawn indiscriminately on either Barclays or Royal, the two Banks with whom the Corporation does business. We would like to suggest that because of the heavy overseas transactions with Britain and the Commonwealth, these transactions should be done through Barclays and local transactions be done through the Royal Bank of Canada. This makes for better control of cheques.

151,900	Accrued Interest on Debentures		217,000.00	131,198	Plant & Machinery	433,513.32	271,110.31	
				12,755	Motor Vehicles	62,052.33	24,669.06	37,3
				21,870	Office Equipment	59,900.01	20,504.52	39,3
				<u>679,535</u>		<u>1,382,533.08</u>	<u>627,051.94</u>	<u>755,4</u>
	<u>Capital Reserve</u>				<u>Capital Projects in Progress</u>			
-	Atkinson Development		75,000.00		Head Office Building		22,142.20	
				<u>1,007</u>	Atkinson Development		<u>7,102.94</u>	29,2
	<u>Current Liabilities</u>				<u>Current Assets</u>			
104,759	Sundry Creditors	194,701.74		34,768	Stocks & Stores		50,073.10	
216,425	B.W.I.A. Ltd.	136,087.64		345,644	Sundry Debtors (Net)		798,751.18	
-	B.O.A.C.	169,079.12		261,009	Cash at Bank		87,279.04	
<u>54,373</u>	Accrued Expenses	<u>68,674.10</u>		<u>83,825</u>	Cash in hand		<u>13,296.01</u>	
375,557			568,542.60	<u>725,246</u>				949,3
					<u>Prepaid Expenses</u>			
				9,321	Insurance		11,551.96	
				90	Others		<u>2,485.66</u>	
				<u>9,411</u>				14,0
					<u>Profit &amp; Loss Account</u>			
				42,259	Balance Brought Forward			42,3
<u>\$1,457,458</u>			<u>\$1,790,542.60</u>	<u>\$1,457,458</u>				<u>\$1,790,5</u>

We have examined the Balance Sheet and Profit and Loss Account with books and vouchers of the Corporation and have obtained all the info and explanations required. In our opinion the Balance Sheet and Profit and Loss Account have been properly drawn up so as to show a true and correct view of the Corporation's affairs according to the best of our information and the explanations given to us and as shown by the books of the Corporation.

THOMAS, STOLL & CO.  
Accountants

000.00	131,198	Plant & Machinery	433,513.52	291,710.57	141,802.95
	12,755	Motor Vehicles	62,052.33	24,669.06	37,383.27
	21,870	Office Equipment	59,900.01	20,504.52	39,395.49
	<u>679,535</u>		<u>1,382,533.08</u>	<u>627,051.94</u>	<u>755,481.14</u>
		<u>Capital Projects in Progress</u>			
000.00		Head Office Building		22,142.20	
	1,007	Atkinson Development		<u>7,102.94</u>	29,245.14
		<u>Current Assets</u>			
	34,768	Stocks & Stores		50,073.10	
	345,644	Sundry Debtors (Net)		798,751.18	
	261,009	Cash at Bank		87,279.04	
	83,825	Cash in hand		<u>13,296.01</u>	
542.60	<u>725,246</u>				949,399.33
		<u>Prepaid Expenses</u>			
	9,321	Insurance		11,551.96	
	90	Others		<u>2,485.66</u>	
	<u>9,411</u>				14,037.62
		<u>Profit &amp; Loss Account</u>			
	42,259	Balance Brought Forward			42,379.37
42.60	<u>\$1,457,458</u>				<u>\$1,790,542.60</u>

We have examined the Balance Sheet and Profit and Loss Account with the books and vouchers of the Corporation and have obtained all the information and explanations required. In our opinion the Balance Sheet and Profit and Loss Account have been properly drawn up so as to show a true and correct view of the Corporation's affairs according to the best of our information and the explanations given to us and as shown by the books of the Corporation.

THOMAS, STOLL & CO.  
Accountants

Consumption of Engines	111,300.22	23,231.69	2,433.09	136,965.00	112,577
Consumption of Spares	113,068.11	30,840.41	1,714.77	145,623.29	115,622
Aircraft Insurance	17,126.20	3,846.30	5,953.59	26,926.09	24,610
Landing Fees	8,647.01	1,560.00	24.70	10,231.71	9,423
Licences	1,212.83	341.84	45.07	1,599.74	2,112
Outside Repairs	-	341.70	-	341.70	14
Miscellaneous	118.16	24.20	-	142.36	347
	<u>425,769.79</u>	<u>99,900.49</u>	<u>12,703.71</u>	<u>538,373.99</u>	<u>455,859</u>

Excess Baggage	8,655.09	1,583.00	-	10,238.09
Freight	713,445.40	30,319.16	11.00	743,775.56
Mail	16,591.00	12,596.00	38.00	29,225.00
Charters	138,963.44	138,519.75	25,171.50	302,654.69
Landing Fees	352.80	2,778.25	170.00	3,301.05
Trucking	1,656.00	-	-	1,656.00
Miscellaneous	53.20	9,895.80	239.90	10,188.90
	<u>1,305,795.95</u>	<u>318,749.92</u>	<u>25,784.40</u>	<u>1,650,330.27</u>

Unallocated Expenditure

Flying Staff Pay & Expenses	283,169.71
Engineering Costs	512,454.00
Radio Costs	<u>76,068.42</u>
	871,692.13

as per Schedule Departmental Costs

Gross Profit on Aircraft Operations	<u>240,264.15</u>	<u>239,520</u>
	<u>\$1,650,330.27</u>	<u>1,407,196</u>

Interior Services Department	197,294.58
Agencies Department	149,284.41
Finance & Accounts	89,265.59
Management - Administrative	80,056.15
Management - Board	<u>35,613.24</u>

As per Schedule of Departmental Costs

Salvage of VP-GAD	1,123.65	-
Interest on Capital	65,100.00	65,100
Loss of Grumman Aircraft- VP-GAD (Net)	25,417.37	-
Other Charges	-	<u>14,933</u>
	<u>\$643,154.99</u>	<u>517,804</u>
	10,754.10	47,756

Loss Brought down

Provision for Depreciation	30,401.16
Provision for Obsolescence	126,965.40
	<u>157,366.56</u>
	<u>\$168,120.66</u>
	138,091
	<u>185,847</u>

Loss brought forward	42,258.71
Loss 1966 brought down	168,120.66
	<u>\$210,379.37</u>

APPROPRIATION

GROSS PROFIT Brought Down

Commissions Receivable (BWIA: BOAC: & Others)	242,168.63
Service Charges	104,670.35
Revenue from chartered aircraft	10,580.64
Trucking	14,973.10
Miscellaneous	<u>7,089.15</u>
	379,481.87

Expenditure Relative to previous years	11,454.87
Directors' Fees (Official Member) written back	1,200.00
Loss for the year before providing for Depreciation and Obsolescence	<u>10,754.10</u>
	<u>643,154.99</u>

Loss after providing for depreciation & obsolescence 168,120.66

\$168,120.66

ACCOUNT

Subvention by Government of Guyana	168,000.00
Balance carried down	42,379.37

\$210,379.37

154	Passenger	426,079.02	123,057.96	154.00	549,290.98	422,367
577	Excess Baggage	8,655.09	1,583.00	-	10,238.09	7,871
622	Freight	713,445.40	30,319.16	11.00	743,775.56	602,619
610	Mail	16,591.00	12,596.00	38.00	29,225.00	27,932
423	Charters	138,963.44	138,519.75	25,171.50	302,654.69	338,445
112	Landing Fees	352.80	2,778.25	170.00	3,301.05	339
14	Trucking	1,656.00	-	-	1,656.00	-
347	Miscellaneous	53.20	9,895.80	239.90	10,188.90	7,622
859		<u>1,305,795.95</u>	<u>318,749.92</u>	<u>25,784.40</u>	<u>1,650,330.27</u>	<u>1,407,196</u>

817  
520  
196

1,650,330.27                      1,407,196

GROSS PROFIT Brought Down		240,264.15	239,520
Commissions Receivable (BWIA: BOAC: & Others)	242,168.63		
Service Charges	104,670.35		
Revenue from chartered aircraft	10,580.64		
Trucking	14,973.10		
Miscellaneous	<u>7,089.15</u>		

771  
100  
933  
304  
756

Expenditure Relative to previous years		379,481.87	228,636
Directors' Fees (Official Member) written back		11,454.87	750
Loss for the year before providing for Depreciation		1,200.00	1,142
and Obsolescence		10,754.10	47,756
		<u>643,154.99</u>	<u>517,804</u>
Loss after providing for depreciation & obsolescence		168,120.66	185,847

\$168,120.66                      \$185,847

ACCOUNT

991  
347  
      
    

Subvention by Government of Guyana	168,000.00
Balance carried down	42,379.37
	<u>\$210,379.37</u>

1965

There was an improvement in aircraft revenue earnings of some 11% over 1964 or about \$134,000, yet direct costs (Allocated) were a little lower than 1964. An operating surplus of \$239,519 was shown. Overhead costs increased only slightly, but other revenue rose by 20% so that there was an overall improvement over 1964 though a loss of \$188,979 was incurred.

1966

In 1966 the upward trend in aircraft revenue earnings continued, an amount of \$1,650,330 or approximately \$243,000 more than in 1965 being shown. A fourth DC 3 was added to the fleet. Operating surplus was approximately the same as in 1965 and though overhead expenditure increased and an amount of \$25,417 was written off for the loss of another Grumman, Agencies revenue increased by some \$151,000 over 1965. The year ended with a loss of \$168,120, a slight improvement over 1965.

OPERATIONS

FLEET

	DC 35	Grumman	Cessna 310G	Twin Otter
1963	3	3	1	—
1964	3	3	1	—
1965	4	2	1	—
1966	4	2	1	—
1967	4	1	1	1

	1963	1964	1965	1966
Miles Flown .. ..	203,500	637,395	687,786	797,589
Hours .. ..	1,550	5,454	5,691	6,437
Passengers carried ..	9,916	23,894	26,520	32,428
Passengers Miles Flown ..	769,620	2,172,551	2,305,894	2,905,655
Seat miles available ..	3,152,352	10,223,621	8,915,782	11,700,863
Passenger load factor ..	24%	21%	26%	25%
(a) Passenger & Baggage .. ..	55,316	178,337	198,183	248,517
(b) Excess Baggage .. ..	440	2,593	3,624	4,358
(c) Freight .. ..	235,580	739,766	840,340	1,027,667
(d) Mail .. ..	528	1,731	1,873	2,009
	291,864	922,427	1,044,020	1,282,551
Available ton Mls. .. ..	425,680	1,493,848	1,800,000	2,135,408
Weight Load Factor .. ..	69%	62%	58%	60%

## 1963

At the establishment of the Corporation on 1st September, 1963, the fleet consisted of 3DC-35 and 3 Grummans and later a Cessna 310G was added. Except for the Grumman which operated from the Ramp, Ruimveldt, the Corporation's fleet operated out of Atkinson.

The DC-35 operated into 24 aerodromes carrying some 5,716 passengers and 2,110 tons of cargo.

Local charters were stopped in July 1963, and scheduled and special services were introduced which enabled the Corporation to improve its revenue earning capacity.

During 1963, overseas charter flights declined sharply.

The Grumman operating in 23 aerodromes, carried some 4,200 passengers and 140 tons of cargo. Traffic fell off somewhat due to the 'Big Strike'.

For the fleet there was an increase in available seat miles of 20% over 1962 but approximately the same number of passengers were carried as the previous year. The passenger load factor declined. Available ton miles increased by 20% but there was a 44% increase in cargo. Weight load factor increased 8%.

## 1964

The fleet remained precisely the same as in 1963. Flying operations increased but passengers carried declined though cargo carried went up only slightly. Load factors in respect of both passenger and cargo fell. The route network was rather similar to that of 1963.

## 1965

Late 1965 a fourth DC-3 was bought but it did not enter service during that year. Flying operations went up slightly but passenger and cargo traffic rose by a greater percentage. Though passenger load factor increased by 5% weight load factor declined by 4%. Overseas charters were extremely good, meat flights being the main source of revenue.

## 1966

1966 was a good year in that flying increased by 13% with DC-3 flights going up 22% though Grumman flying declined below 1965 level. Passengers carried increased by 22% and cargo by 23% with passenger load factor dropping slightly and weight load factor increasing by a small margin. With the introduction of the fourth DC-3 available ton miles went up by 19%.

## AGENCIES

	Total Sales (\$G)
1963	679,368.00
1964	2,118,030.00
1965	2,481,380.00
1966	3,459,551.80

Through the years 1963 to 1966 there has been a steady increase in the sales in the Agencies Department and, of course, the handling charges from increased flying by BWIA and BOAC. Between 1934 and 1966 sales went up by 63% reaching nearly \$3½ million.

## PERSONNEL

	Total Staff
1963	217
1964	227
1965	258
1966	309

Staff steadily increased over the years with the growth of activity.

## TECHNICAL

Though flying through the years 1963 to 1966 increased steadily resulting in a requirement for more maintenance, facilities for carrying out this work remained very poor. Costs were rising out of proportion to the increased flying. Maintenance continue to be carried out at split bases — Atkinson and the Ramp — and which proved to be very much uneconomic. Plans were, therefore, being drawn up in 1966 to amalgamate the maintenance at Atkinson.

There was generally a shortage of skilled maintenance personnel but despite these deficiencies production which was very low in 1963 continued to improve though not satisfactorily.

Pilots, particularly captains, were also in short supply and this restricted expansion of activities. There was a gap in the training programme for some years and not until 1966 were six persons sent for training.

Inadequate communications over the years did not permit effective utilisation of the Corporation's fleet. In addition to not achieving the best possible load factors, the Corporation could not notify customers at stations not equipped with radio facilities when services were delayed or cancelled.

Airstrips have been in a deplorable state, some of which had to be closed during bad weather. The poor surfaces have contributed significantly to sending maintenance costs up. It is essential that at least those airstrips, into which there are frequent operations, be properly sealed. There has been prolonged delays over the construction of new airstrips unto important points such as Tumereng, N.W.D., Essequebo coast. The Grumman is unable to serve these areas adequately. Operation of passenger services out of Georgetown could provide the Corporation with considerably increased revenue particularly to coastal and near interior points.

Training throughout the Corporation is necessary at all levels and plans have been prepared for improving skills in the various departments. More emphasis was to be placed on training at middle management level.

For the future the Corporation needed more modern and efficient equipment to permit expansion of its operations. Improvement in its ground support was also necessary, and steps should be taken early to provide better hangar facilities and communications services.