

153

The British Guiana Rice Development  
Company, Limited.

(Incorporated the 27th day of December, 1952).

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Report of Directors

AND

Statement of Accounts

FOR THE YEAR ENDED

**31st August, 1963.**

117  
1963

THE BRITISH GUIANA RICE DEVELOPMENT COMPANY, LIMITED

REPORT OF THE DIRECTORS

and

STATEMENT OF ACCOUNTS

for the year ended 31st August, 1963

Notice is hereby given that the Eleventh Annual General Meeting of the Company will be held at the office of the Company, 78 Church Street, Georgetown, on Thursday, 2nd July, 1964 at 1.30 p.m.

By order of the Board,

D. Ramsaran, A.C.C.S.,  
Secretary.

A G E N D A

1. Directors' Report and Balance Sheet at 31st August, 1963.
2. Election of Auditors.
3. Remuneration of Auditors.
4. Directors' remuneration.

78 Church Street,  
Georgetown,  
British Guiana.

15th June, 1964.

159

THE BRITISH GUIANA RICE DEVELOPMENT COMPANY, LIMITED

Address by the Chairman, Mr. J.L. Rayman, at the Eleventh Annual

General Meeting held on Thursday, 2nd July, 1963.

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Gentlemen,

For the second time in succession your Directors are pleased to be able to report that your company has again made a profit. This, however is far below what was anticipated and the decrease was primarily due to the 80 day general strike during April/July 1963. Were it not for the strike the results would have been much better, as during this time our interest, depreciation charges, and our normal overhead expenses had to be borne as usual.

The net overall profit for the year under review amounts to \$114,931 after making provision for depreciation, taxation and interest charges.

You will note that we have been able to reduce our indebtedness to the C.D.C., and this has been further reduced during the current year. We believe, if conditions are favourable, that we should be able to make this pattern a regular one.

Our Mills at Mahaicony and Anna Regina processed 765,130 bags of paddy compared with 732,238 bags for 1962. Due to the strike there was a carryover stock of 134,888 bags paddy.

As you are aware, Mr. R.E. Mahadeo resigned his position as a Director and General Manager at the end of our financial year, and I am sure you share with me, the loss of his services to the Company.

During the 3 years he was associated with this organisation he was able to increase drying and storage facilities and also stepped up the throughput by introducing a new system of parboiling. There are several other improvements which he has been able to implement, and which stand to his credit. I can only repeat that I regret the loss of his services to the Company and the country.

I feel that you will want to hear something of our future prospects, and I am not at all pleased to tell you that I anticipate the company will not make a profit for the current year, or if there is a profit, it would be very thin. The reasons for this are well known but could stand repeating.

- (1) The general strike during April/July 1963 prevented farmers from ploughing their fields and from planting paddy, hence there was a very poor Autumn '63 crop.
- (2) It was hoped and endeavours were made to make up the Autumn Crop deficit with a very good Spring '64 crop, but unfortunately this did not materialise as there was no water or rain to grow a crop.

161

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- (2) It was hoped and endeavours were made to make up the Autumn Crop deficit with a very good Spring '64 crop, but unfortunately this did not materialise as there was no water or rain to grow a crop.

ii.

- (3) The determination by farmers to catch up with the deficit from the last two crops, with a bumper 1964 Autumn Crop seems as if this may not materialise, as up to the time of writing, we are still waiting, hoping and wishing for the rains to come. However, this is something man has no control over. You will therefore realise that if we do not get a good Autumn Crop we will only be able to operate our mills for a few months. Much hope is placed on the Tapakuma Project, and this will help our Anna Regina division to some extent.
- (4) The carryover stock of 134,888 bags of paddy has produced a lower quality of rice than it should, due mainly to deterioration resulting from long storage.
- (5) There is also an unseen and hardly realised factor which would contribute substantially to the welfare of your Company, and that is the quick turnover of our main product - Rice.

If I might dare to offer a suggestion which would alleviate this bottle neck, it would be to advise that the R.M.B. engage fully the services of someone with the necessary knowledge to promote and sell our country's rice on the export market.

I am indeed sorry having to lay these matters before you today, but I can assure you that given reasonable opportunity your Directors, Officers of the company and other employees will do everything possible to continue to keep your Company on a viable base.

I am most grateful to my colleagues on the Board for the able assistance given me at all times.

I would like to record the death of my friend and fellow Director, Mr. Balli Latchmansingh, which is a loss to us, and I would also like to record my appreciation to the Officers, Members of the staff and employees of the Company for their endeavours during a difficult year. I hope and have good reasons for expecting that everyone will give of his best for the current year, as I feel sure they all realise that their welfare is linked very strongly with that of the Company.

I now submit to you the report of your Directors and the Audited Statements of Account for the year ended 31st August, 1963, and have pleasure moving the adoption.

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165

THE BRITISH GUIANA RICE DEVELOPMENT COMPANY, LIMITED

REPORT OF THE DIRECTORS

The Directors submit their report for the year ended 31st August, 1963.

Balance Sheet as at 31st August, 1963.

Issued Share Capital - The issued share capital remains at \$2,000,000 and capital debentures issued in favour of C.D.C. was reduced from \$4,901,209 to \$4,800,000 during the year.

Capital Expenditure - Capital Expenditure for the year amounted to \$150,713:- of which \$97,153:- was spent on providing extra generating equipment for electrical power for Mards and Anna Regina Factories.

Assets retired amounted to \$9,602:-.

Depreciation reserves were increased by \$201,911:- making a total of \$1,982,550:-.

The book value of fixed assets is now \$4,252,779.

Profit & Loss Account for the year ended 31st August, 1963.

After providing \$208,147 for depreciation, \$40,000 for taxation, paying interest of \$333,361 on the debenture loans and \$104,319 interest on working capital, the company made a net profit of \$114,931, which is \$96,238 less than the previous year. This reduces our accumulated loss to \$1,494,866.

Mards Rice Factory

The Autumn Crop 1962 was a bumper one in the Mahaicony/Abary area, and therefore the company received 633,911 bags of paddy, of which 62,492 bags had to be handled and stored at the company's bonds at No. 27 Abary. Unfortunately, due to the strike this factory milled 502,840 bags of paddy, producing 237,981 bags of rice and 70,627 bags of by products. After providing \$86,927 for depreciation and allocating \$228,369 for interest charges, operations showed a net profit of \$103,900:-.

Mards Cultivation

The company was able to cultivate 2104 acres for the Autumn Crop 1962 and 618 acres for the Spring Crop 1963. This is the first occasion on which the Company has carried out such an extensive Spring Crop and Autumn Crop cultivation. Fertilisers were used, which increased the yield from 13.85 bags per acre in the previous year to 18.2 bags per acre. This increased yield plus the spring crop cultivation resulted in a profit of \$85,757:- after providing \$32,589 towards depreciation and \$67,226 towards interest charges.

Anna Regina Rice Factory

The intake at this factory is still well below its theoretical breakeven throughput, but with the completion of the Tapakuma Scheme in December 1963, it is expected that this factory will now be able to attain its full milling capacity. The factory milled 262,290 bags of paddy and produced 130,264 bags of rice and 24,895 bags of by products. This division showed a nett loss of \$70,300 after providing \$88,629 for depreciation and \$146,644 for interest charges.

ACCUMULATED LOSSES

Deficit to 31/8/62	-	\$1,609,797:-
Less Profit for year ended 31/8/63	-	<u>114,931:-</u>
Total accumulated loss to 31/8/63	-	<u><u>\$1,494,866:-</u></u>

Board of Directors

The following Directors are due to retire at this Annual General Meeting under the provisions of Article 93 of the Company's Articles of Association:-

- Mr. J. L. Rayman
- " Henry David
- " Kayman Sankar
- " Alston H. Kissoon
- " H.B.G. Greathead
- " E.E. Burke
- Dr. Harry Paul

Auditors

The Auditors, Messrs. Fitzpatrick, Graham & Co. have signified their willingness to accept re-appointment.

By order of the Board,

D. Ramsaran, A.C.C.S.  
Secretary.

78 Church Street,  
Georgetown,  
British Guiana.

31.3.62

LIABILITIES

SHARE CAPITAL

Authorised

<u>\$10,000,000.00</u>	100,000 Shares of \$100: each	<u>\$10,000,000.00</u>
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Issued

2,000,000.00	20,000 Shares of \$100: each fully paid	\$2,000,000.00
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DEBENTURES

1,099,608.79	6½% Debentures due 30th September, 1959	\$ 998,400.00
950,400.00	6½% " " 30th September, 1959	950,400.00
950,400.00	6½% " " 1st April, 1960	950,400.00
950,400.00	7% " " 1st April, 1961	950,400.00
950,400.00	7% " " 1st May, 1962	950,400.00
<u>\$ 4,901,208.79</u>		<u>\$4,300,000.00</u>

Note:- The notes attached hereto form an integral part of this Balance Sheet.

SIGNED:	J.L. RAYLEN	Chairman
	A.C. CHAN	Director/General Manager
	Mrs. D. RAJARAN	Secretary.

\$ 6,901,208.79

\$6,300,000.00



DEVELOPMENT COMPANY, LIMITED

AT 31st AUGUST, 1963

APPENDIX A

31.8.62

ASSETS

FIXED ASSETS

Freehold & Leasehold Lands, Buildings & Structures	\$2,668,094.00	\$ 368,575.25	\$2,304,518.75
Plant & Machinery	2,802,716.84	1,037,168.16	1,765,548.68
Agricultural Machinery	462,857.79	380,121.69	82,736.10
Sea Punts & Other Vessels	38,070.79	32,378.43	5,192.36
Motor Lorries & Other transport equipment	174,373.00	137,686.89	36,736.11
Furniture & Equipment	89,216.39	31,169.67	58,046.72

\$4,313,579.81

\$6,235,328.81 \$1,982,550.09 \$4,252,778.72

ADVANCE EXPENDITURE

\$ 70,687.18	1963 Mahaicony Autumn Crop	43,954.07	
-	1963 Black Bush Autumn Crop	<u>14,065.79</u>	
<u>\$ 70,687.18</u>			58,019.86

CURRENT ASSETS

41,984.78	Price & By-Products expected to realise	803,213.67	
580,006.92	Stocks, Stores & Livestock less reserve for obsolete spares	1,555,575.07	
12,461.51	Prepaid expenses	11,326.46	
412,302.81	Sundry Debtors, less Provision for Doubtful Debts	681,555.39	
<u>293,645.90</u>	Cash in Hand and at Banks	<u>5,217.75</u>	
<u>\$1,340,401.92</u>			\$3,056,888.34

LESS:

CURRENT LIABILITIES

\$ 313,578.01	Sundry Creditors	\$ 560,864.97	
54,630.40	Accrued Interest	69,173.12	
-	Bank Overdraft	1,327,511.71	
<u>65,000.00</u>	Provision for Income Tax	<u>105,000.00</u>	
<u>\$ 433,256.41</u>			2,062,552.80

\$ 907,145.51

NET CURRENT ASSETS

994,335.54

PROFIT & LOSS ACCOUNT

<u>\$1,609,796.79</u>	Accumulated Losses as per statement attached	<u>1,494,865.88</u>
<u>\$6,901,208.79</u>		<u>\$6,800,000.00</u>

THE BRITISH GULF RICE DEVELOPMENT COMPANY LIMITED

NOTES TO THE BALANCE SHEET AS AT 31ST AUGUST, 1963

1. In consideration of moratoriums to 31st December, 1964, granted by the Colonial Development Corporation on all debentures, the interest rate on the debentures has been increased to 7%.

2. Fixed Assets - Freehold Land & Buildings - include:-

(a) \$150,000: cost of the original property at Onverwagt acquired under Transport No. 968 to which the Company still holds title although the greater part of such property is occupied by the Land Settlement Department or its nominees.

(b) \$45,662.71 for Pumphouse & Sluices at Onverwagt, against which no Depreciation has been provided.

3. Current Assets - Stocks, Stores & Livestock - comprise:-

Sundry Stores & Spares	\$ 401,319.02
Bags & Twine	131,504.37
	<hr/>
At lower of cost and net replacement price	\$ 532,823.69
Paddy at cost	968,004.38
Livestock, at net realisable value	54,747.00
	<hr/>
	<u>\$1,555,575.07</u>

4. Unexpired Letters of Credit outstanding at 31st August, 1963, amounted to \$6,104.24.

5. Commitment for Capital Expenditure at 31st August, 1963 is Nil.

APPENDIX B

FITZPATRICK, GRAHAM & CO.,  
P.O. Box 37,  
Georgetown,  
Demerara.

30th April, 1964.

REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF  
THE BRITISH GUIANA RICE DEVELOPMENT COMPANY, LTD.

We have audited the foregoing Balance Sheet of the British Guiana Rice Development Company, Limited, dated the 31st day of August, 1963.

We have obtained all the information and explanations we have required and report that such Balance Sheet is in our opinion properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given us, and as shown by the books of the Company.

Signed: FITZPATRICK GRAHAM & CO }  
CERTIFIED ACCOUNTANTS } AUDITORS

17

THE BRITISH GULIANA RICE

STATEMENT OF PROFIT AND LOSS

To: Depreciation of Fixed Assets applicable to:-

Mahaicony Rice Cultivation	\$32,589.59	
Mahaicony Rice Factory	86,927.78	
Anna Regina Rice Factory	<u>88,629.93</u>	\$ 208,147.30

Interest:-

Interest payable to Colonial Development Corporation on Debenture Loans	\$333,360.88	
Other Interest	<u>104,318.90</u>	437,679.78
Directors Fees		4,560.00
Obsolete Stocks written off		85,755.10
Net Profit for the year carried down		<u>121,820.70</u>
		<u>\$ 857,962.88</u>

To: Accumulated Loss at 31st August, 1962

Provision for Taxation

\$1,609,796.79

40,000.00

\$1,649,796.79

DEVELOPMENT COMPANY, LIMITED

FOR YEAR ENDED 31st AUGUST, 1963

APPENDIX C

By: Trading Profits before charging  
Depreciation of Fixed Assets:-

Mahaicony Rice Cultivation	\$269,096.78	
Mahaicony Rice Factory	419,648.27	
Anna Regina Rice Factory	<u>167,098.92</u>	\$ 855,843.97
Profit on Sale of Assets		2,118.91

\$ 857,962.88

By: Net Profit for the year brought down	\$ 121,820.70
Decrease in Reserve for obsolete spares	33,110.21
Accumulated Loss at 31st August, 1963	<u>1,494,835.88</u>
	<u>\$1,649,796.79</u>