

BRITISH GUIANA

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ANNUAL REPORT

OF THE

POST OFFICE SAVINGS BANK

FOR THE YEAR

1961.

DPT: 4054/4/1

579

GENERAL POST OFFICE,  
Georgetown,  
British Guiana.

14th May, 1962.

Sir,

I have the honour to submit the Annual Report of the Post Office Savings Bank for the financial year ending 31st December, 1961, as required by Section 12 of the Post Office Savings Bank Ordinance, Chapter 133.

2. The following statements are appended:-
- I Income and Expenditure Account.
  - II Account of Deposits and Withdrawals.
  - III Investment Adjustment Account.
  - IV Reserve Account.
  - V Capital Deficiency Account.
  - VI Balance Sheet.
  - VII Reconciliation of Post Office Savings Bank Accounts with Colony Accounts.
  - VIII Statement of Investments held by the Post Office Savings Bank.
  - IX Comparative Statement showing progress of Post Office Savings Bank.

Resumé of Business - 1961.

3. (a) At 31st December, 1961 there were 129,374 depositors whose balances totalled \$20,493,527 - as against 129,486 depositors with balances totalling \$21,389,367 - in 1960. The number of depositors decreased by 112, i.e. 9,162 accounts were opened and 9,274 closed. The depositors' balances showed a decrease of \$895,840 as compared with the previous year. It is assumed that this decrease is due in some measure to the increased rate of interest now offered by the Commercial Banks and perhaps to emigration of some depositors.

/(b)...

The Secretary to the Treasury,  
Public Buildings,  
Georgetown.

(b) Actual deposits amounted to \$11,141,855 reflecting a decrease of \$744,314 when compared with the previous year's figure of \$11,886,169 whilst actual withdrawals totalled \$12,634,983 showing an increase of \$1,132,116 on the 1960 figure \$11,502,867. Withdrawals exceeded deposits by \$1,493,128.

(c) The number of transactions for the year was 258,319 of which 134,546 represented deposits and 123,773 withdrawals.

(d) The face value of investments at 29th December, 1961, stood at \$20,124,420 on which the average earning rate of interest was 3.76%. The value of securities at mean market value quotation at 29th December, 1961 was \$17,095,135 showing an appreciation of \$116,487 for the year under review.

Income and Expenditure.

4. (a) The income for the year amounted to \$871,698 of which \$870,885 represented interest on investments and on balances held by the Treasury.

(b) Expenditure totalled \$~~660,127~~<sup>772,121</sup>. On this, the sum of \$597,288 represented interest paid to or credited to depositors at the statutory rate of 3% per annum.

(c) The operating profit for the year amounted to \$99,577 as against \$82,988 in 1960, and \$56,975 in 1959. The increase of \$16,589 over the previous year is due to the increase in interest earned on investments during the year 1961.

Capital Deficiency Account.

5. Investments appreciated by \$116,487 at 29th December, 1961 and the capital deficiency was reduced to \$2,439,041. There was a gain on maturity of investments of \$326. The deficiency of \$2,439,041 at the end of 1961 represented approximately 11.9% of depositors capital.

Frauds.

6. There were six cases of fraudulent withdrawals totalling \$588,40 for the year under review. The cases are as follows:-

(1) Fraudulent Withdrawal of \$400.

A person impersonated a depositor and obtained withdrawals of \$150.00 and \$250.00. On the occasion of the second withdrawal he was arrested by the Police. Following Police investigations, he was charged with forgery of a receipt for money and imprisoned for 6 months on two counts to run concurrently. The sum of \$250 which was charged to Suspense Account "Post Office Savings Bank irregularities pending adjustment" was subsequently received from the Police and the necessary adjustment made. The sum of \$150 was written off from Bank funds.

(2) Fraudulent Withdrawal of \$87.00.

A person impersonated a depositor and effected on 4 occasions withdrawals totalling \$87.00. After Police investigations he was placed on 3 charges of false pretence, found guilty and imprisoned for 6 months on each charge, the sentences to run concurrently. Recommendations for the disposal of the loss is now engaging the attention of the Secretary to the Treasury.

(3) Fraudulent Withdrawal of \$38.40

A person impersonated a depositor and effected withdrawals to the amount of \$38.40 from a Post Office Savings Bank Account. He was charged, found guilty and fined. Restitution of the amount was made and restored to the Account.

(4) Fraudulent Withdrawal of \$26.00

A person fraudulently withdrew from a Savings Bank Pass Book which was reported lost the sum of \$26.00. After Police investigations, he was charged for obtaining

money by false pretence. He pleaded guilty and was bonded for 12 months. Restitution of the amount at 31st December remains unsettled.

(5) Fraudulent Withdrawal of \$17.00.

A withdrawal of \$17.00 was effected on a Pass Book reported lost. Police investigations led to a person being charged with obtaining money by false pretence. He was found guilty and placed on a bond. Restitution was made of the amount.

(6) Fraudulent Withdrawal of \$20.00.

A fraudulent withdrawal of \$20.00 was effected on a Savings Bank Account. For want of sufficient evidence no charges could be brought by the Police against the person suspected. The investigation however revealed carelessness on the part of the paying officer who accepted responsibility for this irregular payment. Deductions from his salary were made in settlement and the amount involved restored to the depositor's account.

7. Giving False Information to Public Servant.

There were two cases as follows:

- (i) A depositor reported the loss of her Pass Book and requested the issue of a new one claiming a balance of \$1,050. Police investigations disclosed her report to be false and she was prosecuted for giving false information to a Public Servant, and fined. There was no loss of funds to the Savings Bank.

- (ii) A depositor after having made several deposits to her account claimed that she had \$600.00 to her credit when she had only \$500.00 deposited. After Police investigations, she was charged for giving false information and convicted with a reprimand. No momentary loss was involved.

The following case of Fraud which was outstanding at December 31, 1960, still remains unsettled in 1961.

An amount of \$655,46 representing the balance from fictitious deposit entries and subsequent withdrawals, by an employee of the Savings Bank still remains to be settled.

General.

8. Withdrawals exceeded Deposits during the year.
9. The Stock Investments of the Bank appreciated during the year after suffering a depreciation in 1960.
10. The rate of interest paid to depositors continue to be 3%.

Staff.

11. Mr. W.S. Cameron, formerly a District Commissioner assumed duties as Assistant Director of Posts and Telecommunications (In Training) on the 14th March, 1961.

12. It is recorded with regret that Mr. M. St. C. Harding, Assistant Accountant who had been acting as Superintendent, Post Office Savings Bank during 1961, died on 27th August, 1961. Mr. G.D. Bentham, Assistant Superintendent was appointed to act Superintendent from the 23rd June, 1961. Mr. Montauth Class I Clerk, Post Office Savings Bank, was appointed to act Assistant Superintendent as from 10th October, 1961.

13. During the year 4 officers proceeded on vacation leave, and 3 officers resigned - one a Class II Clerk; the others were Clerical Assistants.

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14. I desire to place on record my appreciation of the loyal service rendered by the staff throughout the year 1961.

I have the honour to be,  
Sir,  
Your obedient servant,

E.E. CASSELL  
Director of Posts and Tele-  
communications.

POST OFFICE SAVINGS BANK

STATEMENT I

Income and Expenditure Account for the year ended 31st December, 1961.

<u>Expenditure</u>						<u>Income</u>
Re-imbursments to General Revenue in respect of provision under Head - 40 - Post Office Savings Bank						By: Interest on Investments      870,884.92
						Sale of Duplicate Passbooks      234.72
						Telegraphic Withdrawal Fees      40.80
						Miscellaneous Receipts      138.49
						Sale of Home Safes      399.36
						871,698.29
To: Personal Emoluments -      \$      ¢		\$	¢			
Fixed Establishment      47,516.02						
Personal Emoluments -						
Unfixed Establishment      11,611.14		59,127.16				
Re-imbursment to General Revenue in respect of service by Sundry Depart- ments and Indirect Charges.						
To: Rent      7,478.00						
Upkeep of Premises      150.00						
Stationery      1,800.00						
Travelling      60.00						
Pension Liability      15,483.00						
Proportion of Treasury Officers' Salaries      80.00						
Proportion of Audit Officers' Salaries      2,750.00						
Proportion of Postmasters' Salaries      17,670.00						
Proportion of Adminis- trative Officers Salaries G.P.O.      560.00						
Postage      6,000.00						
Telegrams      250.00						
Telephones      586.05						
				52,867.05		
Carried Forward:				111,994.21		Carried Forward: 871,698.29

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STATEMENT I (cont'd.)

Expenditure

Brought Forward:

\$ 111,994.21

Direct Expenditure

	\$	¢
To: Temporary Clerical Assistance	1,098.44	
Interest to Sundry Depositors	597,288.29	
Incidental Expenses	7,622.61	
Publicity and Thrift	230.50	
Cost of Cables and Transfers of Remittances to London for		
Investment by Crown Agents	-	-
Equipment and Stationery for Accounting and Proof Machines	5,106.12	
Maintenance of Accounting Machines	3,206.85	
Overtime	14,867.75	
Leave Passages Entitlement	1,230.40	
Purchase of Home Safes	552.98	
Purchase of 2 Accounting machines	27,650.00	
Bank Frauds	1,222.80	
Profit transferred to Reserve A/c.		

660,126.74

99,577.34

\$871,698.29

Income

Brought Forward: \$ 871,698.29

\$ 871,698.29

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2  
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STATEMENT II

Account of Deposits and Withdrawals for the year ended 31st December, 1961.

To: Withdrawals - 1961	\$12,634,983.16	By: Balance at credit of Depositors 1960 -	\$ 21,389,366.82
		Deposits - 1961	11,141,855.17
To: Balance at credit of Depositors - 1961	20,493,527.12	Interest paid and credited to Depositors - 1961	597,288.29
	<u>\$33,128,510.28</u>		<u>\$33,128,510.28</u>

STATEMENT III

Investment Adjustment Account

To: Transfer to Reserve Account - 1961	\$116,812.71	By: Gain on sale and maturity of Investments - 1961	326.04
		By: Appreciation on Investments - 1961	116,486.67
	<u>\$116,812.71</u>		<u>\$116,812.71</u>

STATEMENT IV

Reserve Account

To: Balance at 31.12.61 transferred to Capital Deficiency Account	\$216,390.05	By: Profit transferred from Income and Expenditure Account	\$ 99,577.34
		Balance transferred from Investment Adjustment Account	116,812.71
	<u>\$216,390.05</u>		<u>\$216,390.05</u>

STATEMENT V

Capital Deficiency Account

To: Balance at 31.12.60	\$2,655,431.11	By: Balance transferred from Reserve Account - 31.12.61	\$ 216,390.05
		Balance at 31.12.61	2,439,041.06
	<u>\$2,655,431.11</u>		<u>\$2,655,431.11</u>

STATEMENT VI  
Balance Sheet.

<u>Liabilities</u>		<u>Assets</u>	
Depositors' Capital	\$20,493,527.12	Investments - \$16,978,648.70	
Suspense Account	74.15	Appreciation- 116,486.67	\$17,095,135.37
		Capital Deficiency	2,439,041.06
		Advances Post Office	
		Savings Bank Irregularities pending Adjustments	176.00
		Due by Accountant General	959,248.84
	<u>\$20,493,601.27</u>		<u>\$ 20,493,601.27</u>

STATEMENT VII

Reconciliation of Post Office Savings Bank Accounts with Colony Accounts.

Colony Accounts.

Deposits for Investment	-	\$ 17,937,897.54	
Deposits Invested	-	16,978,648.70	
Net amount due by Accountant General	-	<u>959,248.84</u>	
Capital Deficiency	-	<u>2,439,041.06</u>	\$ 3,398,289.90

Post Office Savings Bank Accounts.

Due by Accountant General	-	\$ 959,248.84	
Capital Deficiency due by Colony-	-	<u>2,439,041.06</u>	\$ 3,398,289.90

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STATEMENT VIII

Statement of Investments at December 31, 1961

Denomination		Face Value	Ledger Value before Adjustment	Ledger Value after Adjustment
<u>Investment at 6<sup>1</sup>/<sub>2</sub>%</u>				
British Guiana	1971/81	449,800.00		449,800.00
<u>Investment at 6%</u>				
British Guiana	1969/79	2,180,200.00	2,180,200.00	2,180,200.00
<u>Investment at 5<sup>1</sup>/<sub>2</sub>%</u>				
British Guiana	1969/79	2,072,700.00	2,072,700.00	2,072,700.00
<u>Investment at 5%</u>				
British Guiana	1967/87	226,850.00	226,850.00	226,850.00
New Zealand	1956/71	96,000.00	88,320.00	86,400.00
<u>Investment at 4<sup>1</sup>/<sub>2</sub>%</u>				
British Guiana	1966/86	525,000.00	525,000.00	525,000.00
British Electricity	1967/69	71,619.04	65,173.33	65,889.52
Ceylon	1965	83,217.80	71,983.40	74,063.84
Gold Coast	1960/70	22,462.40	18,531.48	18,531.48
Kenya	1971/78	36,818.24	23,011.40	23,747.76
<u>Investment at 4<sup>1</sup>/<sub>2</sub>%</u>				
British Electricity	1974/79	14,598.08	11,970.43	11,678.46
Rhodesia	1967/72	7,022.92	4,670.24	4,810.70
<u>Investment at 4%</u>				
British Transport	1972/77	220,068.84	173,854.38	170,553.35
British Gas	1969/72	729,301.56	601,673.79	616,259.82
Commonwealth of Australia	1961/64	14,788.30	14,122.83	14,196.77
Consolidated Loan	1957 or after	171,046.98	112,891.01	100,062.48
Cyprus	1956/66	7,288.54	5,830.83	6,268.14
East Africa H. Com.	1968/71	336,553.46	230,539.12	233,904.65
Carried Forward:		7,265,336.16	6,427,324.24	6,880,916.97

## STATEMENT VIII (Contd.)

Denomination		Face Value	Ledger Value before Adjustment	Ledger Value after Adjustment
Brought Forward:		7,265,336.16	6,427,324.24	6,880,916.97
<u>Investment at 4%</u>				
East Africa H. Com.	1972/74	3,276.28	2,080.44	2,047.68
Nigeria	1963	273,871.70	253,331.32	258,808.76
<u>Investment at 3½%</u>				
Australia	1961/66	296,614.44	259,537.64	262,503.78
Burton-on-Trent	1963	14,609.74	13,952.30	14,098.40
British Electricity	1976/79	423,591.46	307,103.81	298,631.98
Cyprus	1969/71	57,456.80	38,783.34	42,230.75
East Africa H. Com.	1966/68	19,145.98	13,689.38	14,072.30
East Africa H. Com.	1968/70	61,947.98	41,195.41	41,195.41
Essex	1957/62	28,399.74	27,405.75	27,547.75
Huddersfield	1958/63	12,948.06	12,106.44	12,365.40
Jamaica	1958/68	130,479.92	102,426.74	103,731.54
Jamaica	1968/73	46,185.94	33,022.95	32,792.02
Kenya	1957/67	17,223.54	12,659.30	13,176.01
Kenya	1973/78	38,847.56	20,006.49	20,783.44
London County Council	1958/68	30,966.66	26,011.99	26,321.66
Sierra Leone	1958/63	34,835.02	31,874.04	32,048.22
Middlesex	1957/62	72,914.94	71,456.64	72,914.94
New Zealand	1960/64	143,047.16	134,464.33	135,179.57
North Ireland	1968/70	20,264.04	16,312.55	16,312.55
Nigeria	1964/66	82,900.86	67,564.20	71,709.24
Northern Rhodesia	1955/65	19,349.34	16,833.93	16,833.93
Northern Rhodesia	1970/72	154,901.82	101,460.69	98,362.66
Sierra Leone	1968/70	115,841.22	75,876.00	78,192.82
Salford	1953/63	24,960.00	23,836.80	24,086.40
Sheffield	1963	25,875.72	24,970.07	25,099.45
Southern Rhodesia	1961/66	71,731.46	59,178.44	59,895.77
Southern Rhodesia	1967/69	68,320.96	48,849.49	49,532.70
Tanganyika	1970/73	2,422.86	1,417.37	1,490.06
Carried Forward:		9,558,267.36	8,264,732.09	8,732,882.16

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STATEMENT VIII (Contd.)

Denomination	Face Value	Ledger Value before Adjustment	Ledger Value after Adjustment
Brought Forward:	9,558,267.36	8,264,732.09	8,732,882.16
<u>Investment at 3½%</u>			
Uganda 1966/69	33,548.06	22,980.42	23,651.38
War Loan 1952 or after	108,190.48	64,373.34	56,800.00
<u>Investment at 3¼%</u>			
Australia 1965/69	298,549.06	237,346.50	237,346.50
Bootle 1958/62	23,910.34	23,312.58	23,671.24
Leeds 1958/62	43,572.10	42,047.08	42,918.52
Luton 1964	24,000.00	21,960.00	22,200.00
New Zealand 1962/65	99,963.70	89,967.33	90,467.15
Plymouth 1957/62	18,363.58	17,720.85	17,996.31
<u>Investment at 3%</u>			
Australia 1963/65	66,922.82	59,226.70	60,230.54
Australia 1964/66	46,040.84	39,825.33	40,285.74
Australia 1965/67	151,183.68	124,726.54	126,238.37
British Electricity 1968/73	356,984.36	264,168.43	267,738.27
Ceylon 1959/64	198,786.76	168,968.75	175,926.28
Federated Malay States 1960/70	153,427.88	120,440.89	120,440.89
Funding Stock 1966/68	800,400.92	652,326.75	668,334.77
Glasgow 1963/66	9,976.02	8,579.38	8,778.90
Gold Coast 1963	11,805.20	10,978.84	11,214.94
Lanarkshire 1954/64	13,430.42	12,423.14	12,691.75
London County Council 1962/67	152,116.84	127,778.15	130,820.48
Malaya 1974/76	119,545.96	84,279.90	84,279.90
New Zealand 1966/68	181,625.82	147,116.91	148,933.17
Nigeria 1975/77	48,436.24	28,819.56	30,272.65
New Zealand 1973/77	158,371.80	107,692.82	104,525.39
Northern Rhodesia 1963/65	319,730.96	268,574.01	268,574.01
Palestine Guaranteed 1962/67	10,138.92	8,466.00	8,668.78
Savings Bonds 1960/70	3,457,778.20	2,714,355.89	2,766,222.56
Savings Bonds 1955/65	982,255.24	888,940.99	888,940.99
Carried Forward:	17,447,323.56	14,622,127.17	15,171,051.64

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STATEMENT VIII

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Denomination	Face Value	Ledger Value before Adjustment	Ledger Value after Adjustment
Brought Forward:	17,447,323.56	14,622,127.17	15,171,051.64
<u>Investment at 3%</u>			
Savings Bonds                      1965/75	2,316,436.44	1,656,252.05	1,667,834.24
Trinidad                                1965/70	51,308.90	36,172.77	37,198.95
Trinidad                                1967/71	145,671.08	99,784.69	104,154.82
<u>Investment at 2<sup>3</sup>/<sub>4</sub>%</u>			
Australia                                1967/71	56,869.24	41,798.89	41,798.89
Belfast                                    1963/66	34,548.06	29,020.37	29,884.07
Kenya                                     1971/76	24,262.90	12,252.76	12,252.76
<u>Investment at 2<sup>1</sup>/<sub>2</sub>%</u>			
Australia                                1970/75	48,000.00	31,440.00	30,960.00
	20,124,420.18	16,528,848.70	17,095,135.37

STATEMENT IX.

COMPARATIVE STATEMENT SHOWING THE PROGRESS OF THE GOVERNMENT AND POST OFFICE SAVINGS BANK SINCE ITS INAUGURATION IN 1889, AND ITS TRANSFER TO THE PCSI OFFICE IN 1911.

1 Year	2 No. of Banks	3 No. of Accounts	4 DEPOSITS		5 WITHDRAWALS		6 Total De- positors' Balances to 31st December		7 Total In- vestments to 31st December		8 INTEREST		9 RESULT OF YEAR'S WORK			
			No.	Amount	No.	Amount	\$	c.	\$	c.	\$	c.	\$	c.	\$	c.
1889	6	136	197	2,279.00	2	5.44	x									
1890	9	929	3,258	39,169.22	850	14,187.41	27,648.46	19,680.00	107.50	393.16	.....	.....	.....	.....	.....	
1895	20	4,853	10,478	123,789.37	7,949	101,080.60	x		3,104.78	2,776.45	334.33	.....	.....	125.17	.....	
1900	25	8,263	17,328	177,981.74	12,562	170,424.75	222,589.13	208,800.00	6,507.48	5,681.45	825.47	.....	.....	2,196.17	.....	
1905	34	9,966	19,060	254,788.96	14,479	203,731.29	319,650.72	306,072.90	8,316.37	5,678.69	.....	.....	.....	7,438.00	.....	
1910	48	18,004	30,169	662,769.99	23,888	378,321.90	728,088.75	424,299.43	13,628.01	15,616.39	.....	.....	.....	10,660.02	.....	
1915	50	29,305	39,778	562,117.20	40,119	717,682.04	962,571.37	1,139,511.72	38,511.58	27,591.39	.....	.....	.....	.....	.....	
1920	51	36,658	77,832	1,745,384.22	54,150	1,438,058.79	1,908,228.90	1,774,232.57	60,202.37	45,870.82	.....	.....	.....	.....	.....	
1925	52	36,252	58,234	1,185,616.88	48,458	1,440,829.93	1,976,055.34	1,909,639.77	82,758.71	53,247.33	.....	.....	15,119.62	.....	.....	
1930	42	34,471	49,000	800,325.13	47,081	896,513.18	1,600,429.99	1,632,148.25	71,464.34	45,138.21	.....	.....	23,358.03	.....	.....	
1935	44	44,858	89,322	1,316,698.60	67,865	1,076,627.92	2,361,220.12	2,281,222.46	78,433.80	54,167.59	.....	.....	10,855.47	.....	.....	
1940	47	65,994	70,314	1,337,763.29	65,123	1,473,789.98	2,716,866.13	2,765,951.42	107,066.63	60,106.60	.....	.....	15,661.35	.....	.....	
1945	53	x	x	4,959,055.10	x	4,034,722.48	9,912,818.05	10,000,235.84	287,899.81	207,880.96	.....	.....	27,288.68	.....	.....	
1950	54	92,609	134,524	7,917,178.42	120,995	7,803,727.19	13,754,578.37	13,503,047.22	413,742.90	310,634.21	.....	.....	23,851.56	.....	.....	
1951	53	103,731	139,743	8,249,902.98	122,626	7,795,173.58	14,526,332.65	12,930,170.44	433,552.64	317,024.88	.....	.....	37,869.55	.....	.....	
1952	55	109,617	153,786	10,093,868.13	136,860	9,009,260.52	15,959,706.67	14,156,191.84	465,568.76	344,691.07	.....	.....	14,986.16	.....	.....	
1953	56	112,829	143,513	10,545,093.85	137,468	11,225,587.51	15,544,971.69	15,858,990.26	509,613.76	359,717.17	.....	.....	39,903.07	.....	.....	
1954	56	115,390	148,705	12,057,779.24	123,917	10,784,153.45	17,184,209.12	16,699,138.68	538,019.78	364,503.86	.....	.....	71,968.55	.....	.....	
1955	58	119,931	163,044	14,472,340.02	133,107	13,342,041.39	18,717,835.81	16,618,729.49	572,459.88	403,288.21	.....	.....	36,479.26	.....	.....	
1956	58	122,819	158,428	11,644,489.86	133,218	12,216,208.23	18,567,677.44	15,540,290.57	627,994.93	419,486.52	.....	.....	105,279.83	.....	.....	
1957	58	125,828	153,645	11,165,559.22	131,770	11,176,571.03	18,979,072.69	14,929,597.50	623,902.85	420,868.58	.....	.....	77,404.63	.....	.....	
1958	58	126,646	147,163	11,767,509.88	128,930	11,295,510.73	19,993,261.03	15,541,370.80	701,268.47	541,647.67	.....	.....	32,206.28	.....	.....	
1959	58	127,659	135,176	11,147,500.71	126,372	11,286,810.47	20,417,007.39	17,702,482.03	748,305.52	563,056.12	.....	.....	56,974.77	.....	.....	
1960	58	129,486	138,788	11,886,169.75	119,044	11,502,866.59	21,389,366.82	16,808,165.30	826,082.88	589,057.27	.....	.....	82,987.67	.....	.....	

\* Figures not available

1961 58 129,374 134,546 11,141,851.17 123,773 12,631,983.16 20,935,527.12 17,095,135.37 870,884.92 597,288.29 99,577.34

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REPORT OF THE DIRECTOR OF AUDIT ON THE ACCOUNTS OF THE  
BRITISH GUIANA POST OFFICE SAVINGS BANK  
FOR THE YEAR ENDED 31ST DECEMBER, 1961.

INTRODUCTION

In accordance with the provisions of Section 12, of the Post Office Savings Bank Ordinance, Cap. 133 of the Laws of British Guiana, 1953, the accounts of the British Guiana Post Office Savings Bank for the year ended 31st December, 1961, have been examined under my direction and have been certified subject to the comments in this Report.

2. The Annual Statements, together with the Report of the Director of Posts and Telecommunications, were received for audit on 12th June, 1962. Observations arising from the audit of the accounts were submitted to the Director of Posts and Telecommunications on 25th June, 1962, and a reply received on 17th July, 1962.

3. The Annual Statements for the financial year ended 31st December, 1960, were laid before the Legislative Assembly on 1st November, 1961.

SUFFICIENCY OF EXISTING CHECKS AGAINST  
IRREGULARITY AND FRAUD

4. With reference to paragraph 4, of my report on the accounts for the year 1960, recovery of the amount of \$655.46, outstanding in respect of the fraud perpetrated by an officer of the Bank during 1960, is being kept in view.

5. The Director of Posts and Telecommunications has agreed to an audit suggestion that where depositors' accounts have been dormant for over five years they should be carried to a separate account in order to provide an additional check against fraud and irregularity.

6. An audit inspection of a District Post Office revealed that a large number of depositors' pass-books were on hand for some considerable time as unclaimed. A circular has since issued requesting Postmasters to adhere strictly to the approved procedure which requires pass-books unclaimed for over one month to be returned to Head Office.

INCOME AND EXPENDITURE ACCOUNT (STATEMENT I)

Expenditure

7. Personal Emoluments, Fixed Establishment - \$47,516.02. This amount has been understated by \$237.10, being leave salary of an officer who has since resigned. Adjustment is to be made in the 1962 accounts.

8. Rent - \$7,478.00. This amount has been overstated by \$1,214.00, as a result of a re-assessment of the rent payable by the Bank for 1961. An adjustment is to be made in the 1962 accounts.

9. Pension Liability - \$15,483.00. As a result of the observation in paragraph 7, above, and an accounting error, this amount has been overstated by \$641.94. Adjustment is to be made in the 1962 accounts.

10. Proportion of Postmasters' Salaries - \$17,670.00. This amount has been overstated by \$64.20, as a result of a re-computation of the amount payable for the services of Postmasters. Adjustment is to be made in the 1962 accounts.

11. Telephones - \$586.05. This amount has been understated by \$138.00, in respect of charges payable during the year. Adjustment is to be made in the 1962 accounts.

12. Temporary Clerical Assistance - \$1,098.44. Authority has not been seen for the employment of a temporary typist for the months of June and July, 1961, with salary at the rate of \$116.00, per month.

13. Incidental Expenses - \$7,622.61. Attention has been drawn by this Department to the generous scale on which refreshments were provided during the year to staff working overtime. Chicken-in-the-rough and barbecued chicken do not appear to come within the ambit of the refreshment originally envisaged and authorised. It is understood that action is being taken to ensure that the refreshment will in future be on a more modest scale and the matter is being kept in view.

14. Overtime - \$14,867.75. With reference to paragraph 13 of my report on the accounts for the year 1960, Post Office Savings Bank (Overtime) Regulations, 1962, were approved by the Governor on 16th July, 1962, with retroactive effect to 1st January, 1960.

15. This figure represents 25.1 per cent of the total Personal Emoluments and Government have directed that steps should be taken to have the work re-arranged so that expenditure on overtime is kept to the minimum. The matter is being kept in view.

16. Leave Passage Entitlement - \$1,280.40. This amount has been understated by \$249.20, and adjustment is to be made in the 1962 accounts.

17. Profit transferred to Reserve Account - \$99,577.34. As a result of the observations at paragraphs 7, to 11, and 16, above, this amount has been understated by \$7,651.64.

RESERVE ACCOUNT (STATEMENT IV)

Profit transferred from Income and Expenditure Account - \$99,577.34

Balance at 31.12.61 transferred to Capital Deficiency Account - \$216,390.05

18. As a result of the observations at paragraph 17, above, these amounts have been understated by \$7,651.64, respectively.

CAPITAL DEFICIENCY ACCOUNT (STATEMENT V)

Balance Transferred from Reserve Account at 31.12.61 - \$216,390.05

Balance at 31st December, 1961 - \$2,439,041.06

19. These amounts have been understated and overstated by \$7,651.64, respectively, as a result of the observation at paragraph 17, above.

BALANCE SHEET (STATEMENT VI)

Assets

Investments - \$17,095,135.37

20. The Sterling Investments and Local Investments have been verified from the relevant certificates.

21. Included in this amount are British Guiana Government Securities to a total value of \$5,454,550.00.

22. Capital Deficiency - \$2,439,041.06. This amount has been overstated by \$7,651.64, as a result of the observation in paragraph 19, above.

25. Due by the Accountant General - \$959,248.84. This figure has been understated by \$7,651.64, as a result of the observation at paragraph 19, above.

26. Included in the amount is the working capital reserve of \$50,000.00. Interest at the rate of 5 per cent has been paid during the year on the balance of \$909,248.84, on deposit with the Accountant General.

GENERAL

27. The accounts were submitted for audit too late to permit the laying of the audited statements before the Legislative Assembly by 31st May, 1962, in accordance with Section 12, of the Post Office Savings Bank Ordinance, Cap. 133, of the Laws of British Guiana, 1953.

*D. S. Dumbly*  
Director of Audit

AUDIT DEPARTMENT,  
GEORGETOWN,  
BRITISH GUIANA.

27th July, 1962.

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AUDIT CERTIFICATE

The attached accounts and Balance Sheet have been examined as required by Section 12, of the Post Office Savings Bank Ordinance, Cap. 133 of the Laws of British Guiana, 1953. I have obtained all the information and explanations that I have required, and I certify, as a result of this audit, that in my opinion the accounts and Balance Sheet give a true and fair view of the affairs of the Bank as at 31st December, 1961, subject to the observations contained in my Report dated 27th July, 1962.

*J. V. Dumbaf*

Director of Audit

AUDIT DEPARTMENT,  
GEORGETOWN,  
BRITISH GUIANA.

27th July, 1962.