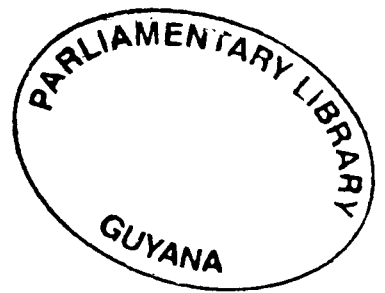


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1986 FINANCIAL STATEMENT



1. **GEOLOGICAL SERVICES DIVISION**

Introductory Summary

For the Geological Services Division, the main activities planned for 1986 were:-

- i) Geological exploration to uncover promising gold and diamond deposits for further exploration and development by foreign and local capital. This included the GGMC-DPRK Arakaka Gold Project and the GUYMINE-GGMC Marudi Mountain Project.
- ii) Geological investigation and inventorisation of ceramic raw materials - clay and feldspar.
- iii) Mineral promotion
 - a) Active promotion of gold and diamond prospects, for development by foreign and local groups; the Upper Konawaruk and Marudi Mountain prospects are the prime targets for promotion;
 - b) Literature research and preliminary evaluation of gold and diamond prospects;
 - c) Involvement in the UNDP sponsored Mineral Promotion Project.
- iv) Completion of the new geological atlas of Guyana.
- v) Monitoring the activities of companies involved in mineral exploration.
- vi) Overall supervision of the UNDP-DTCD laboratory support project.
- vii) Geological Services - advisory and practical (contractual).
- viii) Supporting laboratory and topographic survey services.

Geological exploration, which accounted for a substantial part (44%) of the Division's Budget, was hardest hit by budgetary cuts, and indeed due to the Commission's poor financial showing, no funds were allocated for exploration. Consequently, efforts were concentrated on in-house activities of literature research and evaluation and the active promotion of mineral prospects, compiling the new geological atlas, and supporting laboratory and advisory geological services.

Field activities were limited to involvement in the Marudi Mountain. The Arakwai Feldspar, the Arakaka Gold and the 9 Mile Issano Projects, visits to the operations of mining companies, and brief reconnaissance visits undertaken with prospective foreign investors, or local government agencies. The professional staff was actively engaged in updating and upgrading many of the gold prospect profiles. Work on the revised geological and mineral maps of Guyana continued.

While the Commission's financial standing remains tenuous, field activities was limited to the joint GGMC-DPRK Arakaka gold project, with financial support from the central government. The Ceramic Raw Materials Characterisation project proposal has been approved at the October 1986 Board Meeting of the IDRC (International Development Research Institute).

The Commission and Guymine are actively seeking a technical and financial partner to complete exploration works at Marudi Mountain leading to the feasibility assessment stage.

1.1 Geological Exploration

The unavailability of funds for exploration precluded all field activity planned, except at Marudi Mountain where exploration costs were met by GUYMINE.

In spite of many setbacks due to bad weather, poor transportation, logistic services, and technical problems, the adit finally reached its target in June at a length of 500 m (601 ft). Channel and bulk samples were taken over its entire length with concentrated bulk sampling at the end of the adit, where intersection with the better mineralised section was targeted.

Samples have been analysed for gold content and metallurgical properties. The analytical results has formed the basis of a preliminary evaluation of the deposit.

Since NORANDA's withdrawal late on 1985, GGMC and GUYMINE have been actively seeking a technical and financial partner to complete the Phase 1 evaluation work, and to continue into Phase 11, the detailed evaluation and feasibility assessment stage.

Five D.P.R.K technicians arrived in Guyana in May, 1986, to activate the GGMC-Zonghabselbi Contract, to work out the financial and operational details of the project, and to initiate the field project. The technicians arrived before the promised equipment for exploration and mining. Since then the company purchased locally from Farrel Engineering - mining equipment comprising a six inch gravel pump, sluices and accessories.

The Guyana Geology and Mine Commission has stressed the necessity for exploration and feasibility evaluation prior to mining. The equipment from the D.P.R.K - 2 bulldozers, one 4 wheel drive vehicle, 60 H.P and 120 H.P engine, pump and accessories which is due to arrive by the end of September, 1986, represents a significant part of Zonghabselbi's contractual commitment to the project.

Serious efforts were made to obtain funds from the IDRC for the ceramic raw materials project. To date, the project proposal has been favorably received: the proposal for a joint GGMC-IASST-IDRC Alberta Research Council project has been finalised in Canada by IDRC Board in October 1986.

1.2 Mineral Promotion

The possibility of involvement in the local gold and diamond mining sector was discussed with governmental and private groups from the U.S, Canada, Brazil, GDR, USSR, Japan and Guyana. The most promising was the bid for the development of the middle Ireng River by COEST/SA of Brazil, and Niemertz's of the U.S persistent interest in Marudi Mountain.

Other note worthy groups were Metalia S/A of Brazil, part of the Brazilian trade delegation's visits to Guyana on April 29 - 30, 1986 and May 6 - 7, 1986, whose special interest was gold deposits along the Georgetown-Takutu road alignment; the GDR Government, who were encouraged to consider the Tikwah and Tamakay gold prospects, together with diamond deposits in the Middle Mazarauni area and local business group, Toolsie Persaud Ltd; with an interest in the Honey Camp, East Kaburi and Groete Creek Deposits.

The Division has seen especially encouraging interest in the Marudi Mountain. and Upper Konawaruk prospects. With its serious logistics problem, Marudi Mountain. is favoured for development by a Brazilian group (COEST/S.A or Oro-Braz) who could then supply the exploration and mining activities directly from Brazil.

The Upper Konawaruk deposit has proven alluvial reserves of 2 million cubic metres with average grade of 0.1699 g/m^3 . It has been demonstrated, that these reserves can support an economically viable mining operation based on the reactivation of the 10.5 cu.ft bucket wheel dredge abandoned in the middle Konawaruk river.

Independent feasibility assessments have been completed by RUDIS of Yugoslavia, UN Consultant, Mr. M. Richardson and the Guyana Geology and Mines Commission. The GGMC envisages that a capital outlay approximately US\$3,000,000 is needed to put the Upper Konawaruk deposit into production.

In view of the paucity of field activities, the geologists were deployed in literature research for the identification and evaluation of gold and diamond prospects.

Profiles were compiled for several prospects, including Wakadanawa Savannah, Tappa-Karibang, Itaki-West Kaburi-Okuwa Goldfield, Maikwak-Kopinang Valley, Siparuni-Muruwa-Essequibo Region, Amik, Emoy Goldfield, Mariwa-Sardine Hill deposit, Appararu-Kanaimapu Goldfields, Quartzstone-Sodam Mountain gold prospects, Aranka Gold Copper prospect, the minor gold prospects of Southern Guyana, Groete Creek deposit, Aurora goldfields.

An exploration programme for gold and diamonds was prepared for the middle Ireng placers. A paper on “**Indications for precious-stones, semi-precious stones and heavy minerals**” in Guyana was prepared as a guide to field prospection.

1.3 **UNDP Mineral Promotion Project**

An integral part of the Mineral Promotion Project was the preparation of profiles on selected gold and diamond prospects. These were revised by UN Consultant to the Project, Dr. H. Drechsler during his visit to the GGMC on May 4 to 16, 1986. Following Dr. Drechsler's recommendations, the profiles were revised to conform with a format which was more promotion oriented.

A significant development was the clustering of prospects around six interior population centers to form six regions, each serviced by central infrastructural and transportation facilities. Of the six regions - Mahdia, North West, Groete Creek, Kurupung, Kamarang and Maikwak, the latter three were promoted as gold and diamond prospects.

1.4 **Geological Atlas of Guyana**

Ten out of the required total of twenty-three descriptive texts of the quarter degree sheets have been completed. These are Rewa, Kanuku, Kuyawini, Essequibo Head, Oronoque Head and Aramatau, Kassikaityu. New river Mouth, South Savannahs and Mabaruma.

1.5 **Topographic Surveys and Laboratory Services**

Topographic surveys were undertaken for the Mines Division and Other Minerals Unit. Examination of mining companies (Golden Star Resources Limited and Paranapanema) samples for analyses overseas, was a major function of the Petrological Laboratory.

the Commonwealth Fund for Technical Co-operation (CFTC). In both instances IAST funded the short field expeditions, for clays and kyanite.

1.6 Exploration/Mining Companies

Golden Star Resources Ltd

This company concentrated its field activities on its Omai property, largely because of limited financial resources. Field work completed at the end of December 1986 includes pitting of placer and saprolite materials, hand auger drilling and diamond drilling.

Pitting was undertaken to inventorise the reserve of placer and saprolite gold. Some 73 pits were dug to a maximum depth of 6 meters. Hand drilling was done to geochemically sample the wider placer occurrence to discern trends for future pits placement. The saprolite testing programme will lead to a feasibility assessment for a saprolite production facility of 750,000 tons/year, yielding 18,000 ozs of gold per year in the weathered zone.

Five vertical diamond drill holes, totaling over 1000 meters have been completed, and the cores are being assessed. The diamond drilling programme initiates the infill drill evaluation for the main bedrock feasibility study.

Golden Star have relinquished their Putareng property and the southern half of the Peters' Mine permit area.

Paranapanema

Paranapanema has made good progress at their Tassawini property, and are poised to initiate the feasibility assessment. During January to December, 1986, detailed geological mapping, pitting, trenching and analytical investigations were undertaken.

Diamond drilling has been initiated for primary reserves evaluation. Two point five (2.5) million cubic meters of alluvial material have been indicated at Tassawini. Doubtful, Agouti Creek and Mine flats, more than half of which is in the "probable to proven reserves" category. Av grades are 228 mg/m³ for probable reserves, and 178 mg/m³ for indicated reserves. Further alluvial prospection is planned to extend the alluvial reserves.

Cimmexploration

Cimmexploration attempted alluvial mining (suction dredging) in the Karapu River, Wenamu, but has apparently run into technical difficulties, mainly in processing gravels. The company also seems to lack the technical capabilities to successfully undertake a successful dredging operation. Contrary to the terms of the GGMC-Cimmexploration agreement, further exploration and evaluation of their Exclusive Permission area has not been undertaken in 1986. The operation was reviewed, and the Company was notified of its disappointing performance, which also includes failure to submit regular quarterly reports. It seems that CIMME has decided to abandon its operations.

Bush Mining Company

Bush Mining Company has been dormant this year due to a lack of funds for exploration of their West Kaburi property. However, they reported that they have been able to acquire some funds for exploration.

Notice of its failure to live up to its agreement with the Guyana Geology and Mines Commission which stipulates that exploration work must be carried out in the Exclusive Permission area, was sent to the company. It was hoped that systematic exploration will commence at year end, but this did not materialize.

1.7 GGMC/UNDP Institutional Support Programme

Infrastructural works are now virtually completed with the exception of some concreting and plumbing. Work done includes the transfer of rock and soil samples, the re-arrangement of the sample preparation equipment and the stocks and shelves in the chemical laboratory, some electrical installation, the building of the wall in the Sample Preparation Laboratory, and finally, the construction of the sample storage facility.

The instructor in Analytical Chemistry, Dr. Thomas, arrived late in the year and immediately started placing orders for equipment and suggested other modification to the laboratory.

1.8 Petrological Laboratory

With emphasis placed on the exploitation of our gold resources, operations in the Petrological Laboratory were directed mainly towards the examination of samples being shipped out of the country for analyses overseas.

In addition, negotiations are in progress with UNDP for additional equipment to supplement the existing facilities for increased capability in mineral investigation and classification of our clay.

Work Accomplished

Examination of samples for Customs Clearance

A total of 6,522 samples were examined for Customs clearance. These samples were sent overseas for chemical analyses. Details are as follows:-

2.	Golden Star Resources Ltd.	4,332 samples
3.	Paranapanema S.A Ltd	1,480
4.	Cimmexploration	12
5.	IAST-white sand, kaolin etc	278
6.	Dr. G. Jackson	50
7.	Mr. Scott Miller	73
8.	Mr. Adeeb Daas	30
9.	Mr. R. Elliott	195
10.	National Service (Identification only)	45
11.	GGMC/Blue Diamond Ltd. Sri Lanka	27

In addition to the examination of samples for export, six (6) rock samples for mineral analysis were done for Cde. K. Livan.

Examination of Stream Sediments

Fifty-two (52) stream concentrates from the Rupununi Savannahs and three (3) from the Pomeroun River Triangle were separated, examined and identified. Ilmenite, Zircon, Garnet and Epidots dominated the heavy mineral suite from the South Savannahs where business are prevalent. In comparison, staurolite and kyanite are the most abundant minerals in the Pomeroun River Triangle heavy mineral suite.

Thin Section Laboratory

Slabbing of semi-precious stones for the lapidary is still being undertaken in the Thin Section Laboratory where 2-24" and 1-20" slabbing saws are based. Number of pieces cut for 1986 as follows:-

225	-	¼" slabs
250	-	½" slabs
75	-	2" slabs
20	-	½" x 1 - ¼" (stone eggs)

In addition, 510 pieces of molten glass from the glass factory were cut on five sides for the construction of a Mausoleum for our late Founder Leader.

Equipment

The X-Ray Unit requires extensive servicing before it could once again become operable.

1.9 UNDP Institutional Support

Under the UNDP Technical Assistance Programme, equipment to the value of US\$80,800 is to be supplied to the Petrological Laboratory to supplement our existing facilities. The equipment requested are as follows:-

1. A Unit for slabbing rocks
2. An automated machine for Thin Section preparation
3. X-Ray Data Cards (Sets 22-36)
4. A diffractometry attachment for X-Ray generator
5. A Gandolphi Camera
6. 3 Air Condition Units
7. 2 Dehumidifiers
8. Miscellaneous X-ray films, bulbs for microscopes, bromoform, laboratory ware, etc.)

In addition to the foregoing, it is hoped to create an entirely new section to determine the physical properties of clays.

1.10 The Chemical Laboratory

The Chemical Laboratory of the Guyana Geology and Mines Commission comprises the following sections:-

- a) Wet Chemical Laboratory
- b) Fire Assay Laboratory
- c) Sample Preparation Laboratory
- d) Spectrographic Laboratory
- e) A.A.S Laboratory

<u>No of Samples</u>	<u>Samples</u>	<u>Sample Type</u>	<u>Company or Geologist</u>	<u>Analyses Required</u>
388	Omai	Soil	Golden Star	Storage
332	Omai	Placer/Auger	Golden Star	Storage
134	Tassawini	Soil	Paranapanema	Storage
186	Tassawini	Auger	Paranapanema	Storage
458	Tassawini	Trench	Paranapanema	Storage
544	Arakaka	Pit	GGMC-S. Narain	Amalgamation & Parting
21	Kaikan	Soil	CIMME	G.R.E Assay
138	Kaikan	Soil	GMME	AAS, PSD

The Chemical Laboratory also continued in its role as official evaluator of gold jewellery and raw gold, especially for police cases. Silver extraction from silver residue was also effected for some government departments.

1.11 UNDP Institutional Support to the GGMC

The UNDP Institutional Support Programme for the rehabilitation of the Chemical Laboratory for the Guyana Geology and Mines Commission realised a six week visit by a U.N Consultant, Mr. Sasha Kandare (Jan 21 to March 3, 1986) as a follow up to Mr. Estay's 1985 visit. Mr. Kandare examined our facilities and our requests in order to make his recommendations concerning equipment needs and training to be supplied by the U.N and infrastructural changes and personnel to be the GGMC's input.

Since Mr. Kandare's departure, the laboratory staff together with members of the carpentry and electrical sections have effected most of the changes suggested by Mr. Kandare. The areas attended to were:-

AAS Laboratory

The Cogema Company's laboratory was formerly housed in this room. The room was prepared to accommodate the AAS which is due to arrive early in 1987.

New Sample Store

This store is located to the east of the core shed and to the south of the Accounts building. A new shed was erected and a concrete floor laid. Dexion racks removed from the former store erected with a few made from discarded drill rods.

Sample Preparation Laboratory

This section will be housed in the old sample store which was divided into two parts. One department is for geochemical sample preparation and the other for ore grade samples. The samples formerly housed in this room were transferred to the new sample store. All old equipment have been transferred and installed. A jaw crusher, two hydraulic core splitters and a disc mill have arrived. These have been supplied by the U.N and have been physically installed.

A fire assay furnace has arrived and was installed in November last. However, some difficulties have been experienced in the electrical fit-up but this is now being corrected.

Wet Chemical Laboratory

Both stores of the Wet Chemical Laboratory were cleared and repairs were effected. A glassware rack was constructed by the carpentry section and this has been stacked with glassware. The refrigerator and the water distillation apparatus were relocated. Two fume hoods were renovated and sited in readiness for the arrival of an extractor.

Spectrograph Laboratory

A new lease of life is being given to the laboratory. Extensive internal repairs have been carried out. Painting has started and the flooring remains to be done.

Training

As a consequence of the recommendations made by the UN Consultant Estay (1985) and Ramdase (1986) an instructor in analytical chemistry and Fire Assay, Mr. Ken Thomas arrived in Guyana on September 29, 1986. Mr. Thomas has already begun training for laboratory staff in both spheres of his work.

2. THE OTHER MINERAL UNITS

2.1 Ceramic Raw Materials

In March 1986, Dr. Calvin Pride and Mr. Robert Rowe of the International Development Research Center (IDRC) and Mr. John Hudson of the Saskatchewan Research Council were in Guyana to discuss proposals submitted to IDRC for research collaboration between GGMC and IDRC relating to characterisation of clays, assessment of silica sand deposits and dimension stone. Coming out of the discussions, the clays project was extended in its scope to incorporate feldspar and silica in a ceramic raw materials characterisation project and guidelines were laid down for the completion of a detailed project proposal including a budget following the standard IDRC format.

In April, the proposal was submitted and it included geological exploration by GGMC and analytical work by the Institute of Applied Science and Technology in collaboration with a Canadian counterpart whose role would be advisory and collaborative - in project implementation, execution and evaluation.

Cdes. K. Livan, Senior Geologist of the GGMC and R. Habibullah, Deputy Director of IAST, left on 29 July and were met at Toronto by Dr. C. Pride. On the next day, they all flew to Edmonton, Alberta, and later, met with Dr. Don Scafe, collaborating Research Geologist, and Mr. W.A. Dixon Edwards of the Alberta Research Council. They were shown the laboratory and library facilities of that organization. On 1st August budget details were translated into the IDRC format by Dr. Pride and Cdes. Livan and Habibullah. Cdes. Livan and Habibullah returned to Toronto on 2nd August and then to Guyana. The silica sand project was deleted from the project proposals to be treated as a separate project later.

The ceramic raw materials project was subsequently approved by IDRC and the Commission indicated its acceptance of the grant conditions on 18th December, 1986.

Feldspar

Six miles from Ituni, on a left bank tributary of Arakawai Creek, a 40 ft pegmatite dyke cutting granite south dyke) has been known since 1971. A second dyke (north dyke) apparently 25 ft wide, was found 600 feet downstream in 1984.

An expedition to the Arakawai feldspar deposit was undertaken by Cde K. Livan during 9 - 25 October. The 1.25 miles area was surveyed by tape and compass traversing along the main creek. Based on the resulting map of the main creek on a scale of 1:1200, fifty-five (55) pits were planned along lines traverse to the projected strike of the north and south dykes 50 feet and 100 feet apart.

These pits, each approximately 3 ft x 3 ft depth, were sunk to expose saprolitic and sub-cropping rock material. On account of the prevailing laterisation, it was not possible to trace the boundaries of the north and south dykes by shallow pitting. Rock fragments exposed by pitting were heavily lateritic, making it difficult if not impossible to identify the parent-material.

The configuration of the creek shows several sharp bends, where the change in flow direction from north easterly to north westerly indicates faulting. It is along two such bends that the pegmatite exposures occur.

There is a possibility that the dykes extend to the north west, being masked by laterite which is reportedly 8 - 20 feet thick in the Hariwa area.

On 12 November, Cdes, M. Persaud and E. Hopkinson visited the Arakawai area to examine the north and south and collect samples for analysis.

Sand

During April, Cde Sukhdeo surveyed three sand pits in the Soesdyke/Timehri area during June, he surveyed two sand pits at Onderneeming add aback of Anna Regina; and during September, he visited operations of sand extraction at Siparuta village, Corentyne River.

During the periods 24 - 28 November and 4 - 7 December, Dr. U. Kretschmar, a silica sand Consultant of Canada engaged by IDRC, was in Guyana having discussions with GGMC and IAST personnel, as well as undertaking library research in order to prepare project proposals on sand and dimension stone for submission to IDRC.

Dimension Stone

During the period 22nd May - 18th June, Mr. Manuel Alonso, Mining Engineer and Mr. Victor M. Gonsalves, Engineering Geologist from Cuba Tesnisa of Cuba visited Guyana and made a study of six quarries to investigate the possibility of the extraction and processing of dimension stone, slabs and tiles from decorative rocks for the local and foreign markets. Recommendations were made with respect to the minimum amount of equipment needed, industrial tests and training of personnel.

On 5th December, Dr. U. Kretschmar and Cde E. Hopkinson visited Teperu Quarry to allow the former to inspect the infrastructure and geological features of the quarry.

3. MINES DIVISION

3.1 Inspectorate

The Inspectorate Division, in spite of financial constraints coupled with an acute staff shortage, continued to serve the mining sector. These short-comings resulted in the late departure of field officers from Georgetown to their respective mining stations in the interior.

The average period spent by the officers in the field for 1986, was four (4) months which is far from satisfactory.

With the increase in the level of mining activity in areas like Essequibo and Potaro, every effort should be made to have Mines Officers in the field early and for longer periods during 1987. Moreover, additional staff for the Inspectorate, should be recruited if this Division is to achieve its objective in the effective monitoring of the mining industry.

Staffing

Staffing within the Inspectorate Division, has been an area of concern to management and supervisors of this division. Over the years, several requests were made for this Division to be adequately staffed, to cope with the large volume of work necessary for the effective administering of the mining industry. Due to financial constraints, however, the staff situation in this division could not have been improved during 1986.

Current Staff & Existing Vacancies

<u>No. Of Position</u>	<u>Description</u>	<u>Holder of Post</u>
1	Chief Mines Officer	R. Henry
1	Deputy Chief Mines Officer	K. DeFlorimonte
2	Senior Mines Officers	I. Smith, J. Morgan
6	Mines Officers	S. Persaud, L. Butters H. Ramkhelawan C. Robinson
2	Vacancies	-
8	Assistant Mines Officers	M. Persaud T. Reid
6	Vacancies	-
2	Senior Rangers	N. Bourne
1	Vacancy	-
6	Rangers	K. Branford S. DeYoung
3	Vacancies	-
8	Steersmen (all vacant)	-
	Boat Hands “ ”	-
4	Clerk 111	P. Agrippa, M. Wilson B. Ramsamujh
1	Vacancy	-
2	Typist Clerks	S. Danett
1	Vacancy	-
3	Clerk 11	D. Persaud
2	Vacancies	-

Mining Stations

The allocation of Field Officers to the various mining stations for 1986 is outlined hereunder:-

Allocation of Officers January-June 1986

<u>Mining Stations</u>	<u>District</u>	<u>Officer</u>	<u>Designation</u>
Bartica	3	H. Ramkhelawan	Mines Officer
Potaro	2	S. Persaud	“ ”
Rupununi	6	-	-
Sherima	3	J. Morgan	Senior Mines Officer
		C. Bradford	Female Searcher
Ya-Ya	2	-	-
Itaballi	3	T. Reid	Assistant Mines Officer
Issano	3	M. Persaud	Assistant Mines Officer
Seon Landing	3	C. Robinson	Assistant Mines Officer
14 Miles Issano Road	3	D. Klass	Senior Ranger
Kurupung/Oranapai	3	N. Bourne	Senior Ranger
Upper Mazaruni/Kaikan	3 & 4	L. Butters & K. Branford	Mines Officer Ranger
Puruni	3	-	-
Cuyuni	4	-	-
North West	5	I. Smith	Senior Mines Officer
		S. DeYoung	Ranger

It should be noted from the above, that Rupununi, Ya-Ya, Puruni and the Cuyuni Stations were not monitored during January- June 1996, even though there were some level of mining activity in those areas.

Allocation of Officers July-December 1986

<u>Mining Station</u>	<u>District</u>	<u>Officer</u>	<u>Designation</u>
Bartica	3	S. DeYoung T. Reid	Ranger Assistant Mines Officer
Potaro	2	C. Robinson	Mines Officer
Rupununi	6	-	-
Sherima	3	C. Bradford	Female Searcher
Ya-Ya	3	T. Reid	Assistant Mines Officer
Issano	3	-	-
Seon Landing	3	-	-
Kaburi/42 Miles Issano	3	I. Smith & K. Branford	Senior Mines Officer Ranger
Kurupung	3	N. Bourne	Ranger (Senior)
Upper Mazaruni/Kaikan	3 & 4	-	-
North West	5	J. Morgan	Senior Mines Officer

Appointment & Acting Appointment

No new appointment of additional staff to this Division was made during 1986. However, C. Robinson, Assistant Mines Officer was appointed Mines Officer with effect from 01-07-86.

Cde K. DeFlorimonte, Deputy Chief Mines Officer, acted as Chief Mines Officer during the period 86-04-14 - 86-09-30 vice Cde R. Henry who proceeded on vacation leave. Senior Mines Officer I. Smith acted as Deputy Chief Mines Officer during the same period.

Resignation

Cde. D. Klass, Senior Ranger, tendered his resignation with the Commission with effect from 24-07-86.

Cde H. Ramhkelawan, Mines Officer proceeded on a two year Diploma Course in mining at the University of Guyana with effect from September, 1986.

Dredge Licence & Dredge Review

A total of sixty five (65) new dredges were registered with the Commission for 1986, while the estimated number of dredges worked for the year was 235. The total number of dredges registered from the commencement to 86-12-31, was four hundred and five (405).

A distribution of the dredges for 1986, revealed a 50% increase in the number of 8" gravel pumps, as compared with the previous year.

However, there was a tremendous decline in the number of 6" couple jets, while the 10" gravel pumps increased from one (1) in 1985 to three (3) in 1986.

Please see Appendix 1 for distribution of dredges.

On 86-04-01, a review of the performance of dredging operations was conducted and it was subsequently decided that all dredge owners who operated during 1985, be written to, outlining their performance during January - December, 1985 and January - March, 1986.

Letters to those concerned were despatched in April, 1986. A comparison of figures for May, 1986 with the corresponding period of 1985, revealed an increase of 52.2% in the declared gold production.

In July and August 1986, another review of the performance of dredging operations during the period January to June was conducted. Following that exercise, thirteen (13) dredge owners were instructed to cease operations for what was determined as relatively low production.

Inspection of Gold Smith's Shops

During the period January-March, 1986, Senior Mines Officers, I Smith and J. Morgan conducted an inspection tour of Goldsmiths' on their premises to determine whether they owned shops in Georgetown and its environs, with a view to ascertaining their eligibility for licences.

A total of 103 Gold Smiths' shops were inspected and searches conducted on their premises to determine whether the owners were in unlawful possession of raw gold, and in particular, whether they were complying with the provisions of the law with respect to the keeping of records.

At the conclusion of the exercise, 3 ozs 7 dwt of raw gold and a quantity of jewellery and equipment were detained for breaches of the Mining and Tax Acts.

Increased Price for Gold

On 86-09-02 the Cde. Prime Minister and Acting President, announced at a meeting for miners, an increase in the price paid to miners for gold sold to the Guyana Gold Board. The increase was calculated at fourteen (14) times the Second London Daily fixed price for gold, or G\$6,000/oz. This new price was expected to remain in force for a period of two months, at which time the gold declaration performance would be revised, and a decision made whether to revert to the old price or allow the new increase to continue.

Subsequent to the two month period, Government who no doubt was satisfied with the response from the miners, extended the new increase to 86.12.31.

Moratorium

Following the increase in the price for gold, the Guyana Gold Board in collaboration with the Guyana Geology and Mines Commission, announced a two month (September & October) moratorium, to allow all persons in possession of raw gold, to sell same to the Board, without the presentation of supporting documents, or fear of prosecution. Several persons took advantage of the amnesty and made declaration to the Gold Board.

At an extraordinary meeting of the Guyana Gold & Diamond Miners' Association, held at the National Cultural Center on 86-10-26, His Excellency, the Cde. President, Mr. H.D Hoyte, announced the extension of the amnesty period to 86-12-31.

During the amnesty period however, some miners who apparently felt that the amnesty gave them the right to operate anywhere and without interference, took it upon themselves to carry out mining operations in certain closed areas eg . Puruni, Konawaruk and Marudi Mountain. Mines Officers with back up support from T.S.U had to be sent in to those areas to regularise the situation there.

Gold & Diamond Declaration

Gold

The declaration of 14,030 ozs of gold for 1986, was the highest since 1981 when 19,263 ozs was declared.

Gold declaration during the first half of 1986, totaled 4,722 ozs as compared with 4,949 ozs for the corresponding period of 1985. However, a declaration of 9,308 ozs for the period July to December showed a significant increase when compared with 5,374 ozs for the same period of 1985. See Appendix 2 and 3.

This significant increase in gold declaration during the second half of the year, could very well be attributed to the increase price paid to miners for the precious metal.

Revenue received from royalty on gold for 1986, amounted to \$2,995,350.35.

Diamonds

Diamond declaration on the other hand, fell from 11,556 carats in 1985 to 9,132 carats in 1986.

A declaration of 5,089 carats was made during the first half of the year, as compared with a declaration of 4,053 carats for the period July-December, 1986. See appendix 3 & 4.

Royalty on diamonds for 1986, amounted to \$86,478.18

Transportation

Throughout the year, the effectiveness of the Inspectorate continued to be hampered, since there was no alleviation from the previous year's transportation problems. With respect to river transportation, essential facilities which the Commission ought to possess, continued to be in short supply. The result was that boats and engines were either hired from private contractors or, in most cases, officers' movements were dependent on dredge owners. Land transportation was provided in spurts by the Commission's depleted fleet, but more often than not private, hired transportation had to be sought. G.A.C's role as the Government-owned domestic service continued to be inadequate, resulting in the inevitable costly, private charters.

It is time that the Commission takes a serious view of this short-coming faced by the Inspectorate. Particular attention should be paid to river transportation, since this facility is more in demand by Field Officers. To this end, an adequate amount of boats and serviceable engines should be acquired in an effort to avert embarrassing situations which could well arise for officers

Communication

Within recent times, officers of the Inspectorate have had to be spending lengthy periods in the interior without the uses of radio phones. Admittedly, Police Stations do assist to a great extent when nearby, but because of the remoteness of some areas visited by officers, one can only wonder at the consequences of an emergency. Effective receiving sets are also in short supply, hence officers can well find themselves completely cut-off from families etc.

Some effort should therefore be made to repair or acquire both receiving and transmitting sets, which would be in the interest of both officers and the Commission.

Mineral Exploration

Throughout the year, the methods of extraction of both gold and diamonds maintained the norm whereby suction dredging was applied for river operations and ground-sluicing, hydraulicing and quartz-milling were used for land operations.

River Operations

The main rivers worked for the year were the Mazaruni, Cuyuni, Potaro, Essequibo, Ekereku and Kuribrong. The quest for more lucrative work-grounds, however, showed a decrease in activity in some rivers, while others showed an increase.

The Essequibo River immediately below the mouth of the Potaro River, became a hive of activity between mid-year to year end and was responsible for a substantial amount of declared production for that period. Some amount of work was also done further down-

river as far as Sherima. Claims worked were those of F.O Barakat, Winston Rodney, Andrew Murray, S. Jardine, Michael Vieira, Joe Vieira and David Fiedtkou. Three of the country's top producers of gold, S. Jardine, N. DeSantos and N. Osman worked within this area. Attempts to exploit between Itaname Falls and Cammodie (Kumuti) by G. Chanderbhan and M. Sawh were soon aborted for want of a suitable work-ground.

The Kuribrong River showed an increase in activity towards year end with more dredges moving to W. Swain's and J. Fitzpatrick's river locations above Potash Falls. K. Correia and A. King continued to work their claims also above Potash. Altogether eight dredges operated with a fair measure of success. It is envisaged that soon the level of activity may well be stepped up, due to the recent cutting and proposed opening of a road from Apanachi to Yaiema River above Potash Falls. It is expected to ease transportation problems faced, in recent years, by miners desirous of working there.

The level of activity in the Potaro River remained virtually the same with the areas being worked ranging from Tukeit to Tumatumari Falls' Top and below Tumatumari Falls' Foot to the mouth of the Potaro. Altogether sixteen (16) dredges operated for various periods of the year, of which thirteen (13) were scattered between Tumatumari Falls' Top and Tukeit. Success for most was fair but outstanding among them was Compton Davis, who ranked among the top ten producers of gold for the year.

The Cuyuni River, well known for its hazardous accessibility, nevertheless, showed a slight increase in activity. This could well be accredited to the fact that the Cuyuni is reputed to be one of the least exploited rivers and the miners' continual search for payable work-grounds. Had it not been for the upsurge in the incidence of malaria in the area, others may well have been encouraged to follow those who ventured. Continuous work was severely hampered since quite often operations were forced to close down. Altogether ten (10) dredges operated for varying periods with the outstanding, though far from satisfactory, producer being John Mendes. The claim worked ranged from F. DeAgrella's below Kamaria to E. J. Levans' and J. DeAgrella's in the vicinity of Devil's Hole and included those owned by A. Hopkinson and John Mendes and N. Rafferty.

Despite transportation problems with respect to the acquisition of fuel and food supplies, dredges operating in the Ekereku river, nevertheless produced a reasonable amount of gold and diamonds. Once again the top producer of diamonds for the year came from this very area in the person of Cyrilda DeJesus. Some five dredges operated with a fair measure of success on J.E Moore's and C. DeJesus' river locations situate approximately 7 miles above Top Strip and 6 - 8 miles above Bottom Strip.

In the Lower Mazaruni River, there was a noticeable decrease in the level of activity as compared with the previous year. This was due to the removal of a few dredges to the Cuyuni River and Essequibo River in search of new work-grounds. Work continued on claims in the Marshall Falls area, the Lower Mazaruni State Reserve (XM claims), claims held by Messrs. W. Chan, Alert, Seon, Obermuller, Jones, Vangenderen, Wells and Stoll. Needless to say, production in these areas has dropped immensely, the claims having been

worked and re-worked within the past six years. Dredging was most intense between Issano and Semang mouth on claims held by Messrs. Sears, Mendonca, Roberts and Daniels with reasonable success.

In the Upper Mazaruni River, some twelve dredges operated for the year and covered a distance from Chiti-go-Keng to Kaworeng. Claims worked were owned by Correia Holdings, S. Jardine, E. Peters, E. Campbell and the Upper Mazaruni State Reserve. Inadequate transportation facilities continued to plague miners in this area and hence production was far from satisfactory.

Land Operations

Throughout the year, not enough emphasis was placed on the monitoring of land operations. The Inspectorate was severely handicapped in this regard, due to the financial constraints facing the Commission and an acute staff shortage. The areas visited were Arakaka, Matthew's Ridge, Barama, Chi-Chi, Kurupung, Kaikan, 14 Miles Issano & 9 Miles Issano. These were all visited during the first half of the year. One short visit of one week was made to the Rupununi in response to a dispute, while the Konawaruk, Puruni and Marudi Mountain were also visited once when it was learnt that illegal operations were being carried on.

The usual methods of extraction were used as follows:-

Quartz-Milling

This method is not extensively used within the local mining industry. The Smiths in the Barama, Uakishuru Area, North West Region, are the only recognised operators of this method. The Higginses in the Arakaka area did make an attempt during the year but frequent breakdowns early in the year caused the closure of operations in June.

Ground-sluicing

This method is the most commonly used, especially by small miners since it is relatively inexpensive to set-up. As a result, it is used in all mining districts as long as water is easily accessible. This method is applicable to the working of both gold and diamonds.

Hydraulicking

The only known area where this method was extensively used was in the Annie-creek/Arakaka area. A shortage of an adequate supply of water coupled with the frequent shortage of fuel, resulting from transportation difficulties, were set-backs suffered by miners there.

Firearms

The undue delay in the acquisition of firearms, pistols and shotguns, for Mines Officers has for sometime been an area of concern. This issue has been discussed time and time again. To date however, the Field Officers who are compelled under the law to effect seizure of minerals and equipment and to receive thousands of dollars in revenue on behalf of the Commission, are still not equipped with firearms.

The mining districts are attracting a new breed of individuals, some of whom include ex-convicts, whose aim and objective is to get rich quickly and at all cost.

APPENDIX 1

DISTRIBUTION OF DREDGES

<u>Size</u>	<u>1995</u>		<u>Size</u>	<u>1986</u>	
	<u>C.J</u>	<u>G.P</u>		<u>C.J</u>	<u>G.P</u>
2"	2	-	2"	2	-
3"	2	-	3"	3	-
4"	53	1	4"	28	4
5"	4	-	5"	3	1
6"	170	17	6"	65	23
8"	29	64	8"	21	90
10"	-	1	10"	-	3
	-----			-----	
	260	82		122	122
	-----			-----	

Note: C.J = Couple Jet
G.P = Gravel Pump

Appendix 2

Comparative Statement of Raw Gold & Diamond Declared Royalty paid for the period January - June 1985 and 1986

1985

1986

District	Gold		Diamonds		District	Gold		Diamonds	
	Ozs	Royalty	Cts.	Royalty		Ozs.	Royalty	Cts.	Royalty
Berbice	-	-	-	-	Berbice	-	-	-	-
Potaro	969	91,446.45	396	3,963.81	Potaro	1,673	172,160.30	478	4,692.50
Mazaruni	3,780	355,282.75	1,792	17,948.89	Mazaruni	2,774	286,524.81	2,136	21,380.29
Cuyuni	156	14,726.63	2,595	26,099.66	Cuyuni	227	24,173.22	2,103	21,036.87
N.W.D	42	4,064.12	-	-	N.W.D	48	5,037.35	-	-
Rupununi	2	158.29	335	3,376.88	Rupununi	-	-	372	3,739.39
Total	4,949	465,678.24	5,118	51,389.24	Total	4,722	487,895.68	5,089	50,849.05

Appendix 3

Comparative Statement of Raw Gold & Diamond Declared Royalty paid for the period January - June 1985 and 1986

1985

1986

District	Gold		Diamonds		District	Gold		Diamonds	
	Ozs.	Royalty	Cts	Royalty		Ozs	Royalty	Cts	Royalty
Berbice	-	-	-	-	Berbice	2	420.35	-	-
Potaro	1,251	122,080.69	-	-	Potaro	3,849	1,063,999.60	387	3,889.38
Mazaruni	3,979	390,663.99	2,117	21,203.66	Mazaruni	4,680	1,288,971.70	1,919	14,211.61
Cuyuni	99	9,714.01	3,336	33,662.80	Cuyuni	682	184,446.25	1,155	11,579.38
N.W.D	43	4,319.54	-	-	N.W.D	83	24,050.75	-	-
Rupununi	2	270.08	357	3,668.37	Rupununi	12	3,568.02	592	5,948.76
Total	5,374	527,048.31	6,437	64,821.72	Total	9,308	2,507,450.67	4,053	35,629.13

3.2 **Mines Technical Production**

Dickman Hill

This Department had undertaken the activity of mining the Dickman Hill area for gold. Its achievements may be considered fair notwithstanding the fact that the production target was not achieved. This was due to the poor equipment supplied by the contractors "Plant Maintenance and Hire Division".

Greaves Farm Gold Mining Operation

Efforts to bring on stream by September 1986, the Greaves Farm operation, for the mining of gold at Mahdia were abandoned due to insufficient funding. A topographic survey of the proposed mine site was completed and some equipment and material were purchased.

White Sand Project

During the early part of March 1986 the Development Section of the Guyana Geology and Mines Commission examined the prospect of exporting silica (white sand) to Canadian consumers. The logistics and cost factors relating to the proposed exploitation of a sand deposit at Yarrowkabra were examined in some detail. The examination disclosed that the high cost of handling and transportation would make such a project uneconomical considering the current price being offered on the Canadian market.

The factors relating to the working of an alternative potential source of sand at Sand Hill (Demerara River) were studied. The study showed that the proposed operation would require a high level of capital which cannot be met by the Commission at present.

Dimension Stone

During the period 19th May - 18th June, the Guyana Geology and Mines Commission acquired the services of two Cuban experts on 'Diamond Stone' under the Guyana-Cuba Co-operation Agreement.

Mr. Manuel Alonzo (Mining Engineer) and Mr. Victor Gonzales (Geologist), of the 'Cuban Enterprise-Cuba Tecnica' visited Teperu Quarry, Hooper's Quarry (Itabu), St. Edwards Mission, Kartabu Point, Palmer's Point and Big Hope Quarry. They made a study of the above areas and submitted a report which contained recommendations of guide lines for initiating activities aimed at the development of a local dimension stone industry. This visit formed the sequel to a previous visit made to Guyana by two Italian experts in 1980 (see Samin Report) and highlighted the need for inventorising local stone deposits.

Drilling

Golden Star Resources

The Guyana Geology and Mine Commission signed a contract with Golden Star Resources Limited to do 2100 meters of diamond core drilling at Omai which is on the left bank of the Essequibo river and approximately ten miles below Potaro River. This programme started on 19th February, 1986 and ended on 15th November, 1986.

Personnel

The Drilling Personnel were as follows:-

- f) Two (2) Project Officers - G. Best, E. Henry
- g) Two (2) Mining Drillers - C. Amos, B. O'Selmo
- h) One (1) Mechanic -D. Chase
- i) One (1) Drill foreman - R. Austin

The ancillary staff comprised of two Drill Runners, six (6) Drill Helpers, one (1) Assistant Mechanic, and three (3) cooks.

Work Programme

Eight holes were drilled totaling 2126 meters, however no hole was drilled deeper than 306 meters.

Rock Type

The basic rock type in the area was granite embedded with quartz and feldspar. The rock was very hard especially below 150 meters.

Overburden

The weather zone varied between three (3) meters and thirty-three (33) meters, and was primarily a lateritic clay.

Transportation

The client (Golden Star Resources) was contacted to provide transportation to move the drill and related equipment from one hole to another. The client also assisted a great deal in transporting foodstuffs, fuel, core box etc from Georgetown to Omai. The client honored their obligation satisfactory.

Visits

Periodic visits to Omai was done by top personnel from Golden Star Resources. Also the Mines Production Manager visited the site.

Fuel & Lubricants Consumption

<u>Diesel</u>	<u>Gasolene</u>	<u>Kerosene</u>	<u>#37 oil</u>	<u>#40</u>	<u>#90</u>	<u>#140</u>	<u>Grease</u>
28.4	55.5	2.1	29.5	2.7	27.9	145	15 only
Drums	Drums	Drums	Gls	Drums	Gls	Gls	4 gl pails

Equipment

One Long Year 34 Gasolene Drill was used for drilling all eight of the holes. With the exception of twenty-five (25) meters which was drilled using one Long Year 38 drill. There were two (2) Deutz Diesel pumps for the entire project and two Long Year gasolene pumps which were kept as spare engines

During the night shifts a two cylinder Polidiesel lighting plant provided lights for the drill site. Another Polidiesel was used for camp lights.

All in all the project had adequate equipment throughout its duration.

Health

The officers did not suffer from any health problems for the first four (4) months, however, after completion of the sixth hold (the end of the fourth month) eight of the crew had to be transported to Georgetown since they became ill with Malaria and Typhoid. During the fifth month, one shift was used for over three weeks due to lack of personnel, but two shifts were again available from the sixth month.

The entire crew including the supervisors were sick at one time or another during the period August-October.

Lima Sand Construction Drilling

During the month of September the Commission carried out a core drilling operation for Harry Narine Company Limited at Lima (Essequibo).

Twelve (12) holes were drilled for the recovery of eight (8), three inch (3") diameter cores from a series of concrete strip - footings, which formed the foundation of the proposed Fisheries Complex.

The duration of this drilling operation was about two (2) weeks.

Lapidary

The Lapidary Section (Sales) had a successful year with sales totaling \$175,623.88. Better production level could have been met, but one (1) Lapidary Attendant went overseas on training and the allocation of foreign currency was used for spares, equipment and accessories while no new personnel was hired to take off the additional work load from the current staff.

Administrative

Legal

During this year the activities of this sub-division was primarily related to mining promotional programme that the Commission proposed to launch shortly. In relation to this exercise Mr. Paul Fortin, a United Nations Consultant on Mining Laws visited Guyana to familiarize himself with the existing Laws relating to mining and other ancillary matters. He was due to submit a report on this trip to the United Nations, for transmission to the Commission. The first draft of the new Mineral Act is now in the process of being prepared by the Attorney General's Chambers. It was expected that this draft would have been submitted to the Commission for comments by the end of June.

During the month of May the Legal Officer attended a Seminar sponsored by the United Nations. This Seminar was conducted in Argentina and dealt with the issues relating to mineral development in developing countries.

Inspectorate

Even though mining operation faced some hardship during this year, the excellent weather acted as a compensatory factor in that dredges were able to work with very little hindrance. By the end of the first week in the month of May, Mines Officers were out in the field to conduct verification exercises and investigate complaints, disputes and illegal mining activities. They were also involve in general monitoring and collection of revenue.

Registry

Statistics: The various applications for Claim Licences, Goldsmith Licences, Business and Residential Permissions were received and processed.

1. A total of sixty eight (68) dredges were registered as follows:-

Sizes	3"	4"	5"	6"	8"	10"	12"
Number	4	18	3	13	27	3	-

2. One hundred and seventy one (171) dredges were renewed.
3. Two hundred and forty seven (247) dredges were licenced.
4. A total a fifty (50) goldsmiths application were received.

5. No residential permission applications were received.
6. A total of one hundred and thirty seven (137) business permission applications were received.
7. A total of one hundred and twenty two (122) trading licences applications were received.
8. One thousand, two hundred and nineteen (1219) Prospecting permits (small scale) application were received.
9. Two thousand, two hundred and eight five (2285) mining privileges were issued.

4. **ADMINISTRATIVE DIVISION**

4.1 **Personnel and Industrial Relations Department**

In addition to Personnel functions, the Personnel and Industrial Relations Department had responsibility as well for the Registry and Security Sections and the Guest House.

The Registry continued to provide clerical and cleaning services for the Commission during 1986. The performance was creditable despite the constraints. Many reports, estimates for field trips, budgets and other correspondence were typed for various sections of the Commission. Filing, maintenance and retrieval of records as well as rolling-off of stencils for Board Meetings and other purposes, despatching of mails, etc., formed some of the activities of the section. Despite several repairs to the Switch Board, it continued to malfunction and often times external calls were limited to one line.

The Security Section did a commendable job and few losses were reported. The staffing situation was somewhat resolved since there were fewer resignations and terminations of service. This section also provided in addition to the three locations in Georgetown, security services for the Dickman's Hill and Omai Projects.

The Guest House's contribution to the Commission was favorable, especially bearing in mind that it was not set up as a profit making venture. A number of guests of the Commission were provided with a high standard of accommodative and catering services. Also, from time to time, other guests were housed at the Guest House, mainly through the Department of International economic Co-operation.

The Personnel functions were to an extent restricted by the lack of funds. However, several appointments were made. Many employees were sent on training courses with the objective of utilizing them as resource personnel for internal training programmes.

Welfare facilities were curtailed, but the Guest House continued to provide lunches for about thirty needy school children each school day. The introduction of the medical scheme did not materialize because of several factors, but it was hoped that the facility would be implemented early in 1987.

During 1986 employees of this Commission benefitted from increased salaries. There was a five percent (5%) across the board increase in January and in December employees received retroactive payout in the form of merit increments. The percentage paid as increment ranged from 0% to 8%. The Annual Confidential Report formed the basis from which the increments were derived. The scheme was designed to reward employees for good performance during the year.

A group of teachers and students of President's College, was taken on a tour of the Commission's operations and ten (10) students from secondary schools, participated in a work-shop exercise during the August vacation.

A week of activities was planned for the Commission's 7th Anniversary. The main event of the celebrations was the presentation of three Bursary Awards to the children of employees of the Commission. The awards were made for commendable performances at the Secondary Schools Proficiency Examination.

A presentation of Long Service Awards to two (2) employees and a Book Award to one (1) employee were made during the Commission's Annual Christmas party.

Training

Local

Cdes. R. Glasgow and G. Haynes attended a Technical Training Seminar on Explosives which was conducted by the Atlas Power International Ltd., of Florida, U.S.A. in conjunction with Guymine.

Cde. Norma Newark attended the Advanced Secretarial Development Programme whilst Cdes. Jan Carter and Sookdai Sookraj attended the Junior Secretarial Development Programme. Cde. Vibert Marks attended a Supervisory Development Programme, Cde. Irma Lowe attended a Public Relations Workshop and Cde. Abraham Baird attended a Middle Management Workshop, all sponsored by Guystac.

Cde. Patricia Agrippa attended a Course in Supervisory Management and Cde. Kim Hughes attended a seminar for Canteen Personnel which were both sponsored by the Public Service Ministry.

Subsequent to attending the Advanced Secretarial Development Programme, Cde. Norma Newark conducted a training seminar which was attended by all the junior typing personnel within the Commission.

Overseas

Cde. Joan Young attended a three (3) month training seminar in Diamond Cutting faceting which was held in Sri Lanka. This course was sponsored by the United Nations Development Programme.

4.2 Service Division

This Division which comprised the Mechanic Workshop, the Carpentry Workshop and Maintenance and the Electronic Workshop and Transport provided common services to the various sections of the Commission.

It was required to:-

- 1) Repair, rehabilitate and maintain all mechanical equipment.
- 2) Fabricate furniture and mining accessories, repair and renovate furniture and buildings
- 3) Repair and maintain communication equipment, electrical appliances, installations and electronic instruments.

Mechanic Workshop

The Mechanical section was responsible for the routine maintenance and repairs of the Commission's vehicles. In addition it rehabilitated a Land Cruiser a vehicle which the Commission acquired from Cogema Exploration Limited and a Bedford truck which was off the road from late 1985.

A core rack for the Sample Preparation Laboratory, a water tank for a Omai Drilling Project and a screen for a sluice box at Dickman Hill were fabricated.

For the year, this section was able to fulfill most of the transportation needs of the Commission. The hiring of taxis ceased.

Carpentry Workshop

The Carpentry Workshop was responsible for the repairs and maintenance of buildings, the construction and repairs of furniture and other furnishings and the maintenance of the compound.

Priority works in the Laboratory to facilitate a UNDP Institutional Research Project included the extension of the core shed building of shelves and cupboards and making of sample trays.

Core boxes were also made for the Omai Project and sluice boxes were made for the Dickman Hill Project.

Electrical Workshop

This section was responsible for repairs of electrical and electronic equipment and maintenance of the electrical system.

The complete wiring of the sample Preparatory Laboratory was done to facilitate the UNDP Institutional Research Project.

4.3 Information and Publication Section

In February, 1986 the Cartography and Printing Production and the Library Units were combined to form the Information and Publications Section. Cde. I. Lowe was appointed Manager of the section.

The Cartographic Drawing Office carried out its programme of draughting and compiling maps for stocking which it maintained along with aerial photographs as a reference library. The section also operated a diazo printing service to meet demands for copies of stock maps and to serve external paying clients. Draughtsmen also produced artwork in the form of type-preparation, diagrams etc. as part of the printing production process.

In combination, the Photographic Laboratory, Litho Printery, Bindery and Cartographic Drawing Office constituted a printing production enterprise serving the demands of various sections and divisions of the Commission for maps and technical reports as well as printed stationery - business forms and books, writing pads, ledgers, envelopes and cards etc.

The programme of the Library had as its foundation facilities for consulting, reading and borrowing available books and technical materials as well as a photocopying service which was also available to external clients. The Library sold local technical publications. Two publications which were out of print were stencilled and reproduced.

Printing Production

Special forms produced e.g Permission to Re-locate, Authority to Prospect, Cease Work Order, Complaint Without Oath, Publication of Official Notices and Search Warrant Forms were instrumental in regulating the Mining Industry.

Expansion in printing production output included:-

- 1) Publication of the first technical booklet processed from design stage within the organization - "Mineral Resources of Guyana".
- 2) Reprinting in two sheets of the "1966 Topographic Map of Guyana 1 : 1,000,000" (300 copies)
- 3) Preparation and printing of the Guyana Geology and Mines Commission House organ - "The Cross Section".

More than a dozen new products were processed including "Permit to Remove Sand", "Tributers' Mining Privilege", "Goods Received Note", "Revised Bin Card", Christmas Card and Official Invitations. A start was made on the pages of text for reprinting Bulletin 38, as well as on the many maps illustrating this publication.

Distribution of output from printing production orders involved the supplying of 200 requisitions to sections within the Commission.

Litho Printing Unit

Seventy-five (75) jobs were undertaken including four (4) for external clients. A shortage of paper inhibited production.

Bindery Unit

Ninety (90) jobs were done in the Bindery. Varieties of Jobs included:

- 1) Mass-production of envelopes
- 2) Assembling business stationery books
- 3) Framing pictures of the President
- 4) Assembling technical books e.g "Mineral Resources of Guyana"
- 5) Splicing Map of Guyana (printed in two parts)
- 6) Making ledgers and scratch pads
- 7) Repairing and re-enforcing old books in hard cover.

Photographic Laboratory

For the year, one hundred and eighty-six (186) jobs were undertaken producing six hundred and fifty (650) film and paper reproductions, and ninety (90) flats and plates. With the exception of five (5) jobs undertaken for external clients, output from this unit served the purpose either of supporting Cartography - by reducing, and enlarging maps, copying aerial photographs, making transparencies, - or of carrying out specific stages of the photo - lithographic process, making negatives, flats and lithographic plates.

Cartographic Drawing Office

The need for advanced cartographic skills intensified with two (2) additional features to the work programme:

- 1) Preparation of colour-separated draughts for a 1 : 1,000,000 geological map of Guyana, which were channeled to the U.N. Cartographic in May for colour-printing.
- 2) Compilation for publication within the Commission of a series of 23 geological atlas one degree sheets on scale 1 : 200,000 (in progress).

Cde. C.N. Barron was author of these maps.

Other aspects of the programme included design and graphics for various business forms, cards etc.; fair-drawing of maps; and diazo printing which realized \$7,583.00 from external customers.

The section was involved in discussion, and some preliminary plotting with regard to the plan for computerization of Mining Claims information and the mapping of claims.

Training

A programme for up-grading Cartographic skills among the draughtsmen was prepared and preliminary sessions including a workshop and slide show were conducted by the Assistant Manager and the Senior Draughtsman.

Output was as follows:-

Maps traced/draughted	-	34
Maps completed	-	14
Maps coloured	-	6
Design and Graphics items	-	60
Diazo prints made	-	2,350 using 12,180sq ft of paper

Library

Reasonably large numbers of visitors consulted the Library seeking technical reading matter and maps. Clientele included members of the mining community, teachers and students at all educational levels, senior staff from government planning agencies and technical and professional researchers. Geologists from Cuba, Germany and Brazil and several mining officials were among foreign users of the Library.

5. **FINANCE DIVISION**

Accounting

The Accounts Department was responsible for processing and disbursing payments totaling \$6,541,844 during the year, and was in receipt of \$8,228,029 for the year. (Appendix C shows the relationship between income and expenditure for the twelve (12) months of the year 1986).

An attempt was made to prepare and present for audit the final accounts for the years 1981 to 1986, but the effort failed through lack of enthusiasm and pressure of work in other areas.

Procedures and Systems Development

A number of areas were examined during 1986 and procedures were up-dated or introduced where necessary with the intention of simplifying the processing of documents.

Lists of duties were also given initial treatment in 1986 and a number of forms were redesigned to ensure greater and more effective output.

Stores

This section was considered the weakest in the Division, and a concerted effort was made to increase the accountability of the Storekeeper to the Commission. Special attention was paid to evolving a viable inventory control system, but the exercise progressed slowly to the end of the year and this area is still receiving attention.

Despite the above, the stores made 183 dispatches of goods and materials in 1986 by air, land and water to the various mining stations and projects in the interior. In the process of dealing with those dispatches the Stores handled goods and materials valued hundreds of thousands of dollars.

Purchasing

At the beginning of the year the Storekeeper was responsible for the activities in the Stores as well as those of the Expeditors/Purchasing Clerks. Towards the end of 1986 there was a separation of the procurement and custodial functions.

It was thought that the services being offered by the Expeditors/Purchasing Clerks was sub-standard because of the many bottlenecks that seemed to occur. Therefore a separate format was designed, as is shown in the Organisation Chart, to increase their responsiveness to the demand of the Commission.

Expenditure Statement for Finance Division for December 1986

	For the month			Year to Date		
	Actual	Budget	Variance	Actual	Budget	Variance
Employment Cost	\$	\$	\$	\$	\$	
Salaries	28,955	22,200	(6,795)	230,140	260,000	29,860
Overtime Salaries	2,163	762	(1,401)	18,747	9,908	(8,939)
Duty, Responsibility, Acting Allowance	390	1,110	720	9,302	13,420	4,118
Subsistence & Travelling	-	400	400	814	7,700	6,866
Travelling Allowance	2,960	2,230	(730)	22,714	25,960	3,246
Pension Scheme	1,099	2,791	1,692	13,555	24,884	11,529
NIS Employer's Contribution	839	867	28	8,630	10,396	1,766
Leave Passage Assistance	-	4,393	4,393	10,776	20,807	10,031
Lunch & Snacks Allowance	954	450	(404)	10,811	4,300	(6,511)
Staff Training & Education	-	-	-	900	-	(900)
Uniform & Safety Gears	-	-	-	120	1,500	1,380
Drugs & Medical Supplies	-	-	-	87	500	413
	37,400	35,203	(2,197)	326,396	379,375	52,979
Expenses						
Road, Air & Other transportation	315	-	(315)	1,607	-	1,607)
Office Equipment (rental & maintenance)	805	-	(805)	3,405	1,500	(1,905)
Office Materials & Supplies	9,466	-	(9,466)	26,511	8,750	(17,761)
Janitorial & Cleaning	229	100	(129)	1,053	1,200	147
Custodial & Services	651	150	(501)	4,188	1,800	(2,388)
Bank Charges	-	100	100	176	900	724
	11,466	350	11,316	36,940	14,150	24,532



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Republic Of Guyana

Office of the Auditor General
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Georgetown, Guyana

AG:104/95

15 December 1995

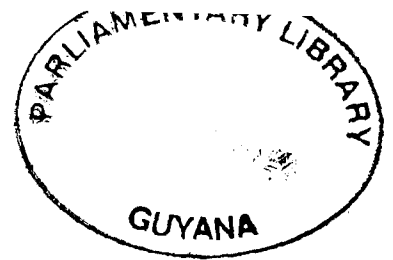
**REPORT OF THE AUDITOR GENERAL
TO THE MINISTER
ON THE FINANCIAL STATEMENTS OF
THE GUYANA GEOLOGY AND MINES COMMISSION
FOR THE YEAR ENDED 31 DECEMBER 1986**

I have audited the financial statements of the Guyana Geology and Mines Commission for the year ended 31 December 1986 as set out on pages 1 to 12 attached hereto.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures on the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by Management as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

As explained in Note 11, fixed assets have been stated in the accounts at a total cost or valuation of G\$3,672,929. No physical verification to determine the existence and condition of these assets was ever done. As a result, the completeness, accuracy and validity of this balance could not be satisfactorily ascertained.

No stock count was carried out at 31 December 1986 and there were no practicable auditing procedures that could have been applied to confirm quantities and values. Further, adequate accounting records in relation to inventories have not been kept. Accordingly, the information and explanations necessary to verify the existence and valuation of inventories, stated at G\$365,098 in the balance sheet at 31 December 1986, were not obtained.



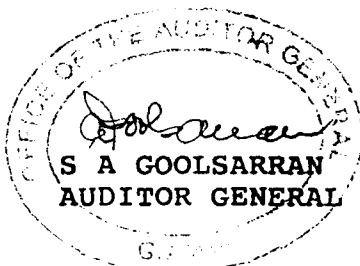
As explained in Note 17, Government of Guyana capital is made up of various amounts totalling G\$2,374,825. An approved statement of assets and liabilities vested in the Commission at 1 August 1979 was not seen and no alternative verification procedures were possible. As a result, the accuracy of the amount of G\$2,374,825 stated as Government of Guyana capital could not be determined.

A difference of \$568,327 was noted between the sundry debtors balance of \$1,085,281 and the total of the individual debtors' accounts. In addition, several pages in the sundry debtors control account were missing. Further, no provision has been made for bad debts. As a result, the completeness, accuracy and validity of the balance of \$1,085,281 stated as sundry debtors could not be determined.

The completeness, accuracy and validity of the amount of \$1,521,121 stated as sundry creditors could not be determined as a schedule of creditors was not produced and because several pages in the general ledger sundry creditors control account were missing.

Details of the Gaibank Line of Credit were not provided for audit, and there were no practicable alternative audit checks. As a result, the accuracy of the amount of \$134,293 stated as Gaibank Line of Credit at 31 December 1986 could not be satisfactorily verified.

Because of the significance of the matters referred to in the preceding paragraphs, I am unable to express an opinion as to whether the financial statements give a true and fair view of the state of the Commission's affairs at 31 December 1986 and the results of its operations for the year then ended.



OFFICE OF THE AUDITOR GENERAL
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KINGSTON
GEORGETOWN
GUYANA

**GUYANA GEOLOGY AND MINES COMMISSION
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDING 31ST DECEMBER, 1986**

<u>INCOME</u>	<u>NOTES</u>	<u>G\$</u>	<u>1986</u> <u>G\$</u>	<u>G\$</u>	<u>1985</u> <u>G\$</u>
ROYALTIES	2	3,918,710		1,948,539.00	
LICENCES	3	925,369		793,543	
FEES. FINES ETC	4	576,947		526,270	
PROJECT FUNDS	5	610,765		1,521,942	
OTHERS	6	1,186,567		738,360	
	7	<u>2,029,717</u>		<u>2,670,729</u>	
			9,248,075		8,199,383
 EXPENDITURE					
EMPLOYMENT COSTS	8	4,353,173		4,048,899	
ADMINISTRATION	9	2,087,809		3,945,399	
TRAVELLING AND TRANSPORT	10	571,610		1,494,253	
DEPRECIATION		<u>296,263</u>	<u>7,308,855</u>	238,297	<u>9,726,848</u>
SURPLUS (DEFICIT)			<u>1,938,520</u>		<u>1,527,465</u>

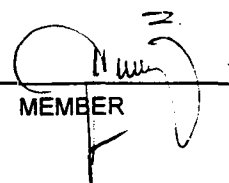
STATEMENT OF ACCUMULATED SURPLUS (DEFICIT)

BAL. AT BEGINNING OF YEAR	(948,586)	578,879
SURPLUS (DEFICIT)	<u>1,938,520</u>	<u>1,527,465</u>
BAL. AT END OF YEAR	<u>989,934</u>	<u>948,586</u>

**GUYANA GEOLOGY AND MINES COMMISSION
BALANCE SHEET AS AT 31ST DECEMBER, 1986**

	<u>NOTES</u>		<u>1985</u>		<u>1985</u>
		<u>G\$</u>	<u>G\$</u>	<u>G\$</u>	<u>G\$</u>
<u>FIXED ASSETS</u>	11		2,540,989		2,531,632
<u>CURRENT ASSETS</u>					
INVENTORIES	12	365,098		340,436	
SUNDRY DEBTORS	13	1,085,281		1,172,956	
CASH ON HAND AND IN BANK	14	1,146,624		230,410	
SHORT TERM INVESTMENT		<u>768,692</u>		<u>468,692</u>	
		<u>3,365,695</u>		<u>2,212,494</u>	
<u>CURRENT LIABILITIES</u>					
SUNDRY CREDITORS	15	1,521,121		2,061,040	
DEFERRED INCOME		58,913		44,689	
ACCRUED EXPENSES	16	<u>542,098</u>		<u>792,365</u>	
		<u>2,122,132</u>		<u>2,898,094</u>	
			<u>1,243,563</u>		<u>(685,600)</u>
NET CURRENT ASSETS			<u>3,764,552</u>		<u>1,846,032</u>
FINANCED BY					
GOVT. OF GUYANA CAPITAL	17		2,374,825		2,374,825
NON DISTRIBUTABLE CAPITAL RESERVE			285,500		285,500
RESERVE FUND	18		<u>989,934</u>		(948,586)
SHAREHOLDERS' FUNDS			3,650,259		1,711,739
GAIBANK LINE OF CREDIT			<u>134,293</u>		<u>134,293</u>
			<u>3,784,552</u>		<u>1,846,032</u>


MEMBER


MEMBER

GUYANA GEOLOGY AND MINES COMMISSION
NOTES ON THE ACCOUNTS

ACCOUNTING POLICIES

ACCOUNTING CONVENTION

(a) The accounts have been prepared under the historical cost convention as modified for the valuation of certain fixed assets.

(b) Depreciation

No depreciation is provided on freehold land.

Depreciation on other fixed assets is on the straight line method calculated at the rates specified below which are estimated to write-off the assets over the terms of their useful lives as follows:-

Buildings	-	2%
Scientific, field and mining equipment	-	10% - 20%
Motor vehicles	-	25%
Office furniture, fixtures and fittings	-	5% - 10%

(c) Inventories

These are valued at the lower of cost and net realisable value.

Cost is arrived at using the first-in-first-out method.

NOTES 2 - ROYALTIES - \$3,918,710

ROYALTIES	-	GOLD	2,893,014
	-	BAUXITE	744,513
	-	PRECIOUS STONES	100,122
	-	STONES	169,233
	-	SAND	11,828
			<u>3,918,710</u>

NOTES 3 - LICENCES - \$925,369

LICENCES	-	OIL EXPLORATION	0
	-	PROSPECTING	30,010
	-	TRADING	104,500
	-	CLAIMS - P/STONES	11,752
	-	CLAIMS GOLD	12,835
	-	RIVER LOCATIONS	139,060
	-	GOLDSMITH	23,880
	-	DUPLICATE LICENCE	28
	-	DREDGE LICENCES	563,000
	-	MINING PRIVILEGES	40,304
			<u>925,369</u>

NOTES 4 - FEES FINES ETC - \$576,247

801	FEES	53,435
802	FORFEITURES	96,154
803	TRIBUTES	411,169
804	APP. FOR DREDGES	2,060
805	REGISTRATION FEES	5,040
806	TRAN. OF DREDGES	160
836	DUTY ON TRANSFERS	8,229
		<hr/>
		576,247

NOTE 5 - CONCESSIONS - \$610,765

827	MINING CONCESSIONS	221,961
829	CON. DREDGING	2,250
830	CON. DUPLICATE	0
831	MINING LEASES	14,144
832	EXCL. PERMISSION	372,410
		<hr/>
		610,765

NOTE 6 - PROJECT FUNDS - \$1,186,567

841	DICKMAN HILL PROJECT	1,186,567
842	SUCTION DREDGE	0
850	ECLIPSE FALLS	0
851	MOCHA CLAY DEP. VANCERAM	0
852	FLAT ROCK	0
		<hr/>
		1,186,567

NOTE 7 - OTHERS - \$2,029,717

825	RENTS HOUSING	66,333
826	MINING EQUIPMENT	2,000
828	PROFESSIONAL SERVICES	10,480
834	REGISTRATION CERTIFICATE	38
838	INTEREST ON INVESTMENT	22,875
844	SALE OF LAPIDARY PRODUCT	175,341
845	SALE OF GOLD	0
846	SALE OF SILVER	5,268
847	SALE OF DIAMONDS	0
862	CAPITAL GAINS	0
837	SALE OF OFFICIAL PUBLICATION	17,071
839	DISPOSAL OF ASSETS	18,384
840(b)	VERIFICATION OF CLAIMS	53,454
870	DRILLING	786,857
871	CONTRIBUTION FORM OTHER EXT. AGENCIES - UNDP, MINERAL PROCESSING & INSTITUTE SUP.	208,132
		<hr/>
		1,366,233
835	MISCELLANEOUS	663,484
		<hr/>
		2,029,717

NOTE 8 - EMPLOYMENT COSTS - \$4,353,173

701	SALARIES	2,417,492
702	WAGES	328,565
703	SALARIES OVERTIME	173,029
704	WAGES OVERTIME	176,891
705	STATION/BUSH ALLOWANCE	14,506
706	PERSONAL ALLOWANCE	7,700
707	DUTY AND RESPONSIBILITY ALLOWANCE	43,312
708	SUBSISTENCE	376,257
709	RISK ALLOWANCE	9,836
710	CASH-IN-LIEU OF LEAVE	5,406
711	TRAVELLING ALLOWANCE	340,841
712	ENTERTAINMENT ALLOWANCE	12,074
713	TELEPHONE ALLOWANCE	0
714	PENSION SCHEME	7,200
715	N.I.S. EMPLOYERS	186,479
716	DIRECTORS EMOLUMENT	89,543
717	LEAVE PASSAGE	10,900
757	GRATUITY AND SEVERANCE PAY	135,064
741.00	UNIFORM AND SAFETY GEARS	6,095
737(a)	TRAINING AND EDUCATION	9,940
737(b)	BURSARY	2,253
		<hr/>
		4,353,173

NOTE 9 - ADMIN. EXPENSES - \$2,087,809

514	LOOSE TOOLS & SUNDRY EQUIPMENT	7,000
719	FUEL LUBRICANTS - VEHICLES ETC.	306,285
720(a)	SPARES & MAINTENANCE OF RADIO	2,200
720 (b)	SPARES & MAINTENANCE OF ELECTRICITY EQUIPMENT	87,934
721	SPARES & MAINTENANCE OF VEHICLES	192,874
723	TELEPHONE, TELEX, CABLES	50,569
724	ELECTRICITY	70,849
725	OFF. E/MENT RENTAL & MISCELLANEOUS	18,725
726	PRINTING & DUPLICATING	7,871
727	PROFESSIONAL & CONSTANCY SER.	92,020
728	OFFICE MATERIALS & SUPPLIES	104,464
729	PRINT & NON-PRINT MATERIAL	4,440
730	POSTAGE	2,172
731	MICRO FILMING	300
732	MAINTENANCE & REPAIRS TO BUILDING	19,001
733	MAINTENANCE OF GROUNDS	488
734	JANITORY & CLEANING	13,131
735	CUSTODIAL & SECURITY	5,070
736	LEASES, RENTAL & FARES	47,721
737(b)	BURSARY	0
738(a)	NATIONAL DEVELOPMENT	1,882
738(b)	COMPENSATION	1,550
739	LUNCH & SNACKS	62,133
740	DRUGS AND MEDICAL SUPPLIES	21,844
743	CHEMICAL LABORATORY SUPPLIES	16,513
744	PET. LABORATORY SUPPLIES	0
744(1)	LAPIDARY LABORATORY SUPPLIES	26,349
745	INSURANCE OF ASSETS	7,101
746	BANK CHARGES	371
747	REVENUE PROTECTION	0
750	MISCELLANEOUS - OTHER EXPENSES	252,140
753	ADVERTISEMENT	4,220
754	PURCHASE OF SILVER & SEMI P/S	3,206
755	DONATIONS - GIFTS, WREATHS, ETC.	1,893
756	MISCELLANEOUS	104,522
749	RATION	377,507
751	ROYALTY- GOLD	27,936
758	INCENTIVES	700
752(a)	SUB CONTRACT LAPIDARY	16,148
752(b)	SUB CONTRACT PER. DUE TO DRIVER	0
760	EMPLOYMENT EXPENSES	28,632
761	INTEREST PAID	0
762	AUDIT FEES	100,000
763	LEGAL FEES	48
		<hr/>
		2,087,809

NOTE 10 - TRANSPORT AND TRAVELLING - \$571,610

718	OVERSEAS CONFERENCE & VISITS	20,570
722	ROAD AIR AND OTHER TRANSPORTATION	551,040
		<u>571,610</u>

NOTE 11 - FIXED ASSETS

	LAND & BLDGS.	MOTOR VEHICLES	OFF. FUR. FIX. AND FITTINGS	SCIENTIFIC FIELD AND MINING E/MENT	TOTAL
COST/VALUATION	G\$	G\$	G\$	G\$	G\$
At 1st January, 1986	1,272,235	338,983	346,742	1,497,996	3,455,911
Additions in 1986	0	35,285	75,795	114,723	225,803
Disposals	0	(8,785)	0	0	(8,785)
At 31st December, 1986	<u>1,272,235</u>	<u>365,483</u>	<u>422,537</u>	<u>1,612,719</u>	<u>3,672,929</u>
DEPRECIATION					
At 1st January, 1986	100,904	207,231	169,577	446,567	924,279
Charged for the year	15,853	79,461	37,263	163,686	296,263
Written back on disposal	0	(88,602)	0	0	(88,602)
At 31st December, 1986	<u>116,757</u>	<u>198,090</u>	<u>206,840</u>	<u>610,253</u>	<u>1,131,940</u>
NET BOOK VALUES					
At 31st December, 1986	<u>1,155,478</u>	<u>167,348</u>	<u>215,697</u>	<u>1,002,466</u>	<u>2,540,989</u>

NOTE 12 - INVENTORIES - \$365,098

603	STOCK - OFFICE SUPPLIES ETC	0
608	STOCK OF GOLD	0
609	STOCK OF DIAMONDS	1,685
611	STOCK - STORES LUMBER ETC	363,414
		<u>365,099</u>

NOTE 13 - SUNDRY DEBTORS - \$1,085,281

601	SUNDRY DEBTORS CONTROL	1,078,498
856	DEPOSITS LODGED	0
613	PREPAYMENTS	1,783
614	ACCOUNTS RECEIVABLE	5,000
		<u>1,085,281</u>

NOTE 14 - CASH ON HAND AND BANK - \$1,146,624

605.00	BANK BALANCE (CASH)	1,118,685
606.00	PETTY CASH IMPREST	14,472
607(a)	SUB IMPREST NO. 5	0
	SUB IMPREST NO. 12	2,426
	SUB IMPREST NO. 15	8,777
607(b)	STAMP IMPREST	2,294
607(c)	ICE IMPREST	(30)
		<u>1,146,624</u>
612.00	SHORT TERM INVESTMENT	768,692

NOTE 15 - SUNDRY CREDITORS - \$1,521,121

401	SUNDRY CREDITORS CONTROL	1,172,785
	PROVISION FOR AUDITING	<u>348,336</u>
		<u>1,521,121</u>
860	DEFERRED INCOME	58,913

NOTE 16 - ACCRUED EXPENSES - \$542,098

		66,048
402	ACCURED SALARIES	79,229
404	OTHER ACCURED EXPENSES	48,772
405	PAYE	21,957
	N.D.S.	207,480
406	SALARIES AND WAGES OVERTIME	71,570
407	N.I.S PAYABLE	5,576
409	LIFE INSURANCE	2,669
410(a)	DEPENDANTS FUND PAYABLE	19,104
411	PENSION FUND PAYABLE	5,078
412	UNION DUES	(2,520)
413	P.S.U. CREDIT UNION	41
414	RENT DUE AND PAYABLE	825
416	MORTGAGE FINANCE PAYABLE	<u>16,269</u>
419	MISCELLANEOUS	<u>542,098</u>

NOTE 17 - GOVT. OF GUYANA CAPITAL - \$2,374,825

This comprised as follows:-

	<u>1984</u>	<u>1983</u>
Assets less liabilities at 1/8/79	2,139,306	2,139,306
Other expenditure	235,519	235,519
	<u>2,374,825</u>	<u>2,374,825</u>

The Commission came into existence on 1/8/79 by an order enacted through the Geology and Mines Commission Act 1979.

According to Section 35(1) and (2) of the Act, for the assets and liabilities vested at 1/8/79 the Commission shall issue to the Government debentures or debenture stock of such nominal value and bearing such interest rates and repayment dates as may be agreed upon between the Minister responsible for finance and the Commission.

The debenture stock has not been issued to the Government and the repayment terms and interest rates have not yet been agreed.

NOTE 18 - RESERVED FUND

The Guyana Geology and Mines Commission Act 1979 Section 20(1) provides that the Commission shall maintain a reserve fund and shall, out of the net surplus of each year, transfer to that fund a sum equal to not less than such sum as may be fixed by the Minister.