



COMMUNICATIONS UNIT

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GUYSUCO'S MISSION

The Mission of Guysuco is to transform a monocultural organisation into a diversified agro-industry, which will not only contribute to the Nation's foreign exchange earnings, but will maximise the benefits of the foreign exchange cost of the Corporation by utilising its resources to produce crops which will help the Nation in its import substitution programme.

As an efficient agro-business, its Mission will be to demonstrate to the communities in which its operating units are located, the techniques developed for the cultivation of various crops. As a well-developed agro-business the Corporation will also continuously strive to refine its products and to utilise the by-products of its operations for vertical integration and expansion.

In its activities the Corporation will work for greater participation and involvement of all the people who comprise its work force in achieving its objectives which have been set in consonance with the philosophy and aspirations of the Nation.

BOARD OF DIRECTORS

Chairman	H B Davis, CCH, MA, B Sc.
Vice Chairman	Yesu Persaud, CCH, FCCA.
Directors	J S L Browman, DECIAF, M Sc, B Sc, DPA. B Chandra, DECIAF. E O S Hanoman, FCCA. I A Mc Donald, MA. F Sukdeo, D Phil, MA, B Sc. W E H Tyrell J R Vieira, AA, CI Agr. E.
Secretary	C J Lawrence

CHAIRMAN'S STATEMENT



This issue of our Annual Report, the tenth, is indeed a very special one. It heralds the Guyana Sugar Corporation's tenth year of operation, with May 26, 1986, being the Corporation's tenth anniversary. In addition, 1985 saw a major improvement in GuySuCo's pre-interest financial results and, at the time of writing, developments have taken place which should ensure a full turn-around in the financial fortunes of this Company. The time has come when GuySuCo can truly be looked upon as an agricultural business rather than solely a sugar Corporation. It is my sincere hope that within the next three years, our Company will become a full-fledged agri-industrial enterprise, more in consonance with our mission.

1985 was a challenging year, heartening in many respects. Sugar production in the first crop was the highest since 1978 benefitting from the very good harvesting conditions which prevailed. However, poor weather conditions, a high incidence of industrial unrest and problems in two of our factories made the second crop a disappointing one.

Generally, productivity ratios in both our fields and factories showed noticeable improvement throughout the year.

This year saw the Corporation obtaining full benefit from the two welcomed local price increases in 1984. Though the world price remained very unremunerative and molasses prices continued to slide downwards rapidly, some benefit was derived from a strengthening pound sterling.

New guidelines on cost control established early in the year paid dividends as the year progressed and the pre-interest results at the end of the year attested to this fact. It is fair to say that there now pervades the industry, what could best be described as a most appropriate psychology regarding "production" vis-a-vis "financial viability". This, I feel, more than anything else, will see us through the next decade as a prospering business.

Production was 243,000 tons sugar compared with 241,861 tons for 1984. Estates field production was 216,907 tons sugar compared with 215,167 tons in 1984. Farmers' production was 26,093 tons compared with 26,694 tons in 1984.

Sales for the year were \$333.5M, an increase of \$26.1M or 8.5% over 1984.

Gross foreign exchange earnings amounted to \$293.5M compared with \$278.1M for the year 1984, an increase of 5.5% in Guyana Dollar terms. During the calendar year, foreign exchange earned was £55.9M and US \$9.8M compared with £51.2M and US \$11.0M in 1984.

Operating deficit for the year was \$77.6M, \$24.6M or 24.1% less than that of 1984. Pre-interest deficit for the year was \$21.9M compared with \$63.0M for 1984, an improvement of 65.2%. Interest expense continued to be our major cost, \$55.7M compared with \$39.2M in 1984.

Capital expenditure for the year amounted to \$33.5M compared with \$19.4M for 1984, an increase of \$14.1M. Assets acquired from Plantation Versailles and Schoon Ord Limited accounted for \$10.1M of this increase. \$7.4M was obtained through financing from the IADB, while \$6.8M was acquired through our retention facility.

As in 1984, while the level of expenditure in this area was lower than we would have liked, the equipment actually acquired was crucial to our operations and the benefits were immediately felt. Financing of our working capital needs was done through the local banking system, specifically via our overdraft facility.

The major problems we experienced in 1985 were the poor world sugar price, falling molasses prices, adverse weather conditions in the second crop and its effect on production and land rehabilitation, the high incidence of strikes, the high level of borrowing at January 1, 1985 and the cost thereof, and finally the growing shortage of labour in certain key field operations.

WE were able to satisfy all our market commitments. The tightened cost control regimen put in place early in the year significantly minimised some of the adverse effects of the low level of sugar production.

The shortage of labour in certain cultivation activities, most pronounced at Skeldon, La Bonne Intention and Diamond Estates, once again posed a serious problem. Work on an appropriate system

CHAIRMAN'S STATEMENT Continued

of mechanisation, to complement the available pool of labour is progressing.

With effect from April 1985, the Corporation's responsibility for edible oil production was transferred to the National Edible Oil Company Limited. As a consequence, the assets at San Jan and Wauna Oil Palm Estates were transferred over to the new Company.

Rice production and aquaculture development, however, continued apace.

In my statement last year, I indicated that we were looking very minutely at the operations of our estates and at the utilisation of our resources. In addition, we were shortly to initiate discussions with the State Planning Commission on a number of matters.

As a consequence of the foregoing, there will be further equity participation by the State, the existing loan will be converted into Convertible 2% Debentures and there is to be a further increase in the local selling price of sugar.

Further, 1986 will see the Corporation embarking on a number of new initiatives. Marginal and uneconomical lands will be taken out of cultivation, thereby improving the quality and quantity of inputs into the better yielding lands with consequential improvement in production and productivity. One sugar factory will be closed by the end of 1986 and a second by mid 1987, both factories in the Demerara region.

The new year will also see accelerated activity in the area of diversification both in the use of land and sugar cane. This includes

two projects which the Corporation views with great excitement. I refer here to the return of dairy farming and the production of anhydrous ethanol from molasses and directly from cane juice.

In addition to the foregoing, the Corporation will be expanding its rice and aquaculture operations.

All the indications are that the Corporation's projected results in 1986 will show a significant improvement when compared with that of 1985. It is our hope that we shall break even by end 1987.

It will be noted from the foregoing that the immediate future poses very interesting challenges to our team. We are about to leave the first decade with its many trials and tribulations, a crucial period in which we have endeavoured to prepare ourselves, to enter the new decade of operations full of hope, determination and a sense of purpose.

I wish to thank the many workers, managerial and non-managerial alike, who stood loyally and steadfastly with the Corporation and gave of their best during this first decade and in particular in 1985. While we continue to lose personnel at every level, I am confident that we still have many people who are resourceful and full of initiative and who will ensure that this Corporation grows from strength to strength during the years ahead.

I wish also to thank Ministers of Government and the Board of Directors for their invaluable guidance and support during the past year and I look forward to the continuance of this quality of support and co-operation.

REVIEW OF OPERATIONS

AGRICULTURE:

Sugar production in 1985 totalled 243,000 long tons, comprising 114,230 tons in the 1st crop and 128,770 tons in the 2nd crop. This was some 0.5% more than the 1984 production of 241,861 tons of sugar of which 105,161 tons were made in the first crop of that year, and 136,700 tons in the 2nd crop. Estate canes accounted for 216,907 tons of sugar in 1985, compared with 215,167 tons in 1984, whereas farmers' production was 26,903 tons compared with 26,694 tons in 1984.

Weather conditions during the first crop were generally conducive to the ripening and harvest of the crop, with January and February being particularly dry. Although March was unusually wet, April and May were appreciably drier than normal, providing for sustained good harvesting conditions well into the onset of the wet mid-year season. These favourable climatic conditions, together with the good cane potential of the crop as was indicated in last year's report, resulted in a first crop production that exceeded the previous year's first crop by 9,069 tons. Both cane yield and juice quality of the 1st crop 1985 were superior to that of the first crop of the previous year, and the mechanical tillage and planting acreages achieved represented 81% and 65% respectively of the planned programme.

1,873 acres or 4.1% less land was reaped in the 1st crop than projected, but total sugar production was 7,700 tons more than the estimate, with farmers contributing 2,369 tons of this excess. The acreage harvested in the 1st crop 1985 was also less than for the corresponding crop in 1984 by some 4,780 acres or 9.9%.

Production in the 2nd crop was some 31,235 tons or 19.5% below the projected 160,005 tons for the crop, with farmers' deficit being 407 tons or 2.9% of their estimate.

Although total rainfall during the second half of 1985 was of average intensity with fair distribution, with the exception of November which experienced much higher than normal precipitation, the production effort was frustrated by factory mechanical problems and industrial stoppages. The first few months of the crop certainly did not benefit from ideal weather, which apart from delaying the ripening of mature canes, also hampered the mechanical tillage programme. Inadequate opportunity days available during the second crop for rehabilitation of fields resulted in only 48% of the mechanical tillage programme being achieved, a situation aggravated by the shortage of tillage equipment. Further progress of maturation and tillage was hampered by the advent of heavy showers in November and early December which threatened to bring the crop to a premature close. However, a comparatively dry second half of December continuing into January permitted the reaping of the 2nd crop beyond the end of the year, but without the advantage of a favourable ripening pattern which never materialised even during the peak of the crop.

Consequently, the TC/TS of 13.76 for the 2nd crop was poorer than projected by 3.8% but was superior by 6.5% to the corresponding

TC/TS for 1984. On the other hand TC/A and TS/A in the 1985 2nd crop not only surpassed budgeted levels by 7.8% and 4.1% respectively, but clearly exceeded the previous 2nd crop's performance by 10.3% and 17.7% respectively.

Despite the improved productivity of the 1985 2nd crop over the previous year's, sugar production for the crop fell short of target almost entirely as a result of the under-achievement of the acreage harvested. Of the 66,017 acres of estate cane planned for reaping in the 2nd crop 1985, just 50,599 acres were completed, representing an achievement of 76.6%. Additionally, some 1,100 acres of farmers' cane were unreaped during the crop. 9,900 acres of cane were therefore carried over to the 1st crop 1986.

It is salutary to note that the comparatively good productivity achieved in the 2nd crop of 1985 was in part a reflection of improved plant cane yields that were evident during the crop. However the favourable influence of the plant cane performance was no doubt vitiated by the depressing effect on juice quality of extended burning to grinding intervals. During the 2nd crop 1985 the Corporation's objective of having 90% canes harvested and milled within 48 hours after burning was not achieved by any location.

During 1985, GuySuCo completed 12,944.3 acres or 63.1% of the planned Mechanical Tillage programme. This compares with a 57.2% achievement during 1984. 62.6% or 12,325.8 acres of the planting programme were completed during 1985 which was consistent with the level of mechanical tillage achieved.

Sugar Quality:

The new sugar quality contracts with Amstar and Savannah of the United States of America came into effect in June 1985. The Central Laboratory used the second half of 1984 and Spring Crop 1985 to critically evaluate the controversial new sugar colour test. It was concluded that the tests were a fair indicator of sugar quality and that most GuySuCo factories could produce penalty-free sugar provided the correct processing procedures are adhered to. Sugar quality for the 1985 Spring Crop was generally fair but quality deteriorated during the latter half of the Autumn Crop. Blairmon was particularly consistent in producing good quality sugars, while Rose Hall, Wales and Uitvlugt factories also performed reasonably well in this regard.

Fertilisers:

Laboratory analyses of a study on the interaction of phosphate rocks with common sugar estate soils were completed. The results have demonstrated that phosphate rock, including low grade phosphate rock, should be capable of maintaining good levels of plant available phosphate for extended periods. With the appointment of a Nutrition Agronomist at the beginning of the year, a number of new fertiliser trials for the major plant nutrients have been initiated. Micronutrient analyses of foliar samples have also recommenced. The micronutrient analyses are intended to check on whether deficiencies are beginning to show up in some areas after long periods

REVIEW OF OPERATIONS Continued

of continuous cultivation.

Land Management:

The results of the first flood fallow trials at Wales Estate were extremely encouraging. Plant cane yields averaged over 50 tons cane per acre and there were no signs of adverse effects on soil physical conditions.

Mechanisation Studies:

The Mechanical Harvesting Equipment harvested 536.4 acres in the first crop including 320 acres in the Pilot Project, and 79.8 acres in the second crop, with performance efficiencies ranging between 30% and 70%.

Good progress was made in the search for field layouts which would satisfy the requirements for maintaining good husbandry and effective in-field drainage, while optimising the utilisation of agricultural machinery and mechanical harvesting equipment.

Variety Development - Breeding and Selection:

Work continues in breeding and selection, and two more promising new varieties DB 70/47 and DB 75/159 were distributed from the Sugar Experimental Station to estates for field extension and evaluation. Another variety DB 70/121 has consistently been out-yielding the standard B 41227 in experiments, but because of its recumbent nature, it needs to undergo further testing before consideration for extension on estates. Results from DB 70/172 and DB 71/60 which are in extension plots on estates indicate a favourable trend, particularly DB 71/60 which exhibits a good growth habit and produces a clear juice. However, the ratooning ability of these two varieties has still to be evaluated before greater confidence can be placed on them for larger scale extension.

Plant Protection:

The Plant Protection Unit, though not fully manned continues to give useful service to all estates.

Water Control and Civil Engineering:

An exercise on drainage ratings of Estates had indicated that Rose Hall's drainage needed some attention, and the installation of a new drainage pump has been recommended. This project will be given priority for implementation under capital budgetting.

The two financial approved projects for 1985, aqueducts at Wales and Uitvlugt, were hydraulically designed and are earmarked for construction in 1986. It is expected that 2 Rainbow Overhead Irrigation Units will be purchased in 1986, and their benefits examined for both sugar cane and other crops.

Financial constraints restricted operations in the Civil Engineering Department to the extent that, during the year, only repairs to the Molasses Wharf at Rose Hall Estate, and Phase 1 of the Blairmont Wharf have been completed. The construction of the Rose Hall

Fertiliser Bond, in three phases, is due for completion by the end of February, 1986.

SUGAR MARKETING:

1985 was another hard year in sugar marketing relieved only by the strength of the £ Sterling in which our all-important E.E.C. sales are denominated and by the benefit received in 1985 from the local price increase which took place at the end of 1984.

The increase in the local price of sugar led to a very welcome improvement in revenue from the home market in 1985. Sugar is no longer subsidised in Guyana.

The world sugar price remained extremely depressed. Indeed, in June 1985 it plumbed the lowest level in real terms ever known in the long history of sugar. Since then there has been some recovery but this is only relative and the price remains at a completely uneconomic level.

There was a small price increase for our EEC quota sugar and, with sterling strengthening during the year and arrangements made to maximize calendar year shipments, revenue from this market increased significantly.

A determined effort to reduce sugar losses met with considerable success.

Marketing arrangements and scheduling of ships in close consultation with our agents again achieved a favourable "market mix" in 1985, resulting in Guyana meeting all of its quota commitments, including taking up shortfalls, and only having to sell a minimum of sugar into the depressed world market.

Home Market:

In 1985 the local price remained at \$1,411.20 per ton for D.C. sugar and \$1,702.40 per ton for C.W. sugar. At these levels we no longer subsidise the local consumer. On the other hand we should be looking to our own home market to generate a significant part of the additional funds we need to return to profitability. To achieve this, a further price increase will be essential.

The price increase at the end of 1984 had the effect of reducing consumption from 34,731 tons in 1984 to 28,396 tons in 1985, thus releasing additional sugar for export.

Caricom:

We have been doing all we can to develop sugar exports to Caricom countries. Up to quite recently, however, Caricom countries requiring sugar obtained their supplies from outside Caricom at rock bottom world prices.

In the second half of 1985, however, first Dominica and then St. Lucia proved willing to pay a modest premium over world price

REVIEW OF OPERATIONS Continued

for Guyana sugar. We were eager to pursue this opening and made all the necessary arrangements to meet the specified requirements.

E.E.C.

Our quota in the E.E.C. established in the Sugar Protocol of the Lome' Convention, is now more important to us than ever. In 1985, 83% of our sugar exports went to the E.E.C. at a price three times higher than the world market price. Whatever problems which we, along with other ACP sugar-exporting countries may have in our relationship with the E.E.C. in implementing the provisions of the sugar Protocol, the fact remains that our quota in this market is of fundamental importance to the industry.

In July 1985 Guyana, with other Caricom and ACP sugar-exporting countries, concluded a new five-year agreement with Tate & Lyle in the U.K. This agreement provides payment of performance and market premiums over and above the basic EEC quota price.

U.S. Market:

In 1985/86 Guyana received a sugar quota in the U.S. of 17,763 tons. This compared with 27,214 tons in 1984/85 and should also be compared with Guyana's quota of 90,000 tons in 1974.

World Market:

In 1985 the world price of sugar remained extremely depressed. By the end of the year there were some indications that production and consumption were coming in to better balance.

In present circumstances we are reluctant to commit sugar to the world market and sales are only made when production becomes surplus to local and quota market needs.

Molasses:

The average price received for molasses in 1985 was 26c per gallon compared with 33c per gallon in 1983 and 28c per gallon in 1984.

The distillers utilized 6.4 million gallons in 1985 compared with 7.2 million gallons in 1983 and 7.4 million gallons in 1984. This left 12.2 million gallons for export in 1985, compared with 15.7 million gallons in 1983 and 13.4 million gallons in 1984.

OTHER CROPS

The Oil Palm Programme at Wauna in the North West District and San Jan in the upper Demerara River were handed over to the National Edible Oil Company (NEOCOL), on April 1st.

The cultivation of rice continued at Blairmont and Skeldon Estates with mixed results during 1985, due to certain logistical as well as agronomic difficulties. Plans are in train to overcome these problems in 1986 when better yields, quality and production are expected.

The establishment of the Hatchery facilities at Bath provided for increased fingerling production of *TILAPIA NILOTICA*. During 1985 a system of harvesting Brood ponds at fortnightly intervals was introduced. This increased frequency of harvesting has allowed for closer monitoring of the Brood stock and the better management of more uniform-sized fry.

A limited supplemental feeding schedule has been introduced using Oil Meal from NEOCOL and fish meal for the Brood stock and fry-to-fingerling stages. This will be further developed by feeding methyltestosterone to the fry in the supplemental feed, a technique called "Sex Reversal" where all the fry will become males.

The production of hassar (*HOPLOSTERNUM LITTORALE*) was affected by our inability to maintain adequate feed for the fry and fingerlings. This will be improved with the culturing of a number of ciliates known as *INFUSORIA* for the Hassar larvae and the introduction of a hammer mill for the production of supplemental feed for the fry and fingerlings.

The first attempt at induced spawning of the Grass Carp during mid year was unsuccessful. The next attempt will be made early in 1986. The Common Carp fingerlings were received from Auburn University and are progressing satisfactorily.

Legume Production was restricted to building up of Mung and Minica 1 seed material at Enmore, while Onion and Carrot production were on a relatively small scale.

Rehabilitation of the Cassava germ plasm collection was started. 16 hectares of selected cultivars provided all Agencies with planting material on request. 8 metric tons of excess Cassava was also harvested and sold.

The dairy units at Rose Hall and Uitvlugt maintained production during 1985 with Uitvlugt's unit showing a 16% increase in milk production. These units will be upgraded during 1986 to economic sizes, while a third much larger unit will be established on the East Coast Demerara.

Cane Farming:

Cane Farmers production for the year was 26,093 tons sugar or 10.74% of the total industry's production. This compared with 26,694 tons produced in 1984. As the 1985 production figure excludes 2,495 tons sugar produced from canes in the Versailles and Schoon Ord location now acquired by the Guyana Sugar Corporation Limited, it would be correct to say that farmers production for the year showed some marginal improvement over that of 1984.

Some rehabilitation work was evident on quite a few locations. Rat damage experienced the previous year, though not as noticeable in 1985, had an impact on production. Farmers took full advantage of the favourable weather conditions. However, the mid-year rains continued into the greater part of the second crop resulting in poor quality of canes delivered to the factory with resultant high TC/TS

REVIEW OF OPERATIONS Continued

ratio. At the end of the year, some 800 acres were unrealed.

PERSONNEL

Establishment:

The Corporation's establishment consisted of 26,679 workers made up of 378 Executives and Senior Managers; 1,851 Junior Managers and Security Personnel; 3,450 Tradesmen, Operators, and Semi-skilled workers; and 21,000 other Non-managerial Workers.

During the year, the Corporation lost 45 persons from the Senior Managerial categories, 29 of whom resigned. In regard to the Junior Staff categories, total terminations for various reasons were 296 against an establishment of 2,160 and for Non-managerial workers 3,083 against an establishment of 25,486 representing 13.7% and 12.1% respectively.

Education and Training:

The Corporation continued in its manpower development efforts by making the fullest use of all training facilities on Estates as well as the GuySuCo Training Centre - Port Mourant and the Management Training Centre - Ogle.

Whereas, in the earlier years of the decade, efforts were concentrated on supervisory development, 1985 witnessed greater emphasis on senior management development particularly for sub-departmental and departmental managers of our sugar estates.

The emphasis on technical training continued at both the managerial and non-managerial levels. At the latter level the training of un-skilled and semi-skilled craftsmen gained momentum. Because of the escalating need for high level technical/managerial skills, overseas training for managers was given special attention.

Sports/Cultural Activities:

In the area of Sports, all estates completed their approved sports programme for the year. The inter-zone cricket competition for the Joe Solomon Trophy was held for the first time and this was won by zone one comprising players from GuySuCo Training Centre, Skeldon and Albion Estates.

For the second year the GuySuCo Athletic and Cycling Championship was held. The competition was keenly contested and was of a high standard. Fifteen new records were established and Rose Hall emerged Champion Estate.

GuySuCo's employees also participated in several activities on the National and International scene. Two athletes, three volleyball players, and one amateur boxer were selected to represent the country in International events. Cdes Levi Nedd and Bernadette Spencer were selected GuySuCo Sportsman and Sportswoman for 1985.

In regard to other cultural activities, emphasis was placed on Drama throughout the industry, culminating with individual estate and Head Office presentations at the Honours Roll Function during



The 1985 graduating class from the Apprentice Training Centre at Port Mourant poses in front of the Hostel with President Desmond Hoyte, who was then Prime Minister.

REVIEW OF OPERATIONS Continued



Here, Administrative Manager John Bart, and Personnel Manager Donald Mc David pose with the top sports personalities Bernadette Spencer, Levi Nedd, and personnel department functionaries.

the year. Efforts will be made to have a Drama Festival in 1986.

Occupational Health and Safety:

Through the established health care programmes, Ogle Diagnostic Centre and Estates' Dispensaries continued to make a significant contribution to the improvement of the health and welfare of all levels of workers. Complementing this aspect of health services, regular inspections of the Factories, Field Workshops and other GuySuCo establishments with emphasis on the general improvement of Staff Compounds and Canteens, ensured the overall improved environmental conditions on the locations.

During 1985 two Estate Medical Officers and five Nurse/Midwives were recruited and all Estates now have their full complement of staff.

The Health Services Committee has been resuscitated.

There was a decrease of 5.4% in the number of manhours worked in the factories and an increase of 4.8% in the number of lost time accidents - 1985 over 1984.

In respect of the Field Department there was an increase of 2.0% in the number of man-days worked and a decrease of 0.6% in the number of accidents.

With regard to the Good House Keeping Competitions, Albion for the fifth year in succession emerged winner of the Factory Competition while Blairmont won the first place for the second time in succession in the Field Workshop Competition.

Worker Participation:

Both management and non-management workers maintained their interest at the various participative forums. This was reflected in the fact that on most estate locations the statutory monthly meetings both at the departmental level and the level of the estate were held as scheduled. Also attendance at council meetings on each estate was generally good.

The quality of the contribution of non-management members to discussions on the various topics attests to the fact that these members have come a long way since the introduction of this form of Worker Participation in the Sugar Industry.

Elections for non-managerial members on Workers Councils were successfully held on all estates on November 30, 1985.

During the year work on proposals for Worker Participation at Head Office has been completed and these proposals are being studied.

Communications:

There has been no significant changes in the methods used for communicating with employees and the external public. Internally



Medal of Service recipient - RICHARD BHOLA, Cane Harvester of Diamon

REVIEW OF OPERATIONS Continued

we continued to use Briefing Sessions, Information and Pre-crop Sessions, Notice Boards including Honours Roll and Production Boards while the National Press, GuySuCo's Sugar News and the special weekly radio programmes were used for external communication.

Salaries and Wages:

Based on 1985/1986 Wage Policy Guidelines to the Guyana Sugar Corporation Limited increases in wages and salaries in respect of 1985 and 1986 were paid to all employees within the Industry.

Honours Roll Scheme:

The Honours Roll Scheme continued as a motivation endeavour and has become firmly entrenched on all of GuySuCo's estates. Rose Hall repeated its performance of the previous year by emerging the Champion Estate for the year while Blairmont replaced Enmore in the runner-up position.

Fabrication Incentive:

The GuySuCo Fabrication Incentive Scheme was given a fillip in 1985 when a total of twenty-four projects from Estates were favourably considered for Incentive Awards totalling \$14,322.00.

This Scheme which aims primarily at savings of foreign exchange has become fully established on Estates.



Guysuco's thrust in the fabrication of spare parts was amply displayed at the National Exhibition in 1985. Here, Technical Director Winston Tyrell makes a point to President Hoyte on the Guysuco display.

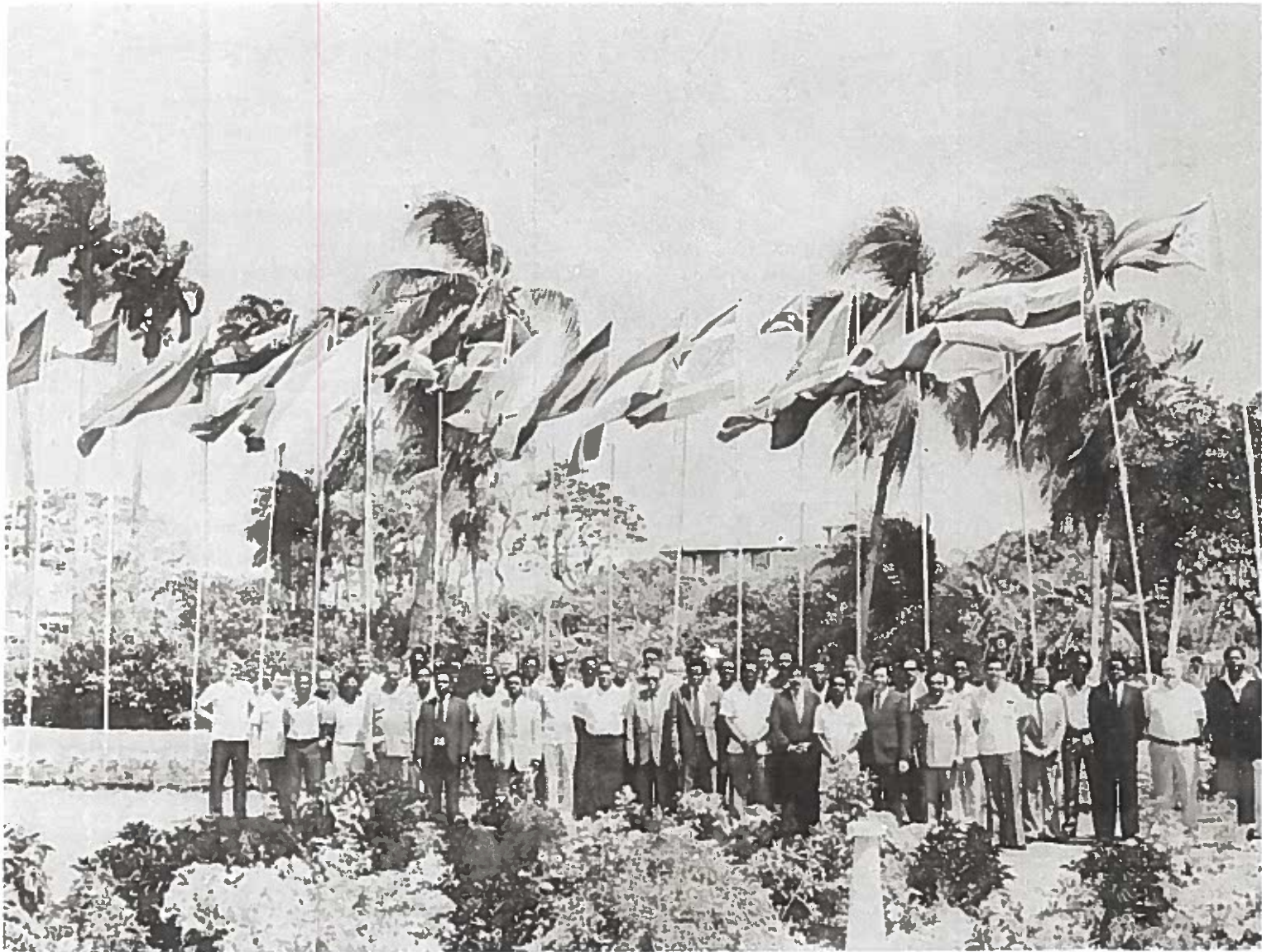
REVIEW OF OPERATIONS Continued

INDUSTRIAL RELATIONS:

Industrial Relations was affected in 1985 by 2 breaches of Agreement by two of the recognised Unions in February and December; 173,970 mandays were lost in 1985 compared to 134,177 mandays lost in 1984 through work stoppages and strikes. The result was a loss in earnings to workers of \$3.6M, compared to \$2.7M in 1984. Mandays lost from non-industrial issues accounted for 64,423 mandays and earnings lost from such stoppages were \$1.3M. These 'Wild Cat' protest strikes contributed to the under-achievement of the Industry's production objectives.

In accordance with the Government of Guyana/Trades Union Congress Agreement, workers in the Industry were awarded wage increases for both 1985 and 1986. The new rates of pay were implemented and retroactive payments made on 1986-01-18. The increased wages added some further \$40M per annum in benefits to workers

Sugar workers earned a total of 42 days' pay under the Corporation's Monthly Production Incentive Scheme. The Industry awarded 2 days' pay Annual Production Incentive. However, on the basis of individual performance Rose Hall and Leonora Estates were awarded 5 days' each while Blairmont was awarded 3 days' pay.



Delegates to the ACP Second Ministerial Conference at the Management Training Centre, Ogle, after one of the sessions.



10 
Anniversary

THE SUGAR INDUSTRY IN GUYANA

The Sugar Industry which has been in existence in this country for nearly three and a half centuries, has left an indelible imprint on the sociological, technological, economic and political life of the society.

Established in 1658 by the Dutch in Essequibo as a viable economic entity, sugar marched relentlessly forward through the sweat, toil and blood of thousands of slaves and indentured labourers to become the economic lifeline of the country.

Sugar was "King" and, through its overlordship, dominated all sectors of the community. In 1815, Josias Booker arrived into the colony of Demerara. Gradually thereafter Bookers, and laterly Booker McConnell, became the dominant business enterprise in the country. From sugar he and his heirs diversified into other areas of economic endeavour — shops and ships and light industries like printing and engineering works and pharmaceuticals; into cattle and cars, stockfeed and balata bleeding.

Bookers and Booker McConnell were at varying times ruthless, prudent, paternalistic and pragmatic. Eventually, in the era of Jock Campbell, there was enlightenment and Guyanisation.

Even when there was exploitation, there was also technological advancement and the industry moved through several innovations which were to change its whole character.

Dr. Mohamed Shahabuddeen, in his scholarly exercise — "From Plantocracy to Nationalisation", has noted that "personal inhumanity and economic exploitation have been inseparable incidents to the unfolding process of economic development the world over.

"The result in the case of Guyana is that the descendants of those who were forced to labour in the cause of sugar do now nevertheless live much better than is possible today in their forefathers' countries of origin".

Sugar in Guyana therefore has embraced both negatives and positives. It has survived because of its unique position and, because of what it could offer to the nation's progress.

THE 10-YEAR RECORD

CONTRIBUTION TO THE NATION

GuySuCo makes a vital economic and social contribution to the nation. It is the industrial entity which employs the largest number of people. 28,000 are employed and an estimated 140,000 are therefore directly dependent on sugar for a livelihood. Additional thousands of cane farmers and workers in enterprises deriving raw materials from the industry or servicing it also depend on sugar for a livelihood.

A substantial part of the turnover and profits generated by sister Corporations, and by private enterprises, depend on raw materials supplied by GuySuCo or on sales of materials, products and services to GuySuCo. GuySuCo is by far the largest net earner of foreign exchange in Guyana as well as one of the largest contributors to Local Government rates and taxes. Through its network of medical facilities, other community services, and its contribution to the Sugar Industry Labour Welfare Fund, GuySuCo makes a substantial and irreplaceable impact on life in the rural areas.

GuySuCo's education and training programme turns out 70 apprentices annually and trains on the job, hundreds of skilled mechanics, electricians, welders and craftsmen of all sorts as well as managers. This provides a reservoir of skills and managerial and technical experience which is drawn on by the nation as a whole and not the sugar industry alone.

Using sugar as a secure technical and managerial base, GuySuCo is a leader in the nation's efforts to diversify the economy. Progress is being made in developing aquaculture, rice production, dairy farming and legume cultivation. The use of surplus bagasse in generating electricity for the national grid is being pursued. The economic feasibility of ethanol production is being studied.

CHRONOLOGICAL HISTORY

1658 - Establishment of sugar cane plantations in the Essequibo as viable economic units.

1664 - First batch of slaves arrive to work on sugar plantations and at the same time, the first sugar mill was established.

1713-1740 - Treaty of Utrecht reducing Dutch fears of enemies' attacks and allowing the movement of plantations from exhausted riverain lands to coastal settlements in Essequibo where the Dutch had discovered that the soil was more fertile.

1745 - Demerara opened to coastal settlement.

1763 - Berbice Slave Rebellion.

1795 - Introduction of the Bourbon or Othaheite sugar cane variety which became the source of the famed Demerara crystals.

1800 - Four hundred plantations in Essequibo, Demerara and Berbice.

1805 - Introduction of the Steam Mill.

1807 - Abolition of the Slave Trade.

1814 - Introduction of modern evaporating equipment to replace fire heated tachines.

1829 - Total of Two hundred and thirty plantations remain.

1832 - Introduction of the Vacuum Pan.

1834 - Abolition of Slavery.

1835 - Start of indentureship on the estates which saw the arrival for the next fifty-eight years of a vast inflow of peoples from the West Indies, Brazil, Ireland, England, Germany, Malta, China and India.

1837 - Introduction of the Centrifugal which can be described as the cornerstone of the modern industry.

1851 - Organised immigration of Indians commences

1860 - Introduction of artificial fertilizer for estates' cultivation.

1890 - One hundred and thirty-five plantations remain.

1894 - Flood Fallowing is "rediscovered".

1900 - The Industry now supports eighty plantations.

1915 - Development of the UK Beet Industry.

1917 - Cessation of immigration.

1920 - Establishment of a sugar experimental station at Sophia and the cessation of the system of indentured labour.

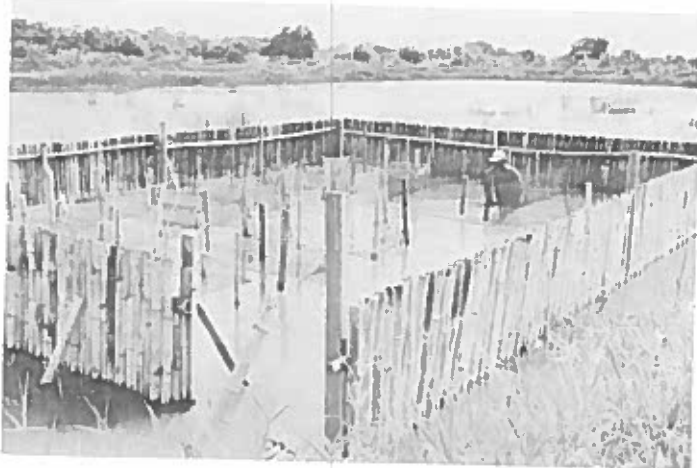
1922 - Thirty-nine estates are left in British Guiana.

1930 - Economic depression causing nominal sugar prices to collapse to £4 per ton.

1937 - Establishment of a Central Laboratory in Georgetown.

1938 - W.I.S.A. (name changed to S.A.C. in 1975) founded.

	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985
	7 months									
Number of Factories	11	11	10	10	10	10	10	10	10	10
Acreage Harvested	83,609	108,304	137,481	134,030	123,143	136,213	129,609	119,429	125,926	107,526
Tons Cane Milled - ('000)	2,401	3,108	4,218	3,892	3,601	4,125	3,845	3,571	3,469	3,218
Yield:										
Tons Cane Per Acre	28.72	28.70	30.68	29.04	29.24	30.28	29.67	29.90	27.54	29.93
Tons Cane Per Ton Sugar	12.32	12.87	12.99	13.05	13.35	13.71	13.36	14.18	14.34	13.24
Tons Sugar Per Acre	2.33	2.23	2.36	2.23	2.19	2.21	2.22	2.11	1.92	2.26
Sugar Production (Tons)	194,976	241,527	324,805	298,268	269,634	300,790	287,725	251,870	241,861	243,000
Molasses Production ('000 Gallons)	14,852	18,749	26,734	21,774	21,430	23,282	22,957	23,026	21,406	19,506
Home Consumption - Sugar (Tons)	19,768	31,461	31,240	31,501	31,811	36,518	33,193	36,266	34,731	28,396
Molasses ('000 Gals.)	5,034	4,533	8,282	6,748	9,351	10,021	4,785	10,598	8,874	12,240
Exports - Sugar (Tons)	174,700	209,846	292,555	266,311	236,344	262,855	252,542	213,227	205,371	214,543
Molasses ('000 Gals.)	9,818	14,216	18,452	15,026	12,079	13,261	18,172	12,428	12,532	7,266
Sales - Sugar:										
Local - Total Revenue (G\$M)	3.4	6.0	7.4	9.8	9.7	11.0	9.9	10.7	26.7	40.4
Average Price Per Ton (G\$)	173	190	235	311	304	301	298	295	769	142.2
Export - Total Revenue (G\$M)	116.6	179.6	239.5	226.3	296.7	285.8	258.8	212.1	271.5	286.6
Average Price Per Ton (G\$)	667	856	819	850	1,255	1,087	1,025	994	1,322	1,336
Molasses - Total Revenue (G\$M)	8.6	5.4	14.3	22.0	21.9	19.4	5.6	6.7	7.5	5.2
Average Price Per Gallon (G\$)	0.58	0.29	0.53	1.01	1.02	0.84	0.24	0.29	0.35	0.26
Expenditure:										
Employment Costs (G\$M)	73.1	110.8	150.6	143.6	174.2	196.0	189.3	185.7	201.9	184.3
Materials and other charges including interest (G\$M)	38.9	72.8	84.0	85.6	106.2	126.0	115.2	104.5	137.3	171.3
Operating Results Before Local Subsidy and Interest (G\$M)	16.6	7.4	26.8	30.0	48.4	(5.3)	(28.6)	(59.1)	(31.8)	(22.1)
Local Subsidy (G\$M)	8.9	20.4	17.0	17.1	27.8	33.7	32.2	39.1	31.3	-
Interest Expense (G\$M)	1.5	2.6	5.6	10.9	14.4	22.9	32.4	21.6	39.2	55.7
Surplus/(Deficit) Before Tax	6.2	(15.6)	4.2	2.0	6.2	(61.9)	(93.2)	(119.8)	(102.3)	(77.8)



The diversification of the Industry started with the absorption of the Guyana Agricultural Products Corporation in 1978 and since then the Corporation has been involved in Aquaculture, Legumes, Onion, Cassava, Oil Palm, Rice and Dairy Farming.



Clockwise from bottom left:-

Cameco's laser plane land levelling equipment being demonstrated at field trials at Diamond.

Bagasse about to be stockpiled after being baled by the new equipment at Albion.

A mechanical harvester in operation at Diamond, an area to which the Industry has given greater attention to combat the declining labour pool.

The late President of Guyana, L.F.S. Burnham, congratulates a worker at Rose Hall after vesting day ceremonies in May 1976

One of the first intakes of female apprentices at the Port Mourant Training Centre doing some machining in the Centre's workshop.

Staff of the 19-bed Diagnostic Centre at Ogle after the opening in 1979.

The 1983 female graduates of the Apprentice Training Centre, who were the second intake, with the Housemother.



OF SUGAR IN GUYANA

- 1939 - Merger between Bookers and Curtis Campbell.
- 1945 - British Guiana becomes a contributing member of the Central Sugar Cane Breeding Station, Barbados.
- 1948 - Colonial police open fire upon workers at Enmore. Five Enmore Martyrs lose their lives.
- 1951 - Commonwealth Sugar Agreement.
- 1955 - Another merger, this time between Bookers and S. Davson & Company Limited.
- 1957 - Establishment of the Port Mourant Training Centre.
- 1961 - Establishment of the Demerara Sugar Terminals, Ruimveldt.
West Indies receives sugar quota in the U.S for the first time.
- 1967 - Eighteen Sugar Estates remain.
- 1974 - A bad E.E.C. beet crop drives nominal prices to record highs.
Guyana's sugar quota in the U.S. - 90,000 tons.

World price touches all-time peak of £650 per ton.

- 1975 - Nationalisation of Jessels.

Sugar Protocol of the Lomé Convention replaces Commonwealth Sugar Agreement and establishes ACP sugar quotas.

THE GUYSUOCO ERA

- 1976 - Nationalisation of the Booker holdings in Guyana and merging of DemSuCo to establish the Guyana Sugar Corporation Limited.

- 1977 - Commissioning of the Sandaka Pumping Station at Skeldon.

- 1978 - Opening of the Versailles/Leonora/Uitvlugt Waterway.

First intake of females at the Apprentice Training Centre.

Closure of the Versailles Factory.

Acquisition of the Guyana Agricultural Products Corporation and the formation of the Other Crops Division.

- 1979 - Establishment of the Production Honours Roll Scheme.

Opening of the Ogle Diagnostic Centre.

- 1980 - Reconstruction of the GuySuCo Apprentice Training Centre.

- 1981 - Establishment of Workers' Councils and the first elections to these bodies.

- 1983 - Land Levelling Equipment commissioned by the late President Burnham at Manarabisi, Skeldon.

Commissioning of Bagasse Baler by Prime Minister Hoyte at Albion Estate Factory.

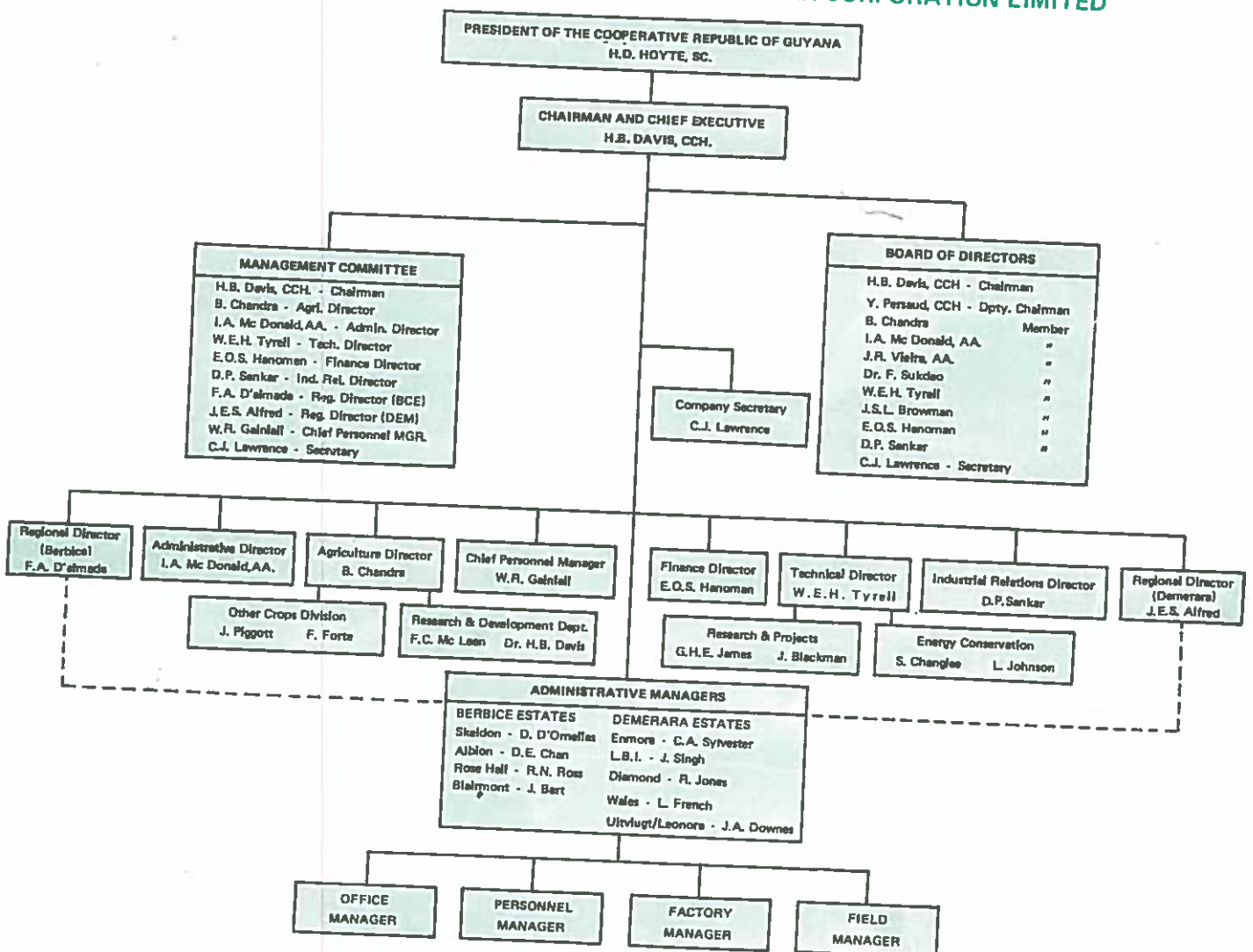
- 1984 - Mechanical Trials at Diamond Pilot Project and introduction of Punt Dumper and Mechanical Harvester and Planter.

- 1985 - Handing over of Wauna and San Jan Palm Oil projects developed by GuySuCo.

Guyana sugar quota in the U.S. - 18,000 tons.

World price touches all-time low of £65 per ton.

ORGANIZATION STRUCTURE OF THE GUYANA SUGAR CORPORATION LIMITED



REPORT OF THE AUDITORS

TO THE MEMBERS OF
GUYANA SUGAR CORPORATION LIMITED

We have examined the financial statements set out on pages 14 to 23 which are in agreement with the books of the Company and have obtained all the information and explanations we have required. Our examination was made in accordance with generally accepted auditing standards and included such tests and procedures we considered necessary.

In our opinion, these financial statements give a true and correct view of the state of affairs of the Company at 31 December 1985, and of the net deficit and source and application of funds for the year then ended.

THOMAS, STOLL, DIAS & CO.

Member Firm
TOUCHE ROSS INTERNATIONAL
77 Brickdam
Georgetown
Guyana
31 January, 1986

PROFIT AND LOSS ACCOUNT

For the year ended 31 December, 1985

	Notes	1985	1984
		G\$000	G\$000
Sales	2	<u>333,450</u>	<u>307,405</u>
Net Loss	3	(77,800)	(102,334)
Valuation surplus on disposal of fixed assets transferred from reserves	4	<u>221</u>	<u>179</u>
Net Loss for year		<u>(77,579)</u>	<u>(102,155)</u>
STATEMENT OF ACCUMULATED LOSSES			
Balance at 1 January		(407,556)	(305,401)
Net Loss for the year		<u>(77,579)</u>	<u>(102,155)</u>
Balance at 31 December		<u>(485,135)</u>	<u>(407,556)</u>

BALANCE SHEET

As at 31 December, 1985

	Notes	1984	1985
		G\$000	G\$000
SHARE CAPITAL			
Authorised 300,000,000 Ordinary shares of \$1.00 each		<u>300,000</u>	<u>300,000</u>
Issued and fully paid 273,536,775 Ordinary shares of \$1.00 each		273,537	273,537
Capital reserves	4	70,748	68,217
Accumulated losses		<u>(485,135)</u>	<u>(407,556)</u>
Deficiency in shareholders' funds		(140,850)	(65,802)
Deferred liabilities	5	14,885	15,163
Non-current loans	6	<u>143,636</u>	<u>145,344</u>
		<u>17,671</u>	<u>94,705</u>
Represented by:			
Fixed assets	7	152,773	136,363
Investments	8	2,814	265
Deferred receivables	9	3,954	3,763
Deferred cultivation costs		1,390	187
Net current liabilities	10	<u>(143,260)</u>	<u>(45,873)</u>
		<u>17,671</u>	<u>94,705</u>

Directors:

H.B. Davis

E.O.S. Hanoman

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

For the year ended 31 December, 1985

				1984
	GS000	GS000	GS000	GS000
APPLICATION OF FUNDS				
Net Loss	77,800		102,334	
Adjustments for items not involving the movement of funds				
Depreciation	(14,098)		(12,845)	
Provision for ex-gratia pensions	(5,571)		(4,745)	
Unrealised loss on exchange	(1,899)		(4,390)	
Funds used in operations		56,232		80,354
Purchase of investments (net of redemption)		349		—
Loan repayments		3,518		1,346
Deferred cultivation costs		1,203		—
Purchase of fixed assets		33,450		19,421
Ex-gratia pensions paid		6,337		5,047
Deferred liabilities		278		—
Deferred receivables — employees' loans		—		8
		<u>101,367</u>		<u>106,176</u>
SOURCE OF FUNDS				
Receipts from the Sugar Industry Rehabilitation Fund		2,752		2,913
Refund of ex-gratia pensions		560		707
Loans received		4,845		145,666
Deferred receivables		15		—
Disposal of assets		742		85
Deferred cultivation costs		—		885
		<u>8,914</u>		<u>150,256</u>
		<u>(92,453)</u>		<u>44,080</u>
INCREASE/(DECREASE) IN WORKING CAPITAL				
Inventories and unsold produce		28,486		26,802
Debtors and prepayments		(23,030)		10,427
Creditors and accruals		(25,677)		(45,892)
External payments deposits		(2,433)		4,411
MOVEMENT IN NET LIQUID FUNDS				
Cash on hand and at bank	151		394	
Bank overdraft	(69,950)		47,938	
		<u>(69,799)</u>		<u>48,332</u>
		<u>(92,453)</u>		<u>44,080</u>

NOTES ON THE ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Accounting convention

The accounts have been prepared under the historical cost convention, modified by the revaluation of certain fixed assets.

(b) Fixed assets and depreciation

Fixed assets vested on 26 May 1976 are stated at the book values of the predecessor owners (which were in excess of compensation price by \$50,055,942) less provision for depreciation and amortisation computed on those values. All fixed assets acquired after that date are stated at cost less provision for depreciation and amortisation.

The excess of book values over compensation price referred to in the preceding paragraph, was set up as the opening balance of the valuation reserve.

Depreciation is provided on the straight line basis calculated to write off each asset over its estimated useful life as follows:-

Freehold buildings	-	Over 50 years
Leasehold properties	-	Over the lives of the leases
Land expansion costs	-	From 5 to 10 years
Plant and equipment	-	From 5 to 16 years
Motor vehicles	-	Over 4 years
Aircraft	-	Over 3 years

The value of ratoon crop is recognised only when reaped, thus all costs for this item have been written off at the balance sheet date.

(c) Inventories and unsold produce

Unsold produce is valued at estimated realisable value less deductions for sugar industry special funds contributions, shipping and selling expenses, where applicable.

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

(d) Deferred cultivation costs

Cultivation costs related to newly developed land are written-off against revenue in the first year in which income is generated.

(e) Research and development

Research and development expenditure is charged against revenue in the year in which it is incurred.

(f) Foreign currency transactions.

Foreign currency transactions are recorded in Guyana currency at the rates of exchange ruling at the dates of such transactions. At the balance sheet date, foreign currency assets and liabilities are translated at the rates of exchange ruling at that date or as agreed by the Bank of Guyana and resulting gains and losses are recognised in the profit and loss account.

NOTES TO THE ACCOUNTS cont'd

(g) Sales

Sales represent the amounts earned from the sale of sugar and molasses produced during the year, net of sugar industry special funds contributions, shipping and selling expenses. Sales also include amounts earned from the sale of other crops produced during the year.

(h) Pension Scheme

- (i) The Company participates in a contributory pension scheme for its employees. The contributions are held in trustee administered funds which are separate from the Company's finances.
- (ii) Employees who have retired and are not members of the pension scheme are paid ex-gratia pensions which are recoverable from the Sugar Industry Price Stabilisation Funds. Any amounts not considered to be recoverable are provided for in the profit and loss account.

	G\$000	1984 G\$000
2. SALES		
Sugar and Molasses	332,123	305,663
Other Crops	<u>1,327</u>	<u>1,742</u>
	<u>333,450</u>	<u>307,405</u>
Export Sales Levy		
Amount payable (provisional)	162,012	155,286
Remitted by Government	<u>(162,012)</u>	<u>(155,286)</u>
	<u>—</u>	<u>—</u>
	<u>333,450</u>	<u>307,405</u>

Under section 6 (1) of the Financial Administration and Audit Act, the Government of Guyana has agreed to remit G\$162,011,609 (1984 - G\$155,286,323) of the Sugar Levy payable pending amendment of the Sugar Levy Act 1974.

	G\$000	1984 G\$000
3. NET LOSS	<u>(77,800)</u>	<u>(102,334)</u>

This amount is determined after the following items have been dealt with:-

Depreciation	14,098	12,845
Audit fees	170	162
Loss on exchange	429	5,441
Interest expense - net	55,660	39,216
Research and development	1,229	1,187
* Provision for ex-gratia pensions	<u>5,571</u>	<u>4,745</u>

* This amount is considered to be irrecoverable from the Sugar Industry Price Stabilisation Fund as the accounts of the Price Stabilisation Fund revealed that the amount recoverable from the Fund was greater than the balance in the Fund.

GUYANA SUGAR CORPORATION LIMITED
 NOTES TO THE ACCOUNTS cont'd

(b) Current - Repayable within one year	G\$000	1984 G\$000
(i) Tennant Guaranty Limited		
Loan 11. A U.S. dollar loan repayable in December 1982. Interest is payable at the rate of 7.25% per annum and an additional 1.5% per month on amounts due but unpaid	2,387	2,444
Loan 111. A U.S. loan repayable in equal half yearly instalments ending in September 1984. Interest is payable at the rate of 7.25% per annum and an additional 1.5% per month on amounts due but unpaid	7,541	7,723
(ii) Chase Bank International - Chicago		
A U.S. dollar loan repayable in equal half yearly instalments ending in April 1983. Interest is payable at the rate of 9% per annum and an additional 1% per annum on amounts due but unpaid.	568	581
(iii) Lloyds Bank Limited		
Loan 1. A Sterling loan repayable in equal half yearly instalments ending in October 1983. Interest is payable at the rate of 7.5% per annum on the outstanding balance	1,953	1,611
Loan 11. A Sterling loan repayable in equal half yearly instalments ending in 1986. Interest is at the rate of 7.25% per annum on the outstanding balance	10,352	—
(iv) Local Insurance Companies and others	2,908	1,582
(v) Loans repayable within one year (per (a) above)	—	6,834
	<u>25,709</u>	<u>20,775</u>

All external loans are guaranteed by the Government of Guyana.

GUYANA SUGAR CORPORATION LIMITED
NOTES TO THE ACCOUNTS cont'd

7. FIXED ASSETS

	Total	LAND AND BUILDINGS			Land Expansion Cost	Plant Machinery & Equipment
		Freehold	Leasehold	State Lands		
	G\$000	G\$000	G\$000	G\$000	G\$000	G\$000
Cost or Valuation						
At 1 January 1985	233,725	38,118	2,635	18,799	10,465	163,708
Additions	33,450	10,535	—	—	927	21,988
Disposals	(4,666)	(1,296)	—	—	(477)	(2,893)
At 31 December 1985	<u>262,509</u>	<u>47,357</u>	<u>2,635</u>	<u>18,799</u>	<u>10,915</u>	<u>182,803</u>
Comprising:						
Valuation	108,581	32,401	2,549	18,799	6,441	48,391
Cost	153,928	14,956	86	—	4,474	134,412
	<u>262,509</u>	<u>47,357</u>	<u>2,635</u>	<u>18,799</u>	<u>10,915</u>	<u>182,803</u>
Depreciation						
At 1 January 1985	97,362	2,588	847	—	7,080	86,847
Provision for the year	14,098	355	106	—	488	13,149
Retirements and disposals	(1,724)	(50)	—	—	(166)	(1,508)
At 31 December 1985	<u>109,736</u>	<u>2,893</u>	<u>953</u>	<u>—</u>	<u>7,402</u>	<u>98,488</u>
Net Book Values:						
At 31 December 1985	<u>152,773</u>	<u>44,464</u>	<u>1,682</u>	<u>18,799</u>	<u>3,513</u>	<u>84,315</u>
At 31 December 1984	<u>136,363</u>	<u>35,530</u>	<u>1,788</u>	<u>18,799</u>	<u>3,385</u>	<u>76,861</u>

1984

	GS000	GS000
8. INVESTMENTS		
Lochaber Limited:		
1,280 Ordinary shares of \$20.00 each - at cost	23	23
Cane Farming Development Corporation Limited:		
18,500 'B' Ordinary shares of \$5.00 each (This Company is in liquidation and provision has been made for possible losses arising therefrom).	31	31
Livestock Development Company Limited:		
55,000 Ordinary shares of \$1.00 each - at cost	50	50
Government of Guyana 7% equated annuity debentures repayable half yearly	—	1
Government of Guyana Defence Bonds	300	150
Emile Woolf College of Accountancy (Guyana) Limited:		
10,000 Ordinary shares of \$1.00 each	10	10
National Bank of Industry and Commerce Limited:		
200,000 stock units of \$1.00 each	200	—
* Deposit on shares in National Edible Oil Co. Ltd.	2,200	—
	<u>2,814</u>	<u>265</u>

* Represents part of purchase consideration for assets sold which would be settled by the issue of shares. These shares have not yet been issued.

9. DEFERRED RECEIVABLES

*Sugar Industry Price Stabilisation Fund:		
Ex-gratia pensions less provision	3,951	3,745
Loans to employees	3	18
	<u>3,954</u>	<u>3,763</u>

* This amount represents ex-gratia payments made to pensioners and is recoverable from the Special Funds Committee in accordance with the Sugar Industry Special Funds Act, Chapter 69:03.

1984

	G\$000	G\$000
10. NET CURRENT LIABILITIES		
Inventories	143,528	121,242
Unsold produce	32,732	26,532
Debtors and prepayments	21,523	44,553
*External payments deposits	9,663	12,096
Cash on hand and at bank	795	644
	<u>208,241</u>	<u>205,067</u>
Less:		
Creditors	64,771	64,010
Accrued Interest	48,285	23,369
Loans repayable within one year (Note 6 (b))	25,709	20,775
Taxation	693	693
Bank overdraft (secured)	212,043	142,093
	<u>351,501</u>	<u>250,940</u>
	<u>(143,260)</u>	<u>(45,873)</u>

* Represent monies deposited with the commercial banks pending approval from the Central Bank to remit to overseas creditors.

11. FUTURE CAPITAL EXPENDITURE

Expenditure authorised by the Directors but not contracted	<u>50,000</u>	<u>23,100</u>
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STATEMENT OF EMPLOYMENT AND COMMUNITY COSTS

	1983	1984	1985
	\$M	\$M	\$M
EMPLOYMENT COSTS			
Direct Employee Benefits			
Wages and Salaries	158.1	174.4	158.8
Incentive Payments	6.2	4.7	4.8
Other Employee Benefits	21.4	22.8	20.7
Labour Transport Costs	8.6	9.9	9.5
	<u>194.3</u>	<u>211.8</u>	<u>193.8</u>
COMMUNITY COSTS			
Central Government Taxation and Levies	1.8	1.9	.5
Local Government Rates and Taxes	1.0	1.0	1.2
Local Sugar Sales Subsidy	39.1	31.3	-
Sugar Industry Special Funds	5.6	5.4	5.7
Community Services	1.0	1.3	1.6
	<u>48.5</u>	<u>40.9</u>	<u>9.0</u>
Total	<u>242.8</u>	<u>252.7</u>	<u>202.8</u>
Number of Employees	28,403	28,104	27,364
Tons Sugar Produced	251,870	241,861	243,000