

**AUDITED FINANCIAL STATEMENTS OF THE  
GUYANA GEOLOGY AND MINES COMMISSION**

**FOR THE YEAR ENDED  
31 DECEMBER 2017**

**CONTRACTED AUDITORS: RAM & MCRAE  
CHARTERED ACCOUNTANTS  
157 'C' WATERLOO STREET  
GEORGETOWN  
GUYANA**

**AUDITORS: AUDIT OFFICE OF GUYANA  
63 HIGH STREET  
KINGSTON  
GEORGETOWN  
GUYANA**

AUDITED FINANCIAL STATEMENTS OF THE  
GUYANA GEOLOGY AND MINES COMMISSION.  
FOR THE YEAR ENDED 31 DECEMBER 2017

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## *Audit Office of Guyana*

*P.O. Box 1002, 63 High Street, Kingston, Georgetown, Guyana  
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294/SL:38/2/2025

30 September 2025

Mr. Newell Dennison  
Commissioner  
44 High & Princess Streets  
Georgetown.

Dear Mr. Dennison,

**AUDIT OF THE FINANCIAL STATEMENTS OF THE  
GUYANA GEOLOGY AND MINES COMMISSION  
FOR THE YEAR ENDED 31 DECEMBER 2017**

Please find attached three copies of the audited financial statements, together with the report of the Auditor General, thereon.

Should you need any further explanation, please do not hesitate to contact us.

With best regards.

Yours sincerely,

  
Nichette Harcourt  
Audit Manager  
For Auditor General



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AG: 211/2025

30 September 2025

REPORT OF THE AUDITOR GENERAL  
TO THE MEMBERS OF THE BOARD OF DIRECTORS  
OF THE GUYANA GEOLOGY AND MINES COMMISSION ON  
THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

### *Qualified Opinion*

Chartered Accountants Ram and McRae have audited on my behalf the financial statements of the Guyana Geology and Mines Commission which comprise the statement of financial position as at 31 December 2017, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies as set out on pages 1 to 15.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the accompanying financial statements present fairly, in all material respects, the financial position of the Commission as at 31 December 2017 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

### *Basis for Qualified Opinion*

#### **Property, Plant and Equipment**

Included in property, plant and equipment is an amount of \$2,233,211,190 which represents land and building with a net book value of \$1,202,978,440. The Commission does not have title to these assets which are owned by the State but used exclusively by the Commission. Accordingly, there is no evidence of titles or ownership of these assets. However, a letter from the Ministry of Natural Resources confirmed the land ownership by the GOG and commencement of the vesting of the property in the name of the Commission.

At the end of the financial year there was a variance of \$958,964,828 for cost and \$700,915,250 for accumulated depreciation between the asset register and the trial balance.

No revaluation has been carried out since 2005, I was unable to determine whether any impairment loss must be recognized under IAS 16.

### Trade and Other Receivable

Reflected in the financial statements is trade and other receivables of \$502,905,499 for which schedules were presented for audit totaling \$479,532,988 giving a net variance of \$37,441,657, comprising debit balances of \$20,358,531 and credit balances of \$57,800,188.

### Investments

Investment comprise inventory of gold, diamonds and short-term and long-term investment amounting to \$154,395,077 for the year under review. However, an independent valuation was never performed on the stock of gold and diamond totaling \$154,391,338 as at 31 December 2017.

For valuation purpose, the Commission uses the rate obtained from Bank of Guyana which is not consistent with the IFRS basis of lower of cost and net realizable value.

### Trade and other payables

Included in trade and other payables of \$1,944,473,399 were amounts totaling \$542,822,965 for sundry creditors owing for a period 1 to over 5 years. After discussion with management, it was noted that the details of several of the credit balances could not be clarified, and the creditors could not be contacted.

There is a net variance of \$41,873,844 between the balance stated on the trial balance and the schedules provided for seven categories of payable accounts.

### Net Defined Benefit Liability

As disclosed in Note 25 to the financial statements, the Commission operates a defined benefit pension plan. The financial statements include a Defined Benefit Asset of \$1,175,990,453 and a Defined Benefit Liability of \$1,493,747,023 for a net defined benefit liability of \$317,756,570 as at 31 December 2017. However, the most recent actuarial valuation available covers only the period from 2012 to 2016, with no actuarial study having been done for the year ended 31 December 2017.

Without a current actuarial valuation for 2017, I was unable to obtain sufficient appropriate audit evidence regarding:

- The appropriateness of the defined benefit obligation as at 31 December 2017
- The service cost and interest cost recognized in profit or loss for 2017
- Actuarial gains and losses recognized in other comprehensive income for 2017
- The overall accuracy of the pension asset and liability balances

Consequently, I was unable to determine whether any adjustments to these amounts were necessary.

### Prior Period Restatement

As disclosed in Note 25, the Commission has restated 2016 comparative figures to recognize pension obligations in accordance with IAS 19 Employee Benefits, which had been omitted from the 2016 financial statements despite the availability of actuarial calculations. This restatement resulted in \$255,243,430 being recognized as a prior period adjustment.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Commission or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Commission's financial reporting process.

### *Auditor's Responsibility for the Audit of the Financial Statements*

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs and ISSAIs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

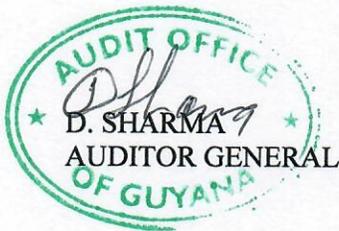
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

*Report on Other Legal and Regulatory Requirements*

The financial statements did not comply with the requirements of the Guyana Geology and Mines Commission Act 1979 – refer to note 11 of the financial statements.



AUDIT OFFICE  
63 HIGH STREET  
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# Ram & McRae

Chartered Accountants  
Professional Services Firm

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CONTRACTED AUDITOR'S REPORT  
TO THE AUDITOR GENERAL  
ON THE FINANCIAL STATEMENTS  
OF THE GUYANA GEOLOGY AND MINES COMMISSION  
FOR THE YEAR ENDED 31 DECEMBER 2017

## Report on the Financial Statements

### Qualified opinion

We have audited the accompanying financial statements of Guyana Geology and Mines Commission which comprise the statement of financial position as at 31 December 2017, statement of comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies as set out on pages 5 to 15.

In our opinion, except for the effects of the matters described in the basis for qualified opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Commission as at 31 December 2017, and, of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) prevailing at the date of financial statements.

### Basis for Qualified Opinion

#### Property, plant and equipment

- a) Included in Property, Plant and Equipment of \$2,233,211,190 are land and buildings with a net book value of \$1,202,978,440. The Commission does not have title to these assets which are owned by the State but used exclusively by the Commission. Accordingly, there do not exist titles or other evidence of ownership of these assets. However, a letter from the Ministry of Natural Resources confirming the land ownership by the GOG and the commencement of the vesting of the property in the name of GGMC.
- b) At the end of the financial year there existed a variance of \$958,964,828 for cost and \$700,915,250 for accumulated depreciation for the year under review, between the asset register and the Trial Balance.
- c) No revaluation has been carried out since 2005, and it is not possible to determine whether any impairment loss must be recognised under IAS 16.

#### Trade and Other Receivables

Trade and other receivables of \$502,905,499 gross of Provision for Bad and Doubtful Debts include seven classes of receivables for which schedules presented for audit totaled \$479,532,988 - a net variance of \$37,441,657, comprising debit balances of \$20,358,531 and credit balances of \$57,800,188.

### **Investments**

Investments comprise inventory of gold, diamonds and short-term and long-term investment amounting to \$154,395,077 for the year under review. However, an independent valuation was never performed on the stock of gold and diamond totaling \$154,391,338 as at December 31, 2017.

For valuation purposes, the Commission uses the rate obtained from the Bank of Guyana which is not consistent with the IFRS basis of lower of cost and net realizable value.

### **Trade and other payables**

- a) Included in trade and other payables of G\$1,944,473,399 were amounts totaling \$542,822,965 for sundry creditors owing for a period 1 to over 5 years. After discussion with management, it was noted that the details of several of the credit balances could not be clarified, and the creditors could not be contacted.
- b) There is a net variance of \$41,873,844 between the balance stated on the trial balance and the schedules provided for seven categories of payable accounts.

### **Net Defined Benefit Liability**

As disclosed in Note 25 to the financial statements, the Commission operates a defined benefit pension plan. The financial statements include a Defined Benefit Asset of \$1,175,990,453 and a Defined Benefit Liability of \$1,493,747,023 for a net defined benefit liability of \$317,756,570 as at 31 December 2017. However, the most recent actuarial valuation available covers only the period from 2012 to 2016, with no actuarial study having been done for the year ended 31 December 2017.

Without a current actuarial valuation for 2017, we were unable to obtain sufficient appropriate audit evidence regarding:

- The appropriateness of the defined benefit obligation as at 31 December 2017
- The service cost and interest cost recognized in profit or loss for 2017
- Actuarial gains and losses recognized in other comprehensive income for 2017
- The overall accuracy of the pension asset and liability balances

Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

## Prior Period Restatement

As disclosed in Note 25, the Commission has restated its 2016 comparative figures to recognise pension obligations in accordance with IAS 19 Employee Benefits, which had been omitted from the 2016 financial statements despite the availability of actuarial calculations. This restatement resulted in \$255,243,430 being recognised as a prior period adjustment.

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Commission or to cease operations, or has no realistic alternative but to do so.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

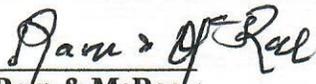
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Report on Other Legal and Regulatory Requirements**

The financial statements did not comply with the requirements of the Guyana Geology and Mines Commission Act 1979 - refer to note 11 of the financial statements.

  
**Ram & McRae**  
**Chartered Accountants**  
**Professional Services Firm**  
157 'C' Waterloo Street,  
Georgetown

28<sup>th</sup> August, 2025



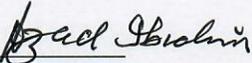
**Ram & McRae**  
Chartered Accountants  
Professional Services Firm

**Guyana Geology and Mines Commission**  
**Statement of Financial Position**  
**As at December 31, 2017**

	Notes	2017 G\$	2016 G\$
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant & equipment	6	2,233,211,190	2,386,524,200
Pension Plan		390,906,926	
Investments	7	154,395,077	147,492,459
<b>Total non-current assets</b>		<b>2,778,513,193</b>	<b>2,534,016,659</b>
<b>Current assets</b>			
Inventories	8	29,028,943	72,279,644
Trade & other receivables	9	502,905,499	610,272,023
Cash & cash equivalents	10	10,951,468,795	15,821,739,782
<b>Total current assets</b>		<b>11,483,403,237</b>	<b>16,504,291,449</b>
<b>TOTAL ASSETS</b>		<b>14,261,916,430</b>	<b>19,038,308,108</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
Statutory reserve	11	500,000,000	500,000,000
Revaluation reserve	12	388,880,036	388,880,036
Revaluation reserve: Investments	13	49,274,545	34,831,987
Accumulated surplus		10,132,031,689	15,194,608,012
		<b>11,070,186,270</b>	<b>16,118,320,035</b>
<b>Current liabilities</b>			
Trade & other payables	14	1,944,473,399	1,861,260,485
Deferred income	15	674,256,761	1,058,727,588
Net Defined Liability	25	573,000,000	-
<b>Total current liabilities</b>		<b>3,191,730,160</b>	<b>2,919,988,073</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>14,261,916,430</b>	<b>19,038,308,108</b>

On behalf of the Board of Directors:

  
**Mr. Krishen Singh**  
 Board Member/ Chairman of the Finance Committee

  
**Mr. Azad Ibrahim**  
 Chairman of the Board

The notes on pages 5 to 15 form an integral part of these financial statements

**Guyana Geology and Mines Commission**  
**Statement of Comprehensive Income and Accumulated Deficit**  
**For the year ended December 31, 2017**

	Notes	2017 G\$	2016 G\$
<b>Income</b>			
Royalties	16	5,135,450,905	5,716,664,408
Licences	17	1,264,306,636	1,115,808,979
Fees & Fines	18	455,932,104	192,230,285
Concessions	19	538,594,023	552,414,733
Others	20	1,159,744,616	227,996,748
		<u>8,554,028,284</u>	<u>7,805,115,153</u>
<b>Expenditure</b>			
Employment Costs	21	2,312,305,114	2,079,565,463
Administration & Operational	22	1,161,574,915	925,174,074
Transport & Travelling	23	403,592,430	267,971,808
Depreciation		495,073,409	245,027,940
Stock Adjustments		87,628,438	1,184,060
		<u>4,460,174,306</u>	<u>3,518,923,345</u>
<b>Operating Surplus</b>		<u>4,093,853,978</u>	<u>4,286,191,808</u>
<b>Non operating expenditure</b>			
Assistance To Mining Communities		830,210	606,000
Maintenance of Road		196,801,716	425,301,380
Subvention to Governmental & Other Agencies	24	282,049,370	138,822,910
UNDP Projects		5,946,576	5,147,065
Royalty paid to Ameridian Fund		-	2,193,560
WWF		2,200,000	353,900
Assistance to National Disaster		1,402,765	654,853
Mining School		22,958,295	40,202,511
(Loss) on Foreign Exchange		63,776,552	-
Gain/(Loss) on Disposal of Assets		-	40,000
		<u>575,965,484</u>	<u>613,322,179</u>
<b>Net Surplus/ (Deficit)</b>		<u>3,517,888,494</u>	<u>3,672,869,629</u>

*The notes on pages 5 to 15 form an integral part of these financial statements*

**Guyana Geology and Mines Commission**  
**Statement of Changes in Equity**  
**For the year ended December 31, 2017**

	Statutory Reserve	Revaluation Reserve PPE	Revaluation Reserve - Gold & Diamonds	Accumulated Surplus	Total
<b>Balance as at 31 December, 2015</b>	<b>500,000,000</b>	<b>388,880,036</b>	<b>28,132,893</b>	<b>19,521,738,383</b>	<b>20,438,751,312</b>
Net Surplus/ (Deficit) for the year	-	-	-	3,672,869,629	3,672,869,629
Transferred to Consolidated Fund A/C	-	-	-	(8,000,000,000)	(8,000,000,000)
Net Prior Year Adjustments	-	-	-	-	-
Revaluation for Investments: Gold & Diamond	-	-	6,699,094	-	6,699,094
Revaluation for Property, Plant & Equipment	-	-	-	-	-
<b>Balance as at 31 December, 2016</b>	<b>500,000,000</b>	<b>388,880,036</b>	<b>34,831,987</b>	<b>15,194,608,012</b>	<b>16,118,320,035</b>
Net Surplus/ (Deficit) for the year	-	-	-	3,517,888,494	3,517,888,494
Transferred to Consolidated Fund A/C	-	-	-	(9,000,000,000)	(9,000,000,000)
Net Prior Year Adjustments	-	-	-	(315,436,045)	(315,436,045)
Accumulated Surplus Adjustment for Opening Bal	-	-	-	734,971,228	734,971,228
Revaluation of Investments: Gold & Diamonds	-	-	14,442,558	-	14,442,558
Revaluation for Property, Plant & Equipment	-	-	-	-	-
<b>Balance as at 31 December, 2017</b>	<b>500,000,000</b>	<b>388,880,036</b>	<b>49,274,545</b>	<b>10,132,031,689</b>	<b>11,070,186,270</b>

*The notes on pages 5 to 15 form an integral part of these financial statements*

**Guyana Geology and Mines Commission**

**Statement of Cash Flows**

**For the year ended December 31, 2017**

	2017	2016
	G\$	G\$
<b>Cash flows from operating activities</b>		
Net Surplus for the year	3,517,888,494	3,672,869,629
<b>Adjustment for:</b>		
Depreciation	495,073,409	245,027,940
(Gain)/Loss on foreign exchange	(63,543,556)	524,603
Gain on Sale of Asset	-	(137,873)
Changes in opening equity, prior year adjustments	432,754,411	-
Interest Received	138,982,054	(189,556,963)
	-	-
<b>Operating loss before working capital changes</b>	<b>4,521,154,812</b>	<b>3,728,727,336</b>
(Increase)/Decrease in Inventories	43,250,701	(8,447,255)
(Increase)/Decrease in Receivables	107,366,524	(58,441,705)
Increase/(Decrease) Payables	83,212,914	58,957,629
(Increase)/Decrease in Deferred Income	(384,470,827)	-
(Increase)/Decrease in Net Defined Benefit	(573,000,000)	-
<b>Net cash flow from operating activities</b>	<b>3,797,514,124</b>	<b>3,720,796,005</b>
<b>Cash flow from investing activities</b>		
Acquisition of Property, Plant & Equipment	(341,760,399)	(362,098,130)
Prior Year Adjustments - Property, Plant & Equipment	-	-
Increase in investment	-	(6,699,094)
Proceeds from sale of assets	-	260,000
Interest received	(138,982,054)	189,556,963
Gain on Foreign Exchange	63,543,556	(524,603)
Loss on Foreign Exchange	-	-
<b>Net cash flow from investing activities</b>	<b>(417,198,897)</b>	<b>(179,504,864)</b>
<b>Cash flow from financing activities</b>		
Transfer to Consolidated Fund	(9,000,000,000)	(8,000,000,000)
Accumulated Surplus Adjustment for Opening Bal	734,971,228	-
Increase in Investments Market Value	14,442,558	6,699,094
<b>Net cash flow from financing activities</b>	<b>(8,250,586,214)</b>	<b>(7,993,300,906)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(4,870,270,987)</b>	<b>(4,452,009,765)</b>
Cash and cash equivalents at the beginning of the year	15,821,739,782	20,273,749,547
<b>Cash and cash equivalents as shown in the statement of financial position</b>	<b>10,951,468,795</b>	<b>15,821,739,782</b>
Cash at Bank	10,949,917,654	15,821,349,311
Cash in Hand	1,551,141	390,471
<b>Total cash and cash equivalents</b>	<b>10,951,468,795</b>	<b>15,821,739,782</b>

*The notes on pages 4 to 15 form an integral part of these financial statements*

**Guyana Geology and Mines Commission**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2017**

**1. Incorporation and principal activity**

The Guyana Geology and Mines Commission (GGMC) was established on the 31st July, 1979 under Act No. 09 of 1979. from the Department of Geological Surveys and Mines which itself was the successor to the Geological Survey of British Guiana. The registered office is located at Upper Brickdam, Georgetown.

The principal functions of the Commission, as set out in the Act, are as follows:-

- (a) to promote interest in mining and mineral exploration, the development of the mineral potential of Guyana, and the production, supply and sale of minerals and mineral products;
- (b) to participate in and advise on the economical exploitation, beneficiation, utilisation and marketing of the mineral resources of Guyana;
- (c) to explore for mineral resources on lands using available techniques, including geology, geochemistry, geophysics and other remote sensing methods;
- (d) to exploit the said mineral resources, when discovered, using all available mining techniques, including surface mining and underground mining;
- (e) to undertake research into optimum methods of exploring for, exploiting and utilising minerals and mineral products of Guyana; and
- (f) to carry on all activities, the carrying on of which appears to the Commission to be requisite, advantageous or convenient for, or in connection with, the exercise of its functions.

**2. Basis of Preparation**

The financial statements are presented in Guyana Dollars and are prepared in accordance with the financial provisions of section (6) through (25) of the Guyana Geology and Mines Commission Act No. 09 of 1979 and International Financial Reporting Standards (IFRS).

**3. Significant Accounting Policies**

The principal accounting policies applied in the preparation of the financial statements of the GGMC are set out below. These policies have been applied consistently to all the years presented, unless otherwise stated.

**(a) Basis of Accounting**

The accounts are prepared under the historical cost convention and modified to include the revaluation of investments and other assets where necessary.

**(b) Foreign Currency Transactions**

Foreign Currency Assets held in United States dollars are reported in the Statement of Financial Position in Guyana dollars at spot rates of US\$1. = GY\$208.50, which closely approximate to those ruling at the financial statements date. Income and expenditure account items are recorded in the accounts at the rate prevailing on transaction dates. Exchange gains and losses are recognised in the profit and loss account in the year they arise.

**Guyana Geology and Mines Commission**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2017**

**3. Significant Accounting Policies continued**  
**Property, Plant and Equipment**

**(C) 1. Use of Government-Owned Property**

GGMC occupies and utilises certain parcels of land and buildings that are owned by the Government of Guyana. These assets are not legally titled in the name of the entity, and there is no formal lease agreement in place. Nevertheless, the entity enjoys exclusive, continuous, and unrestricted use of these assets in the fulfilment of its statutory functions.

In accordance with IAS 16 – Property, Plant and Equipment, and the principle of substance over form, the assets are recognised on the entity’s statement of financial position. This treatment is supported by the entity’s ability to control the use of these assets and derive service potential and operational benefit from them. Although legal title remains with the Government, the economic substance of the arrangement meets the definition of an asset under the IFRS Conceptual Framework.

These assets were initially recognised at deemed cost, either on the basis of historical construction records or independent professional valuations. Land is not depreciated, while buildings are depreciated over their estimated useful lives using the straight-line method. The accounting treatment and key judgements are further explained in Notes [PPE] and [Related Parties].

- (C) 2.** Property, Plant and Equipment held for carrying on operations or for administrative purposes are stated in the statement of financial position at cost or revalued amounts less accumulated depreciation. Revalued amounts are taken as the fair value at the date of revaluation from market-based evidence in the form of appraisals undertaken by professional valutors. An increase in value arising on the revaluation is credited to the revaluation reserve while a decrease is recognised in other comprehensive income.

Freehold land and leasehold land are not depreciated. Depreciation of items of plant and equipment is calculated to write off the cost of the asset using the straight line basis over the expected useful live of the assets concerned. The principal annual rates are:

Buildings	2%
Motor Vehicles	25%
Office Furnishing	5% - 10%
Scientific & Field	10% - 20%
Boats & River Craft	25%
Laboratory	10%

**(d) Investments**

Investments are stated at cost and fair value.

**(e) Inventories**

Inventories are valued at the lower of cost or net realizable value. Cost is arrived at using the first in first out cost method.

**(f) Trade & Other Receivables**

Receivables are recognised initially at cost less any impairment. Specific provisions are made for accounts that have been individually reviewed and identified as uncollectable. A general provision is also made to cover possible losses which are not specifically identified as bad and/or doubtful. This provision is based on the following percentages of the Sundry Debtors portfolio.

<u>Age of Debtor</u>
Under 3 months
3 - 6 months
6 - 9 months
Over 12 months

**(g) Cash and Cash Equivalents**

Cash and cash equivalents comprise cash in hand and short term highly liquid investments that are both readily convertible into known amounts of cash with maturity dates of three (3) months and less.

**(h) Trade and Other Payables**

Trade and other payables are measured at amortized cost.

**Guyana Geology and Mines Commission**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2017**

**3. Significant Accounting Policies continued**

**(i) Income and Expenditure Recognition**

Income and Expenditure are recognised on an accrual basis.

**(j) Income: Land Rent**

Properties held under medium scale or large scale tenure have an allowance in the law for late payment of rental with an attendant specified monetary penalty. Properties held under small scale tenure have a specified date for payment of rental, failing which the property is automatically deemed abandoned.

**(k) Taxation**

With the exception of Value Added Tax and Withholding Tax, no other taxes are being paid by the Commission.

**4. Key Management Personnel and Directors Remuneration**

Key Management Personnel: The sum of \$ 121,591,006 represents total emoluments paid to sixteen (16) key management personnel and twenty-seven (27) directors for the financial year 2017.

	2017	2016
	G\$	G\$
Basic Salaries & Allowances	<u>121,591,006</u>	<u>143,632,964</u>
	<b>121,591,006</b>	<b>143,632,964</b>

Director's Remuneration: The GGMC's board of directors comprises of fourteen (14) members. Director's remuneration for the year amounted to \$7,465,000. Details are as follows:-

Name of Member	Designation	2017	2016
		G\$	G\$
Stanley Ming	Chairman	385,000	228,000
Urica Primus	Member	385,000	220,000
Terrence Adams	"	385,000	204,000
William Thomas Dalgety	"	385,000	204,000
Unata DeFreitas	"	-	224,000
Lisaveta Ramotar	"	-	212,000
Euliene Watson	"	385,000	373,000
Kara Duff-Yehudah	"	385,000	-
Derrick Lawrence	"	385,000	-
Mortimer Livan	"	70,000	-
Lashanna Lillie	"	-	-
Anthony Shields	"	70,000	-
Nageshwari Lochan Prasad	"	385,000	204,000
Eondrene Thompson	"	385,000	-
Gregory Gaspar	"	3,385,000	-
Cherryl Williams	"	90,000	-
Brian Tiwari	"	-	204,000
Derrick Lawrence	"	-	216,000
Vanda Radzik	"	385,000	204,000
Wendell Blanhum	"	-	204,000
Hilton Cheong	"	-	208,000
George Lewis	"	-	204,000
Dela Britton	"	-	199,000
<b>Balance carried down</b>		<u>7,465,000</u>	<u>3,308,000</u>

## Guyana Geology and Mines Commission

### Notes to the Financial Statements

For the year ended December 31, 2017

	2017	2016
	G\$	G\$
<b>Balance brought forward</b>	<b>7,465,000</b>	<b>3,308,000</b>
Abiola Henry	-	153,000
Clayton Hall	-	181,000
Eon Garnett	-	181,000
Aseef Adams	-	181,000
Anthony Shields	-	216,000
Keith Austin	-	232,000
Mark Waldron	-	204,000
	<b>7,465,000</b>	<b>4,656,000</b>

#### 5. Pension Plan

This plan was established with effect from September 1, 1980 by an Interim Deed dated January 13, 1981 which was superseded by a Definitive Trust Deed and Rules dated June 20, 1985 and covers all the employees of the Commission.

The pension plan is a final salary defined contribution plan and employees are required to contribute 5% of their gross salaries while the employer contributes 15.1% of employees gross salaries. All full time permanent employees who have completed one (1) year of continuous service and are between the ages of 18 and 50, are eligible for entry into the Plan. As at 31 December, 2018 there were 368 active members and 30 were receiving benefits.

The Commission carries out an actuarial valuation of the financial position of the Plan every three years. Rule 49 of the Plan's rules states "that if an actuarial valuation discloses a past service deficit then the Actuary directs the amount of contribution the Commission should pay to the Plan to restore it's solvency".

A valuation as at 31 December, 2018 revealed a past service deficit of \$573.0M. This represents a funding level of 75.5%. A liability was created for the past service deficit in the year 2018 and a decision was taken to address the past service deficit.

#### 6. Property, Plant & Equipment

a)	Land & Buildings	Motor Vehicles	Office Fur., Fix & Fittings	Scientific, Field & Mining Equip.	Total
<b>Cost/Valuation</b>					
as at 01 January, 2016	1,288,201,512	862,696,420	745,427,539	1,024,639,373	3,920,964,844
Additions	76,409,475	-	2,219,431	265,324,893	343,953,799
Disposals	-	(2,193,400)	-	-	(2,193,400)
as at 31 December, 2017	<b>1,364,610,987</b>	<b>860,503,020</b>	<b>747,646,970</b>	<b>1,289,964,266</b>	<b>4,262,725,243</b>
<b>Accumulated Depreciation</b>					
as at 01 January, 2016	134,340,327	641,372,974	303,355,819	455,371,524	1,534,440,644
Charges for the year	27,292,220	172,100,604	37,687,732	257,992,853	495,073,409
Dep'n written back on disposals	-	-	-	-	-
as at 31 December, 2017	<b>161,632,547</b>	<b>813,473,578</b>	<b>341,043,551</b>	<b>713,364,377</b>	<b>2,029,514,053</b>
Net Book Value as at 31.12.2016	1,153,861,185	221,323,446	442,071,720	569,267,849	2,386,524,200
<b>Net Book Value as at 31.12.2017</b>	<b>1,202,978,440</b>	<b>47,029,442</b>	<b>406,603,419</b>	<b>576,599,889</b>	<b>2,233,211,190</b>

- b) GGMC recognises certain buildings and parcels of land over which it exercises exclusive use and control, although legal title remains vested in the Government of Guyana. These assets have been recognised on the basis of substance over form, in accordance with IAS 16. The assets were initially measured at deemed cost and are depreciated where applicable.

#### 7. Investment

Stock Of Gold	80,921,960	85,618,938
Stock Of Diamonds	72,918,021	61,318,425
Long Term	8,505	8,505
Short Term	546,591	546,591
Equity Pension	-	-
	<b>154,395,077</b>	<b>147,492,459</b>

## Guyana Geology and Mines Commission

### Notes to the Financial Statements

For the year ended December 31, 2017

	2017	2016
	G\$	G\$
<b>8. Inventories</b>		
Stores Control Account	29,028,943	72,279,644
	<u>29,028,943</u>	<u>72,279,644</u>
<b>9. Trade &amp; Other Receivables</b>		
Advances - PU/NICIL & MPW&C	-	52,731,061
Staff Receivable	48,039,731	110,719,607
Accounts Receivables	-	(20,000)
Pre-payments	902,763	13,697,980
Trade Receivable	322,337,739	307,139,306
Loans To Employees	105,482,790	75,064,240
Debtors: Sub-Advance	9,473,457	20,184,906
Revolving Fund	30,738,165	30,754,923
Provision for bad debts	(14,069,146)	-
	<u>502,905,499</u>	<u>610,272,023</u>
<b>10. Cash &amp; Cash Equivalent</b>		
<i>Bank Balances</i>		
Sub-Imprest Account	106,790,164	47,081,214
G.B.T.I. Special Investment Account	3,342,869,472	9,021,724,295
G.B.T.I. Current Account	(7,540,015)	(14,412,857,685)
G.B.T.I. Foreign Currency A/C	-	(1,887,151,771)
G.B.T.I. Scholarship Fund	15,990,683	15,966,253
G.B.T.I. PETROLEUM A/C	659,968,000	-
Republic Bank	1,142,710,543	6,582,403,829
Bank of Guyana Current Account	174,096,254	12,674,166,517
Bank of International Settlement	5,515,032,553	3,780,016,659
	<u>10,949,917,654</u>	<u>15,821,349,311</u>
<i>Cash Balances</i>		
Foreign Currency Cash In Hand	749,141	(78,072)
Petty Cash Imprest	800,000	466,543
Library Float	2,000	2,000
	<u>1,551,141</u>	<u>390,471</u>
	<u>10,951,468,795</u>	<u>15,821,739,782</u>
<b>11. Statutory Reserves</b>		
<p>The Guyana Geology and Mines Commission Act 1979 Section 20 (1) states "that the Commission shall maintain a reserve fund and shall, out of the net surplus for each year, transfer to that fund, a sum equal to not less than such sum as may be fixed by the Minister." No sum was approved by the Minister in 2017.</p>		
<b>12. Revaluation Reserve</b>		
<p>This amount represents the surplus arising out of the revaluation of the Property, Plant and Equipment of the Commission in the year 2005.</p>		

**Guyana Geology and Mines Commission**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2017**

**13. Revaluation Reserve - Investments**

The amount represents the Gold that was revalued using the fair value concept as at 31/12/2018.

The amount represents Diamond that was revalued using the fair value concept as at 31.12.2018.

	2017	2016
	G\$	G\$
<b>14. Trade &amp; Other Payables</b>		
Refundable Deposit	1,026,978,532	999,727,686
Sundry Payables Control	653,792,291	580,564,894
Salaries & Wages Payable	79,241	3,471,209
Accrued Salaries & Wages Payable	92,454	(1,298,986)
Accrued Leave Passage	1,093,273	2,791,549
Subsistence & Travelling	19,057,777	10,286,222
Field Allowance Payable	9,248,479	11,208,696
Station Allowance Payable	-	-
Utility Allowance Payable	-	-
National Insurance Scheme	11,400,280	9,340,595
P.A.Y.E. Payable	9,574,660	7,586,281
Life Insurance	78,680	(31,669)
P.S.U - Union Dues	2,960,369	(244,600)
P.S.U. Credit Union	37,003	12,003
Pension Fund Payable	9,662,262	135,640,456
Guyana Revenue Authority (W.H.T)	21,733,127	25,650,734
Medical Scheme	333,353	443,702
Liability Stale Dated Cheques	353,843	353,843
Provision for Bad & Doubtful Debt	-	12,883,463
Directors Fees Payable	1,098,735	1,243,635
Acting Allowance	253,113	(497,789)
Responsibility Allowance	-	(382,439)
Provision for Auditing	2,000,000	2,000,000
Interest Payable	106,133,743	(24,430)
Accrued Expenses	66,094,825	60,535,430
Accounts Payable	2,417,359	-
	<u>1,944,473,399</u>	<u>1,861,260,485</u>

**15. Deferred Income**

This amount represents monies received in advance for Mining Permits and for Prospecting Permits - Small, Medium and/or Large Scale.

**16. Royalties**

Bauxite	128,171,043	125,060,048
Gold - GGB	4,935,430,678	5,472,840,426
Precious Stones	32,583,888	82,227,842
Sand	23,818,408	24,640,175
Stones	14,732,669	6,240,240
Loam	714,219	5,655,677
	<u>5,135,450,905</u>	<u>5,716,664,408</u>

**Guyana Geology and Mines Commission**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2017**

	2017	2016
	G\$	G\$
<b>17. Licences</b>		
Gold & Precious Stones	13,931,000	12,557,000
Prospecting Licences (Lg)	51,830,407	53,826,170
Claims Gold	3,168,000	2,967,000
Precious Stones	428,000	414,000
River Location Licences	12,368,000	12,804,000
Quarry Licences	1,549,600	1,189,880
Trading Licences	4,200,000	5,055,000
Goldsmith Licences	2,490,000	3,930,000
Dredge Licences	21,107,600	24,280,300
Mining Licences	100,071,063	79,065,520
Mining Privileges	5,378,000	6,337,500
Duplicate Licences	21,500	8,500
Geological/Geophysical Surveys	4,120,000	3,940,000
Prospecting Permit (Sml Scale)	526,083	551,500
Business Permissions	1,740,000	2,570,000
Prospecting Permit Med. Scale	665,645,180	734,033,685
Petroleum Production Licences	374,268,203	-
Petroleum Prospecting Licences	-	170,874,924
Acreage Under Petroleum	9,000	16,000
Residential Permissions	59,000	76,000
Specified Machinery	1,396,000	1,312,000
	<u>1,264,306,636</u>	<u>1,115,808,979</u>
<b>18. Fees &amp; Fines</b>		
Fees	110,500	129,500
Tributes	-	6,874,030
Applications For Dredge Licences	682,000	727,000
Registration Fees	312,000	377,000
Transfer Of Dredges	6,502,970	10,638,500
Duty On Transfers (Claims)	344,000	484,000
Applications For Medium Scale Permits	3,482,000	1,594,000
Applications For Large Scale Licences	309,232	118,200
Applications Fee Petroleum Prospecting Licence	1,245,880	-
Application for Quarry Licences	-	-
Application for Petroleum Prospecting Licence	-	1,576,000
Training Fees (Petroleum Prospecting Licences)	291,646,988	37,177,965
Applications For Mining Permits	461,876	736,000
Endorsement Fee	6,076,548	5,683,050
Application Fee (River Claims)	766,000	1,088,000
Application Fee (Land Claims)	3,053,000	2,318,000
Applications Prospecting Permit (Sml) Scale	489,500	551,500
Out Of Court Settlement	595,000	14,859,500
Penalty - Late Rentals	98,454,610	85,506,786
Transfer Fee - Petroleum Licence	41,400,000	21,791,254
	<u>455,932,104</u>	<u>192,230,285</u>

**Guyana Geology and Mines Commission**

**Notes to the Financial Statements**

**For the year ended December 31, 2017**

	2017	2016
	G\$	G\$
<b>19. Concessions</b>		
Auction Fees	-	-
Drilling	-	-
Mining Properties	-	-
Mining Permit	538,594,023	552,414,733
	<u>538,594,023</u>	<u>552,414,733</u>
<b>20. Others</b>		
Registration Certificate	2,329,799	2,622,000
Interest From Investment	138,982,054	189,556,963
Sale Of Official Pub. - Carto.	10,083,640	8,407,914
Sale Of Official Pub. - Library	509,820	673,560
Drill Rental	168,000	12,000
Sale Of Lapidary Products	359,180	444,500
Disposal Of Assets	1,300,000	1,263,927
Surcharge	-	-
Verification Of Claims	-	-
Gain On Foreign Exchange	63,543,556	130,250
Miscellaneous	17,553,861	3,481,100
Photocopying	391,004	321,891
Printing Sales from duplication of Petroleum data	896,289,375	2,002,965
Equipment Rental	12,000	-
Cost Recovery For Transportation	689,592	835,008
Jewelry Certificate	800	11,100
Interest From Staff Loans	4,902,128	2,187,890
Sale Of Retort	867,680	867,680
Miscellaneous - Mining Conference	352,500	-
Chicken Project	-	22,000
Bullion Assay	5,958,000	15,156,000
Revenue UNDP	10,273,027	-
Proceeds from Lottery	-	-
Other Rental	-	-
Contribution from external agencies	5,178,600	-
	<u>1,159,744,616</u>	<u>227,996,748</u>
<b>21. Employment Costs</b>		
Salaries	1,249,809,800	1,282,924,404
Wages	49,616,972	24,803,606
Salaries Overtime	67,688,147	63,822,605
Commuted Overtime	8,643,772	5,620,486
Wages Overtime	62,099,117	35,178,441
Station/Bush Allowance	46,446,528	31,284,003
House Allowance	-	325,505
Duty Allowance	11,034,761	5,259,226
Subsistence & Travelling	144,854,673	109,611,190
Risk Allowance	5,400,678	2,022,750
Cash-in-Lieu Of Leave	6,170,961	8,821,069
Travelling Allowance	51,999,774	47,295,387
Entertainment Allowance	932,949	1,185,440
Pension Scheme-Employer's Contribution	166,711,226	156,618,360
N.I.S. Employer's Contribution	82,528,812	71,458,314
<b>Balance carried down</b>	<u>1,953,938,170</u>	<u>1,846,230,786</u>

**Guyana Geology and Mines Commission**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2017**

	2017	2016
	G\$	G\$
<b>Balance brought forward</b>	<b>1,953,938,170</b>	<b>1,846,230,786</b>
Directors' Emolument	6,188,000	1,540,000
Leave Passage	106,358,675	96,408,598
Responsibility Allowance	12,650,244	6,006,841
Acting Allowance	15,051,223	13,126,510
Uniform & Safety Gears	36,465,547	21,804,736
Training And Education	72,236,261	30,534,093
Medical Scheme	5,590,160	6,128,468
Utility Allowance	5,666,703	6,139,515
Gratuity And Severance Pay	15,567,455	16,011,992
Purchase Of Meals	6,273,677	6,533,375
Seminars & Workshops	4,065,731	1,534,401
Memberships & Subscriptions	5,447,799	1,733,503
Lunch And Snack	40,791,156	15,947,000
Stipend-VSO Geologist	9,664,710	2,284,500
Group Life Insurance	5,076,636	5,100,321
Management Fees (Mining School)	11,272,967	2,500,824
	<u>2,312,305,114</u>	<u>2,079,565,463</u>
<b>22. Administrative/ Operating Costs</b>		
Fuel & Lubricants - Vehicles Etc	95,472,521	79,173,904
Maintenance Of Radio & Comm. Equip.	891,200	21,170
Maintenance Of Electrical Equip.	2,483,389	1,228,422
Maintenance Of Vehicles Etc.	68,729,669	59,077,635
Maintenance of Laboratory Equipment	291,246	135,000
Telephone, Telex, Cables & Sattelite Phones	26,848,597	17,697,018
Electricity	43,940,701	31,619,088
Maintenance Of Office Equipt. & Furniture	5,190,905	2,621,273
Maintenance of Engine & Accessories	1,253,478	29,812
Printing & Duplicating	2,494,161	1,939,143
Professional & Consultancy Services	61,183,633	47,203,559
Audit Fees	2,554,640	-
Office Stationery	21,307,644	42,606,960
Honorarium/Compensation	4,797,801	41,514,200
Insentive/Awards	45,000	-
Postage	888,050	705,310
Maintenance & Repairs To Buildings	27,723,842	19,567,116
Maintenance Of Grounds	2,664,898	144,197
Mechanical Supplies	-	1,842,439
Janitorial & Cleaning Services	2,635,083	2,681,246
Security Service (External)	76,242,225	60,291,120
Leases & Rentals	27,220,353	16,378,546
Sponsorship/Bursaries	2,822,000	2,676,877
Subscription/Gazettes/Journals	8,452,128	5,782,214
Tech. & Management Services	-	4,745,063
Drugs & Medical Supplies	3,121,706	8,045,762
Electrical Supplies	4,128,891	3,141,522
Lapidary Laboratory Supplies	3,703,802	-
Insurance Of Assets/Licence	3,731,841	360,887
Insurance Of Buildings	876,811	-
<b>Balance carried down</b>	<b>501,696,215</b>	<b>451,229,483</b>

**Guyana Geology and Mines Commission**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2017**

	2017	2016
	GS	GS
<b>Balance brought forward</b>	<b>501,696,215</b>	<b>451,229,483</b>
Bank Charges	500,543	1,631,999
Ration	96,749,004	52,279,157
Environmental Conference	1,182,040	515,400
Advertisement, Radio Broadcast	25,995,884	15,509,081
Donations - Gifts, Wreaths, Etc.	6,279,097	5,859,937
Chemical Laboratory	-	-
Laboratory Supplies	-	9,297,472
Maintenance of Generator/Brush Cutter	-	1,141,448
Maintenance of Drill/Welding	60,000	957,875
Miscellaneous	22,778,241	58,803
Exhibitions	1,370,949	714,130
Entertainment Expense	475,040	873,336
Other Supplies	1,149,799	1,522,711
Carpenter Supplies	1,767,841	2,694,826
Maintenance/Repairs Other Equipment	664,452	-
Freight & Handling Charges	7,213,679	4,943,729
Legal Expenses	14,022,463	13,180,644
Welfare & Sundries	41,861,674	37,985,330
Revenue Stamps	1,593,894	1,909,172
Field Expendable	77,599,220	43,017,207
Field Maintenance	20,849,133	19,606,290
Personal Kit	1,296,671	12,385,624
Hire Charges/Equipment	-	-
Sport Club	1,032,000	898,408
Staff Party	8,052,598	7,169,451
Anniversary Celebration	18,151,265	17,331,859
Withholding Tax	16,482,898	37,134,622
Pest Control	10,768,462	1,964,620
Materials for Surveys	-	-
Boarding And Lodging	51,547,365	53,616,533
E-Mail And Home Page Service	42,088,697	36,238,181
Other Rental & Services	2,435,576	3,510,928
Interest Expenses	68,363,875	-
Mining And Quarrying	41,642,960	39,973,699
Raring of Chicken	-	120,000
Rates And Taxes	10,205,109	3,435,740
Magisterial Fees ( Hearing Fees)	1,411,848	1,411,848
Directors Supplies	76,812	465,635
Sanitary Facility Maintenance	3,962,303	3,893,784
Oil & Gas Regulation/Review	-	1,412,894
Revegetation Of Land - Reclamation Project	1,255,898	4,650,668
Scientific Equipment Maintenance	137,143	383,225
Other Administrative Fees	-	-
Other Utilities Insurance Finance Charges	-	220,820
Value Added Tax (V.A.T)	51,033,254	34,021,505
Mining Information	640,000	6,000
Bad debt	7,181,013	-
Service Cost	-	-
	<b>1,161,574,915</b>	<b>925,174,074</b>

**Guyana Geology and Mines Commission**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2017**

	2017	2016
	G\$	G\$
<b>23. Transport &amp; Travelling</b>		
Transportation & Toll Fees	5,361,987	3,647,940
Travelling (Overseas Conference)	83,393,007	41,050,431
Road, Air & Other Charter	314,837,436	223,273,437
	<u>403,592,430</u>	<u>267,971,808</u>
<b>24. Subvention to Governmental Agencies</b>		
Subvention GGDMA/GPSU	49,368,044	3,292,518
Subvention EPA/Other Governmental Agencies	232,681,326	135,530,392
	<u>282,049,370</u>	<u>138,822,910</u>

**25. Net Defined Benefit (Pension Plan)**

This plan was established with effect from September 1, 1980 by an Interim Deed dated January 13, 1981 which was superseded by a Definitive Trust Deed and Rules dated June 20, 1985 and covers all the employees of the Commission.

The pension plan is a final salary defined contribution plan and employees are required to contribute 5% of their gross salaries while the employer contributes 15.1% of employees gross salaries. All full time permanent employees who have completed one (1) year of continuous service and are between the ages of 18 and 50, are eligible for entry into the Plan. As at 31 December, 2010 there were 248 active members and 30 were receiving benefits.

The Commission carries out an actuarial valuation of the financial position of the Plan every three years. Rule 49 of the Plan's rules states "that if an actuarial valuation discloses a past service deficit then the Actuary directs the amount of contribution the Commission should pay to the Plan to restore its solvency".

A valuation as at 31 December, 2010 revealed a past service deficit of \$137.4M. This represents a funding level of 85.5%. A liability was created for the past service deficit in the year 2010 and transferred to the plan on the 01 January, 2013.

The Actuaries recommended that the Commission's contributions to the Plan remain at 15.1% of the members salaries. The Commission's contributions at the proposed level would remove all past service deficits by February, 2022.

Net Defined Benefit as at 2016	(255,243,430)
Defined Benefit Asset for the year	1,175,990,453
Defined Benefit Liability for the year	(1,493,747,023)
	<u>(573,000,000)</u>

The 2016 comparative figures has been restated to recognise pension obligations in accordance with IAS 19 Employee Benefits, which had been omitted from the 2016 financial statements despite the availability of actuarial calculations.

**26. Related Party Disclosures**

The Government of Guyana is a related party of the entity by virtue of its ownership and control relationship, as defined under IAS 24 – Related Party Disclosures. The GGMC occupies and utilises land and buildings owned by the Government, free of charge, without a formal lease agreement. These properties are used exclusively by the entity in the discharge of its functions. The arrangement does not involve lease payments or reimbursements and has no fixed term or formal restrictions. Although legal title remains with the Government, the entity exercises full operational control and has recognised these assets in its financial statements in accordance with IAS 16 and the principle of substance over form (see Notes [Accounting Policy] and [PPE]).