

The Belize Chamber of Commerce & Industry



Financial Statements
Year Ending
31st December 2022

**MINUTES OF THE
ANNUAL GENERAL MEETING (AGM)
of the
BELIZE CHAMBER OF COMMERCE & INDUSTRY (BCCI)
April 28th, 2022
at the Best Western Belize Biltmore Plaza**

1.0 Call to Order

The meeting was chaired by Councilor, Ambassador Daniel Gutierrez, and commenced at 5:55 p.m. with the singing of the national anthem by Mr. Leslie Jenkins which was followed with a prayer by Rt. Rev Philip Wright, Bishop of the Anglican Church of Belize.

2.0 Welcome

Mr. Jody Williams – Councillor gave the welcome address.

3.0 Presentation by Nominees

The ten nominees each gave a short two-minute presentation about themselves and why they should be voted in as Councilors. The voting was done online and started at 1:00 p.m. and closed at 7:30 p.m.

4.0 Video Presentation

A video presentation was shown to members on the Year in Review – 2021.

5.0 Introduction of Guest Speaker

The Guest Speaker, Mr. Guillermo Foscarini – IDB Investment Management – Principal Officer – Agri Businesses & Food, was introduced by the Master of Ceremonies, Ambassador Daniel Gutierrez.

6.0 Presentation by Guest Speaker

Mr. Guillermo Foscarini did a Power Point presentation on the topic “*Helping Private Sector predict, prepare for, and cope with international price shocks on food and logistics.*” This was shared with members on the big screen. (For a copy of this presentation please [click here.](#))

7.0 Opening of Business Session

The business session was opened by the CEO – Mrs. Kim Aikman.

8.0 Review and Confirmation of Minutes

Mrs. Kim Aikman reviewed the minutes of the 2021 AGM. The minutes were confirmed upon a motion by Mrs. Claudette El Ters and seconded by Mr. Arturo Vasquez.

9.0 President's Report

Members, it is my pleasure to address you on the occasion of our 102nd Annual General Meeting.

When you entrusted me with the role of President in July 2020, we were about four months into life with pandemic regulations, facing the unknown, but optimistic about the lighter restrictions at that moment compared to what existed a few months earlier in March 2020. None of us could have truly predicted the scale and impact COVID-19 would have on our lives and businesses. The BCCI as an organization would have to face that impact head on. It is during times like the last two years that leadership and teamwork is truly tested. Thanks be to God that, in more ways than one, the BCCI has continued to strive and thrive through it all. Despite being restricted to online meetings for much of the time as a team, and despite the personal and professional issues that each Executive Council member dealt with outside of Chamber responsibilities, our own challenges had the effect of sharpening our focus on you, our members, as well as the wider business community who are undoubtedly going through similar, if not more difficult, circumstances. We soon understood the potential and real impacts of the pandemic all around but resolved that the BCCI would need to hold steady and stable. In fact, we became even more aggressive in our approach to ensure that we could continue to serve the business community at the highest standard and in the most efficient way.

To ensure sustainability, we have put our assets to work with the leasing of the 2nd floor at Coney Drive and dedication of those lease proceeds to the previously out-of-pocket mortgage. The amazing staff of the Secretariat have graciously accepted the 'cozier accommodations' on the ground floor. We also gained the Trustees' approval to sell one of three lots in downtown Belize City, and with those proceeds along with a recently negotiated 0.5% reduction in our mortgage rate, we are on a new timeline to discharge that debt in the next two years, leaving us with room to consider new investments to meet new needs.

When it came to focusing on our members, we aggressively offered discounts and payment plans to fit various budgets. We converted our physical Expo to the new concept of Expo2You broadcasted on the radio and television through our partnership with Love FM. We kept the Business Perspective Show running with guests from home and abroad appearing using Skype, bringing relevant information and context to the hot topic matters being dealt with in Belize. The Vice Presidents held several sectoral meetings, and we ramped up our use of surveys, virtual informational mixers and consultations to stay connected. We also revamped our weekly email newsletter, all in an effort to keep you informed and engaged. Flyers which summarized the constantly changing COVID-19 regulations were created to assist businesses with less reading and interpreting of complex statutory instruments, allowing more time for the task of pivoting to adjust to those changes.

Based on data showing the steadily climbing numbers of members joining the BCCI, the evidence shows that, not only our existing members, but other businesses that were not previously members see the value and relevance of this Chamber. In fact, we were recently recognized by the Caribbean Employers Confederation as one of only two member employers' organizations in the region that have experienced growth in membership over the last year. Before I go into more detail on the great impact that some of these actions and more have had on the business community as well as the community at large, please join me in congratulating this team, including our former Vice President of Industry Allen Reimer who served for a part of the term with us, for so effectively steering this ship through the squalls, sometimes with no compass to rely on. Your Executive Council took its responsibilities seriously; we bucked heads, brainstormed, discussed issues exhaustively, and put our best foot forward.

Staff morale and ability to cope with the increased cost of living also needed to be addressed. We were able to authorize a small (but we hope helpful) staff salary increase, the first in more than a decade. Rather than reduce a staff pool that already needed more personnel, we determined the priority area for capacity building and expanded only there. Research-driven advocacy was that priority, especially with the rapidly changing legislative and policy environment, so we expanded our Governance and Trade Division, allowing us to produce even more research and publications that have informed our lobbying on issues ranging from public health to bilateral trade agreements to labour matters. The standard of the research products being generated from that division is truly worth special recognition, and those works are valuable contributions to national intellectual discourse.

Our Membership and Public Relations representatives poured their hearts into several initiatives, including the Nurses Give Back Programme, coordinated by Vice President Katherine Meighan, which resulted in contributions of cash and kind from 42 businesses at a value of BZ\$30,000.00. Nationwide distribution was done district by district, much to the delight of our team who had the privilege of presenting the packages directly to dozens of nurses. It is absolutely due to the staff of the Secretariat that the Executive Council is able to maximize the impact of each two-year term. On behalf of the Executive Council and the members, I express sincere gratitude to the entire staff, ably led by CEO Mrs. Kim Aikman.

Special mention should be made about the solid partnerships and investments, which boosted our ability to meet our goals. The partnership with and investment in Western Union was a saving grace for the BCCI, especially during the pandemic. In difficult financial times, remittances to Belize spiked, which qualified us to receive a substantial bonus from Western Union. That alleviated the pressure of potential financial instability so we could focus on other activities to serve members, to explore new business ideas and to expand our reach on national issues.

Turning to partnerships with the Government, our input has been sought and welcomed on several committees and commissions so that we have a voice at the table, including the Social Partnership Advisory Committee, the National Trade Negotiating Commission, the Minimum Wage Task Force, the Essential Services Tribunal and several others adding up to 50+

external commitments to various committees. A part of our ability to lobby effectively is first to be at the table to listen, to bring the realities of the business community into the conversation and to insist on transparency and accountability. In some cases, our commitment to that cause exposes us to legal risk, but that makes our reason for being there no less valiant or brave. We should not be deterred from participating in these processes. Additionally, we have held audience with members of the Government on several occasions to give input on several issues such as trade license reform, COVID-19 response and recovery, fuel and freight costs, and much more. We have seen some of our recommendations come to fruition, though it must be said that for some that do not come to fruition, the rationale and logic for not taking those recommendations with obvious widespread detriment is concerning at a time when actual necessity ought to supersede political gains. We remain committed to our role as a stakeholder, as a partner and also, importantly, as a watchdog.

The relationship with social partners and how it deepens in the future, particularly on issues of good governance, will continue to be guided by the Joint Declaration signed in September 2020. Additionally, the NTUCB and BCCI have cooperated extensively with each other through a technical working group on the occupational safety and health legislation and we are extremely close to coming to a consensus on the provisions. We are also in agreement as it relates to the need to comprehensively review the outdated Labour Act through the tripartite mechanism, which the Government has also endorsed, as well as to have a clear path ahead with all considerations fully on the table through the Task Force for minimum wage increase. We know that there may never be full agreement on every issue between employers and employees but, where we can align our efforts, it is powerful and effective to seize those opportunities.

As I wrap up this report on the last year and the 2-year term of this Executive Council, please indulge me for a moment to touch on some personal thoughts. I am hesitantly proud to wear the 'Pandemic President' title. The successes outlined in these remarks and otherwise manifested in our records outperformed the stable and steady baseline. It is my sincere hope that the contributions during this time continue to bear fruit for many years to come, which is what the continuity of the Executive Council succession provides for. I am a true convert now, due to this Chamber, having decided to start my law practice at the start of 2021. I instantly became better able to relate to business owners, who really are red tape fighting, tax assessment challenging, budget readjusting super-heroes. It is an intense daily battle sometimes with more resistance than progress, which is why I am so grateful for the nourishment from my support system which includes my beloved family and friends, and God at the pinnacle of that system.

Members, here we are once again in an election year where we will usher in a newly constituted Executive Council to take on whatever challenges come in the next two years, which we are cautiously optimistic will be closer to normal than the past two years have been. Once again, though, we have shown the strength of the BCCI's foundation. At the 100th AGM in 2020 where I made my acceptance speech as President, I said: *"What is significant is the fact that the Chamber was born in the year of the last 'once in a century' pandemic of epic proportions, the Spanish Flu... we were BUILT FOR THIS. Though the*

exact circumstances are different, the crisis-ready abilities are on repeat: rescue, recovery, relief... re-evaluate, innovate, create.” And so we have done and continue to do. If not for the Chamber, who would collectively fight these fights with such alacrity and dedication of resources on behalf of the business community?

I will end with a quote from our Guest Speaker at that very 100th AGM, Prime Minister Mia Mottley of Barbados, who said in her address, *“If there is one thing that 2020 is teaching us, it is that history matters. Institutions and their maturity matter. But not so much that they cannot and should not continually revisit their origins, their mandate and those whom they serve, and ensure that they reflect the values and aspirations of an evolving nation.”* If there is one thing that we have PROVEN as a Chamber over the last two years of this pandemic, it is that institutional maturity indeed hinges on the recognition of a need to constantly re-evaluate the old and to introduce change where necessary to adapt and grow. We remain committed to that approach and look forward to reporting on our future successes.

Thank you!

10.0 Presentation and Adoption of the 2019 Financial Statements

The Treasurer – Mr. Giacomo Sanchez presented the financials. A motion was made to adopt the Financials by Mr. Michael Young and seconded by Dr. Sylvia Cattouse.

11.0 Resolution to Re-appoint Auditors for 2022/2024

A resolution was passed to reappoint BDO BELIZE LLP as the BCCI’s auditors for the fiscal year 2020/2021. The motion was adopted by Dr. Sharmayne Saunders and seconded by Ms. Karen Diaz.

12.0 New President’s Address

Fellow Members,

Today, the 28th of April 2022 marks a momentous occasion that started over 10 decades ago. It is **not** only about parties and politics, rules or regulations, markets, or currencies. It is ultimately – and above all else – about the business community and our aspirations. It is about our business community standing together. For our liberty, for our values, simply for the betterment of our future.

There is one quote from the great Václav Havel – former president of the Czech Republic – that stands out for me when I look ahead to the future. He said:

“Work for something because it is good, not just because it stands a chance to succeed.”

I chose this quote, because over the next two years, our membership will continue the pace that was set by many past presidents including, Mr. Tux Vasquez, Mr. Emil Mena, Ms. Kay Menzies, Mr. Nikita Usher, and I definitely can’t forget our, as she puts it, *“Pandemic President-Marissa Longsworth”* together on the continued transformation for

8.0 President's Report

The Master of Ceremonies read the bio of the President – Ms. Marissa Longworth who then gave the report below.

“Good evening members, thank you for being present this evening at what is our 101st Annual General Meeting and our second virtual version of the AGM. Though I have been in this position as President for the last 9 months, it is my duty to take you through the last year of activities and highlights delivered on your behalf through this Chamber. Let me say this about the last year: “it neva normal!” and let me say this about where we are now: “we still nuh back to normal!”. There is a quote that says “The first step toward change is awareness. The second step is acceptance”. There is no doubt in my mind that the events of the last year have made us all starkly aware of some harsh realities facing us, personally and professionally. But let us turn around that mental anxiety from the information overload of harsh realities, even just for tonight, and congratulate ourselves for ruminating all of this information and boldly taking necessary steps with awareness towards change.

It is possible that for some of us, we have doubted the steps we took during this unprecedented time of difficulty. If no one else has said it to you yet, though, KUDOS to each of you for swimming and not sinking. KUDOS for making your business that much more customer friendly to keep generating income and to keep as many of your staff as you could. KUDOS for using technology to keep better records and to serve your customers and clients better. KUDOS for identifying innovative and creative business ideas and making them a reality during a time of extreme doubt. KUDOS for lowering prices, where you could, to make it more affordable for customers and clients facing their own financial issues. To you all, we at the BCCI say, “job well done” and “thank you for your efforts”. This Chamber is as strong as our members, and what muscle you have shown and grown under the weight and pressure of several issues.

From our last data analysis in January, the BCCI's membership is 9% micro, 45% small, 29% medium and 17% large businesses. Our members are categorized by sector as 56% in the Services, 18% in Industry, and almost 26% in Commerce. We are truly representative of the Belize business environment, with various perspectives and ideas coming from our members who speak with experience and passion. We were so pleased to hold our Member Mix and Mingle in January as step one in our strategic planning process to serve you better. To continue building our membership, we offered free trial membership and we connected with you on as many occasions as we could to gather thoughts on several issues from [what we termed] the Business Pantry recommendations, to the COVID-19 business confidence building measures and the transition to a new Government administration. These efforts have resulted in, and continue to result in, not only a growth in membership when compared to 2020, but also an increase in membership fees as well as proof that in many ways we have had success with influencing the Government's implementation of some (though not all) of our recommendations.

Far too long has the focus on an entrepreneurial culture been ignored, **however** I am elated to see that in the most recent publication of the Belize Education Sector Plan 2021-2025,

Strategic response to Key Result Area (KRA) 2.1 Curriculum Reform: Learning What Matters, as an action point from the Ministry of Education, Culture, Science and Technology and I quote "*Ensure that subjects which promote entrepreneurship are integrated into the national curriculum at all levels*".

On our end as the employers' organization, we can help to further foster this development through an incubator system for young entrepreneurs to help startup businesses grow and succeed by providing free or low-cost workspace, mentorship, expertise, and access to investors. A tall order that can only be achieved through your individual and collective assistance to make this incubator a reality. Giving of yourself and your company is not always financial but in kind.

Furthermore, Belize signed on to UNCAC in 2016, fast forward six years and we are moving at a snail's pace to ensure full and fair enforcement of the laws that were strengthened or introduced to combat corruption. Another avenue for support can be gotten from the Millennium Challenge Corporation (MCC), an agreement signed in March of this year between the Government of Belize and MCC. MCC's model of reducing poverty through economic growth is based on a set of core principles — good governance, country ownership, a focus on results, and transparency — and fighting corruption is a key part of that approach. MCC promotes measures to prevent and detect fraud and corruption before they occur, and to responsibly address any problems after they emerge. So, access to the resources is not the problem, political will is.

Therefore, your Chamber remains committed to championing the need for predictability and a level playing field for all businesses. We continue to champion recent issues such as freight and fuel stability, trade license reform, determination of an appropriate FoPL scheme and as always comprehensive tax reform.

As I close, I must firmly mention that it is never enough to identify the problems: we must also determine the actions needed to solve them, and then carry out those actions *together*. I pledge my commitment -and I ask each and every one of you to join me in doing so- to working with the government, social partners and unions to develop a true partnership to bring back Belize and put Belize on the right path for success. As we know, the only way to take Belize down that path of success is from the 102 years of advocacy! **We must not forget that our greatest achievements will only be realized when we are bold. I Thank You!**

13.0 Presentation of New Board

A new Executive Council was elected. They are as follows:

President - Marcello Blake

Past President	-	Marissa Longworth
V.P. Commerce	-	Vacant
V.P. Industry	-	William Usher
V.P. Services	-	Katherine Meighan
Secretary	-	Ashanti Martin
Treasurer	-	Giacomo Sanchez
Councillor	-	William A. Neal
Councillor	-	Jody Williams
Councillor	-	Allan Sharp
Councillor	-	Marnix Perez
Councillor	-	Noriko Gamero

14.0 Presentation of Awards & Gifts

The CEO presented the Secretariat's Award to Mr. Jody Williams and Ms. Katherine Meighan. A gift was presented to the President – Ms. Marissa Longworth by the CEO, to the members of the EC and lastly a gift was presented to the Guest Speaker.

15.0 Thank You

The official thank you and invitation to the Social was given by Ambassador Daniel Gutierrez – Councillor.

Approved by:



Mrs. Ashanti Arthurs-Martin - Secretary

Prepared by:



Ms. Ruth Gillett – Senior Administrator

**BELIZE CHAMBER OF
COMMERCE & INDUSTRY**
Financial Statements

Year ended 31 December 2022

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Independent auditor's report to the members of Belize Chamber of Commerce & Industry

Opinion

We have audited the accompanying financial statements of Belize Chamber of Commerce & Industry (Chamber) which comprise of the statement of financial position as at 31 December 2022 and the statement of activities, statement of cash flows and statement of expenses by functional area for the year then ended and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Belize Chamber of Commerce & Industry as of 31 December 2022, and of its financial performance for the year then ended in accordance with International Financial Reporting Standards for Small and Medium size Entities (IFRS for SMEs).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Chamber in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibility 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 IFRS for SMEs, 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 Chamber 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 Chamber or to cease operations, or has no realistic alternative but to do so.

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

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:

- (i) exercise professional judgement and maintain professional skepticism throughout the audit.
- (ii) 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.
- (iii) 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 entity's internal control.
- (iv) evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (v) 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 entity's ability to continue as a going concern. If we should conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause an entity to cease to continue as a going concern.
- (vi) 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.
- (vii) obtain sufficient audit evidence regarding the financial information of the Chamber to express an opinion on the financial statements. We remain solely responsible for our audit opinion.

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


Crowe Belize LLP

20 March 2023

Belize Chamber of Commerce & Industry**Statement of financial position**

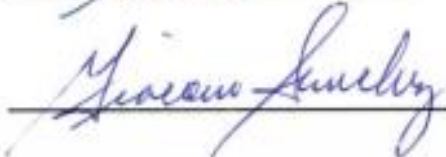
At 31 December

(in Belize Dollars)

ASSETS	Note	2022	2021
Current assets			
Cash and cash equivalents		1,042,197	1,061,922
Endowment Fund account	4	100,000	100,000
Trade and other receivables	6	1,239,019	984,951
Prepayments		26,544	58,122
		<u>2,407,760</u>	<u>2,204,995</u>
Non-current assets			
Property and equipment	7	2,402,491	2,453,467
		<u>2,402,491</u>	<u>2,453,467</u>
Total assets		<u>4,810,251</u>	<u>4,658,462</u>
LIABILITIES AND NET ASSETS			
Current liabilities			
Trade and other payables	9	1,711,481	1,441,973
Borrowings	10	102,547	70,985
		<u>1,814,028</u>	<u>1,512,958</u>
Non-current liabilities			
Borrowings	10	63,013	497,775
Severance provision	11	96,124	89,598
		<u>159,137</u>	<u>587,373</u>
Total liabilities		<u>1,973,165</u>	<u>2,100,331</u>
Net assets			
Unrestricted funds		2,737,086	2,458,131
Endowment reserve fund, restricted	12	100,000	100,000
Total net assets		<u>2,837,086</u>	<u>2,558,131</u>
Total liabilities and net assets		<u>4,810,251</u>	<u>4,658,462</u>

Approved on behalf of the Executive Council:



President

Treasurer

Belize Chamber of Commerce & Industry**Statement of activities**

For the year ended 31 December

(In Belize Dollars)

	Note	Western Union	General office	2022 Total unrestricted	2021 Total unrestricted
Supports & revenue					
Support					
Membership dues		-	177,595	177,595	151,715
Revenues					
BCCI's share of Western Union transfer charges		1,101,637	-	1,101,637	1,406,494
Collection fees		50	15,652	15,702	14,864
Gain on disposal		-	165,460	165,460	31,650
Interest income		-	85	85	528
Rental income		-	134,611	134,611	14,170
Net contributions from EXPO and other services		160	96,903	97,063	28,000
Sundry income		161	24,018	24,179	26,229
Total supports and revenue		1,102,008	614,324	1,716,332	1,673,650
Expenses					
Administration		(326,173)	(1,008,161)	(1,334,334)	(1,143,545)
Financial		-	(23,762)	(23,762)	(45,016)
		775,835	(417,599)	358,236	485,089
Business tax	13	(66,098)	(13,183)	(79,281)	(88,810)
Change in unrestricted fund		709,737	(430,782)	278,955	396,279
Unrestricted fund-1 January 2022				2,458,131	2,061,852
Unrestricted fund – 31 December 2022				2,737,086	2,458,131

Belize Chamber of Commerce & Industry**Statement of cash flows**

For the year ended 31 December

(In Belize Dollars)

	Note	2022	2021
Cash flows from operating activities			
Change in unrestricted funds		278,955	396,279
Adjustments for:			
-Depreciation	7	81,549	62,873
-Bad debts	6	450	3,000
-Gain on disposal of fixed assets		(165,460)	(31,650)
-Tax expense		79,281	88,810
-Interest income		(85)	(528)
-Interest expense		23,762	45,016
-Severance pay provision	11	6,526	6,138
		<u>304,978</u>	<u>569,938</u>
Change in working capital:			
-trade and other receivables	6	(254,518)	(273,040)
-prepayments		31,578	(23,915)
-trade and other payables	9	269,508	171,793
Cash generated from operations		<u>351,546</u>	<u>444,776</u>
Tax paid		(79,281)	(88,810)
Interest income received		85	528
Interest paid		(23,762)	(45,016)
Net cash provided by operating activities		<u>248,588</u>	<u>311,478</u>
Cash flows from investing activities			
Purchase of property and equipment	7	(135,588)	(5,787)
Proceeds from sale of assets		270,475	31,650
Net cash provided by investing activities		<u>134,887</u>	<u>25,863</u>
Cash flows from financing activities			
Repayment of borrowings	10	(403,200)	(65,871)
Net cash used in financing activities		<u>(403,200)</u>	<u>(65,871)</u>
Net (decrease)/increase in cash and cash equivalents		(19,725)	271,470
Cash and cash equivalents at 1 January 2022		1,061,922	790,452
Cash and cash equivalents at 31 December 2022		<u>1,042,197</u>	<u>1,061,922</u>
Represented by:			
Cash and bank		1,042,197	1,061,922
		<u>1,042,197</u>	<u>1,061,922</u>

Belize Chamber of Commerce & Industry**Statement of expenses by functional area**

For the year ended 31 December

(In Belize Dollars)

	Note	Western Union	General office	2022 Total expenses	2021 Total expenses
ADMINISTRATION					
Advertising and promotion		91,740	13,558	105,298	79,004
Annual general meeting expenses		-	16,779	16,779	4,061
Audit		(5,833)	18,000	12,167	28,833
Bad debt provision and write-off		-	3,000	3,000	3,070
Bank charges		15,140	3,558	18,698	18,000
Depreciation		-	81,549	81,549	62,873
Donations and subscriptions		-	4,315	4,315	6,718
Electricity and water		17,585	1,610	19,195	32,041
GST input tax disallowed		-	3,123	3,123	1,776
IDB Project-climate change		-	-	-	1,715
Insurance		12,004	43,417	55,421	48,256
Members and board meetings		-	42,870	42,870	14,183
Miscellaneous expenses		2,311	5,302	7,613	10,134
Motor vehicle expenses		-	22,144	22,144	23,791
Office cleaning		-	14,502	14,502	13,750
Office expenses		734	6,053	6,787	4,774
Personnel costs	14	104,158	546,414	650,572	564,136
Professional fees		-	1,500	1,500	-
Property taxes		-	8,470	8,470	8,183
Rent		-	8,775	8,775	7,200
Repairs and maintenance		774	82,330	83,104	65,443
Security		24,386	35,477	59,863	50,987
Stationery, postage and office supplies		25,144	19,447	44,591	45,523
Telephone		30,559	13,429	43,988	44,652
Training		246	3,558	3,804	3,680
Travel, local and international		7,225	8,981	16,206	762
		<u>326,173</u>	<u>1,008,161</u>	<u>1,334,334</u>	<u>1,143,545</u>

Belize Chamber of Commerce & Industry

Notes to the financial statements

(In Belize Dollars)

1. General Information

The Belize Chamber of Commerce and Industry (Chamber) is a private sector initiative whose objective is to promote free enterprise development across all sectors of the Belizean economy including commerce, industry, manufacturing, agri-business, the professions and trades.

The Chamber is a private, non-profit, non-partisan, membership organization established by statute - the Belize Chamber of Commerce and Industry Act (the Act), Chapter 308 of the Laws of Belize, Revised Edition 2020. This Act repealed and replaced the Chamber of Commerce Act of 1923. The office of the Chamber is located at #4792 Coney Drive, Belize City, Belize.

The Chamber and Western Union (WU) established domestic and international money transfer services for Belize under a joint agreement in 1993, whereby the Chamber and WU share transfer charges levied on money transfers. This activity continues to be the main source of revenue for the Chamber.

These financial statements were authorized by the Executive Council for issue on 31, March 2023.

2. Summary of Significant Accounting Policies

Basis of preparation

The financial statements of the Chamber have been prepared in accordance with 'International Financial Reporting Standard for Small and Medium-sized Entities' (IFRS for SMEs) issued by the International Accounting Standards Board. They have been prepared under the historical cost convention. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

The preparation of financial statements in conformity with IFRS for SMEs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Chamber's accounting policies. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimations are significant to the financial statements are disclosed in Note 3.

The financial statements have been prepared on the going concern basis which assumes that the Chamber will continue in operational existence for the foreseeable future. The validity of this assumption depends on the continuing support received from the members of the Chamber, its Western Union partner and its bankers.

Foreign currency translation

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Chamber operates ('the functional currency'). The financial statements are presented in Belize dollars which is the Chamber's functional and presentation currency.

Notes to the financial statements
(In Belize Dollars)

2. Summary of Significant Accounting Policies (continued)

Foreign currency translation (continued)

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of Activities. The official exchange rate for the Belize dollar is fixed at BZ\$2 to US\$1.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Activities within "Loss on Exchange". All other foreign exchange gains and losses are presented in the Statement of Activities within the particular support, revenue or operating expense.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less and a bank overdraft which is presented in the statement of net assets within current liabilities.

Trade receivables

Trade receivables are recognized initially at the transaction price. They are subsequently measured at amortized cost using the effective interest method, less provision for impairment. The Chamber makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Chamber uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix. The Chamber assess impairment of trade receivables on a collective basis as they possess shared credit risk characteristics they have been grouped based on the days past due.

Property and equipment

Property and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Chamber adds to the carrying amount of an item of property and equipment the cost of replacing parts of such an item when the cost incurred for the replacement part is expected to provide incremental future benefits to the Chamber. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of activities during the period in which they are incurred.

Notes to the financial statements
(In Belize Dollars)

2. Summary of Significant Accounting Policies (continued)

Property and equipment (continued)

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Strata building	50 years
Office furniture, fixtures and equipment	4 and 10 years
Motor vehicles	5 years

The assets' residual values, useful lives and depreciation methods are reviewed and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within the classification 'Revenues' in the Statement of Activities.

Impairment of non-financial assets other than inventories

Assets that are subject to depreciation or amortization are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit (CGU) to which the asset has been allocated) is tested for impairment. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible *reversal* of the impairment at each reporting date.

Borrowings

Borrowings are recognized initially at the transaction price, that is, the present value of cash payable to the bank. Borrowings are subsequently stated at amortized cost. Interest expense is recognized on the basis of the effective interest method and is included in finance costs.

Borrowings are classified as current liabilities unless the Chamber has an unconditional right to defer settlement of the liability for at least *twelve* months after the reporting date.

Trade payables

Trade payables are recognized initially at the transaction price and subsequently measured at amortized cost using the effective interest method.

Notes to the financial statements
(In Belize Dollars)

2. Summary of Significant Accounting Policies (continued)

Employee benefit obligations

Termination benefit – severance

The Chamber recognizes termination benefits in accordance with the Labour Act (the Act), Chapter 297 of the Substantive Laws of Belize.

The Act was revised in April 2011 to require that employees who have been employed for (a) *five* to ten years be paid *severance* pay of one week's pay for each year of service if retiring on or after 60 years of age or on medical grounds or if terminated for other than good or sufficient cause and (b) employees with more than ten years be paid *severance* pay of one week's pay for each year of service prior to April 30, 2011 and two weeks pay for each year of service thereafter. The revision became effective on May 1, 2011.

Support and revenue recognition

Support and revenues comprise the fair value of the consideration received or receivable from membership dues, grants and *revenues* from income-generating activities in the ordinary course of the Chamber's activities. Revenues are shown net of general sales tax and discounts.

The Chamber recognizes support and *revenues* when the amounts of such support and revenues can be reliably measured; it is probable that future economic benefits will flow to the Chamber; and specific criteria have been met for each of the Chamber's activities, as described in the following page.

Grant support

Grants are recognized when there is reasonable assurance that the Chamber will comply with the conditions attached to the grant and the grant will be received.

Support for future periods is accounted for as deferred income or support.

Membership dues and revenues

Membership dues are recognized as income when received but, dues received in respect of future periods are deferred. All other revenue is recognized when earned.

Interest income

Interest income is recognized using the effective interest method.

Rental income

Rental income under an operating lease is recognized in the statement of activities as income on a straight-line basis over the lease term and is recognized within the classification 'Revenues' in the Statement of Activities.

Notes to the financial statements
(In Belize Dollars)

2. Summary of Significant Accounting Policies (continued)

Taxes

The tax expense for the period comprises current tax. The tax charge is calculated on the basis of the tax laws enacted at the statement of net assets date. Management evaluates situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of the amounts expected to be paid to the tax authorities.

Taxes are based on monthly gross revenue receipts and are payable within the following month.

Complying with deferred taxation accounting pursuant to Section 29 of International Financial Reporting Standard for Small and Medium-sized Entities is not applicable.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of activities on a straight-line basis over the period of the lease.

Rental income from lease is recognized in accordance with the accounting policy described above.

Changes in accounting policies

No changes to the accounting policies were identified and the comparative information has accordingly remained unchanged since the prior reporting period.

3. Information about key sources of estimation uncertainty and judgements

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including future expectations.

Key sources of estimation uncertainty

The organization makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year would be the estimated collectability of accounts receivable, particularly from Western Union sub-agents and management's assessment as to the impairment of assets.

Belize Chamber of Commerce & Industry

Notes to the financial statements

*(In Belize Dollars)***4. Endowment Fund account**

The Endowment Fund account which is a restricted cash balance, is held in a bank savings account. See Note 12 for more detail.

5. Financial risk factors

The Chamber's activities expose it to a variety of risks including credit risk and liquidity risk.

Credit risk

The Chamber has no significant concentrations of credit risk. Sales are made in cash or on credit terms. Credit sales are made to customers with appropriate credit histories.

Liquidity risk

Liquidity risk management involves maintaining significant cash and cash equivalents and having funding available through adequate and committed credit facilities.

6. Trade and other receivables

	2022	2021
Western Union and sub-agents	1,201,765	939,339
Others	34,622	48,612
Employee loans receivable	3,082	-
	<u>1,239,469</u>	<u>987,951</u>
Less: bad debt provision	(450)	(3,000)
	<u>1,239,019</u>	<u>984,951</u>

Movement in the bad debt provision:

	2022	2021
At 1 January	3,000	-
Additional provision during the year	450	3,000
Amounts written off during the year	(3,000)	-
At 31 December	<u>450</u>	<u>3,000</u>

Belize Chamber of Commerce & Industry

Notes to the financial statements

*(In Belize Dollars)***7. Property and equipment**

	Land	Strata land and building	Office furniture, fixtures, and equipment	Motor vehicles	Total
Cost					
At 1 January 2022	853,848	2,045,938	513,299	84,972	3,498,057
Additions	-	-	60,601	74,987	135,588
Disposals	(105,015)	-	-	-	(105,015)
At 31 December 2022	748,833	2,045,938	573,900	159,959	3,528,630
Accumulated depreciation					
At 1 January 2022	-	(510,668)	(450,173)	(83,749)	(1,044,590)
Charge for the year	-	(40,838)	(25,208)	(15,503)	(81,549)
At 31 December 2022	-	(551,506)	(475,381)	(99,252)	(1,126,139)
Net book values					
At 31 December 2022	748,833	1,494,432	98,519	60,707	2,402,491
<hr/>					
	Land	Strata land and building	Office furniture, fixtures, and equipment	Motor vehicles	Total
Cost					
At 1 January 2021	853,848	2,045,938	507,512	164,604	3,571,902
Additions	-	-	5,787	-	5,787
Disposals	-	-	-	(79,632)	(79,632)
At 31 December 2021	853,848	2,045,938	513,299	84,972	3,498,057
Accumulated depreciation					
At 1 January 2021	-	(469,830)	(431,392)	(160,127)	(1,061,349)
Charge for the year	-	(40,838)	(18,781)	(3,254)	(62,873)
Disposals	-	-	-	79,632	79,632
At 31 December 2021	-	(510,668)	(450,173)	(83,749)	(1,044,590)
Net book values					
At 31 December 2021	853,848	1,535,270	63,126	1,223	2,453,467

Belize Chamber of Commerce & Industry

Notes to the financial statements

(In Belize Dollars)

8. Bank overdraft

Bank overdraft and other facilities with the Atlantic Bank Limited are secured by a mortgage over the Chamber's strata titles 4792 (H1 and H3), Block 16, Caribbean Shores stamped to secure \$400,000 and mortgage over the Chamber's Regent Street property stamped to secure \$450,000.

9. Trade and other payables

	2022	2021
Trade payables	36,456	25,320
Western Union Settlements for sub-agents	796,297	599,087
Western Union sub-agents' share of transfer charges	83,979	85,585
Stamp duties on money transfers payable	72,351	65,588
Deferred revenue - membership dues	83,918	60,975
Gratuity payable	143,156	123,200
Other payables and accruals	495,324	482,218
	<u>1,711,481</u>	<u>1,441,973</u>

10. Borrowings

The Atlantic Bank Limited loan is secured (see note 8) and repayable by way of 108 monthly blended payments of principal and interest of \$9,240.61. Interest is payable at 7.0% per annum. See also Note 8 for security.

	2022	2021
Atlantic Bank Limited Loan	165,560	568,760
Less: current portion	<u>(102,547)</u>	<u>(70,985)</u>
	<u>63,013</u>	<u>497,775</u>

The loan balance is repayable as follows:

2023	102,547
2024	63,013
2025 and thereafter	<u>-</u>
	<u>165,560</u>

11. Severance provision

	2022	2021
Employee benefit obligation		
At 1 January	89,598	83,460
Increase in provision during the year	6,526	6,138
At 31 December	<u>96,124</u>	<u>89,598</u>

Belize Chamber of Commerce & Industry

Notes to the financial statements

*(In Belize Dollars)***12. Endowment reserve fund, restricted**

The Government of Belize and the United States of America were parties to a U.S. funded programme designated as the Economic Stabilization Fund (ESF) Local Currency Programme, whereby assistance was provided to the country of Belize. In February 1993, an allocation of BZ\$100,000 of the Private Sector Development Fund was earmarked under the ESF for the Chamber as seed capital for the establishment of an Endowment Fund. In April 1996, an agreement between the Government of Belize and the Chamber was formally executed establishing the Endowment Fund. The purpose of the Endowment Fund is to assist private sector developmental activities.

13. Business tax

On 29 June 1998, the Government of Belize passed the Income Tax (Amendment) Act, (the Act). The Act which became effective 1 July 1998 replaced Corporate Tax with a Business Tax chargeable on gross trading receipts. The amendment made civic organizations such as the Chamber (which were wholly-exempt from taxation under the previous tax regime) chargeable to business tax on membership dues and receipts from revenue-generating activities.

Business tax is levied on the various categories of income at the rates set out from time to time in the Ninth Schedule to the Act.

14. Employees' salaries and benefits

	2022	2021
Wages and salaries	516,239	445,246
Social security costs	22,166	19,202
Severance	6,526	7,881
Gratuity	19,956	19,900
Staff benefits	85,685	71,907
	<u>650,572</u>	<u>564,136</u>

15. Key management compensation

	2022	2021
Key management excludes the Executive Council (provides pro-bono services to the BCCI). Total compensation paid to key management for employee services was	99,780	99,024
	<u>99,780</u>	<u>99,024</u>

Belize Chamber of Commerce & Industry

Notes to the financial statements

(In Belize Dollars)

16. Commitments and contingencies

The Belize Chamber of Commerce and Industry signed a Technical Cooperation Agreement with the Inter-American Development Bank in October 2017 for a project entitled, Pro-adapt Belize-Increasing Climate Change. Chamber is to manage project funding in the sum of US \$203,000.00. The Chamber provided counterpart funding of US \$138,000.00 for this project. The duration is for three years.

On 12 October 2017, Belize Chamber of Commerce was appointed by Inter-American Development Bank (IDB) as Executing Agency for the private sector focused project, Pro-adapt Belize – Increasing Climate Change Resilience and Related Business Opportunities. The Chamber received in 2018, 2019, 2020 and 2021 funding of \$100,400 (US\$50,200), \$71,400 (US\$35,700), \$108,952.92 (US\$54,475.96) and \$95,064 (US\$47,532) respectively, for the project. At 31 December 2022, nil (2020 - nil) remained undisbursed. IDB funds disbursed in 2018, 2019, 2020 and 2021 have been included in the audit of these financial statements. IDB project concluded in 2021.

17. Post reporting date events

No adjusting or significant non-adjusting events have occurred between the 31 December 2022 reporting date and the date of authorization for issuance.