

**FOOTBALL FEDERATION OF BELIZE**

**(FFB)**

**FINANCIAL STATEMENTS**

**31ST DECEMBER 2016**

**FOOTBALL FEDERATION OF BELIZE**

**FINANCIAL STATEMENTS**

**31ST DECEMBER 2016**

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## REPORT OF THE INDEPENDENT AUDITOR TO THE PRESIDENT AND MEMBERS OF THE FOOTBALL FEDERATION OF BELIZE

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### *Opinion*

We have audited the accompanying financial statements of the Football Federation of Belize which comprise the statement of financial position as at 31<sup>st</sup> December 2016 and the statement of comprehensive income, statements of changes in equity and cash flows for the year then ended, and summary of significant accounting policies and other explanatory notes.

In our opinion, except for the effects of the matters described in the Basis of Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Football Federation of Belize as at 31<sup>st</sup> December 2016 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

### *Basis for Qualified Opinion*

As is common with many non-profit organizations, the Football Federation of Belize derives a portion of its revenue from public donations, the *completeness* of which is not susceptible of satisfactory audit verification. Our audit procedures had to be restricted to the amounts recorded in the records of the Federation and might not have been extended to all cash donations that may or may not have been received on behalf of the Federation. We were therefore not able to determine whether any adjustments might be necessary to revenues, and the related cash flows from operations for the year ending 31<sup>st</sup> December 2016.

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

*Key Audit Matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

- **Fraud risk –**

Fraud risk was considered to be a key audit matter partly due to the volume of cash transactions within certain aspects of the operations of the Federation and the deficiencies in the related internal control identified during our preliminary risk assessments. We also noted a very small accounting staff size which led to the determination there was limited segregation of duties thereby contributing to the likelihood of fraud occurring. Management override was also considered in the same light due to the structure of the organization as well as the unrestricted accessibility of the accounting data by staff since the accounting software users are not assigned with passwords specific to their functions. Our response to the assessed key audit matter involved the application of professional scepticism throughout our audit. We also reviewed unusual journals made, requested independent bank confirmations, and increased our substantive procedures in relation to bank reconciliations, credit card transactions, donor fund allocation, cash receipts and disbursements and procurement during the year and queried whether there were any instances of know fraud occurring. We scrutinized emoluments paid to staff and external consultants and the controls surrounding the overall payroll cycle. Though significant deficiencies were identified both in the control environment and the internal control procedures, we did not identify any specific issues in relation to actual fraud occurrence within the scope of our engagement.

- **Accounting for grant and donations –**

International Financial Reporting Standards require that grants and financial assistance be recognized only when there is reasonable assurance that the conditions for their receipt will be complied with. The standard essentially requires that any financial assistance received to be recognized as income over the period necessary to match them with their related costs. Based on this, the treatment of such financial assistance awarded to the Federation and the related income recognition practices were deemed a key audit matter in the context of the Federation's activities, particularly due to the

risk of the overstatement of income and the inappropriate use of restricted funding. Our procedures to address this matter involved requesting and reviewing related bank receipts, financing agreements and approval letters from donor agencies for funding awarded in the year to ensure proper treatment. Through transactional testing, we tested allocations of expenditure and ensured that the usage was reasonably in line with their intended purpose and mission and placed a degree of reliance on donor agencies own internal monitoring and reporting process.

We concluded, based on work performed, that the Federation has appropriately recognized all grants and financial assistance and the related income during the period.

- Other key audit matters have been addressed in the basis for qualified opinion paragraphs.

*Responsibility of Management and the Executive Committee for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB), 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 ability of the Federation to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Federation or to cease operations, or has no realistic alternative but to do so.

The Executive Committee is responsible for overseeing the Federation's 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 is 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 International Standards on Auditing 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 International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

1. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
2. 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 Federation'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 statement 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 federation to cease to continue as a going concern.
3. Evaluate the overall presentation, structure and content of the financial statement, including the disclosures, and whether the financial report represents 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.



Baker Tilly Hulse  
Chartered Accountant  
19<sup>th</sup> June 2017

Belize City,  
Belize, C.A.

STATEMENT OF FINANCIAL POSITION  
31ST DECEMBER 2016All amounts expressed in Belize dollars

	Notes	2016	Restated 2015
Current assets:			
Cash and cash equivalents	3	19,607	173,035
Accounts receivable	3, 4	-	3,000
Investments		-	6,209
Inventory		-	2,854
		<u>19,607</u>	<u>185,098</u>
Non-current assets:			
Property and Equipment	3, 5	<u>11,301,861</u>	<u>11,384,367</u>
<u>Total assets</u>		<u>11,321,468</u>	<u>11,569,465</u>
Current liabilities:			
Borrowings	3, 6	14,000	14,000
Accounts payable and accruals	3, 7	152,179	107,657
Severance payable	3, 8	<u>34,550</u>	<u>28,800</u>
<u>Total liabilities</u>		<u>200,729</u>	<u>150,457</u>
NET ASSETS		<u>11,120,739</u>	<u>11,419,008</u>
FUND BALANCE (page 5)			
Accumulated surplus		1,193,507	1,491,776
Revaluation reserve		<u>9,927,232</u>	<u>9,927,232</u>
TOTAL FUND BALANCE		<u>11,120,739</u>	<u>11,419,008</u>

Approved on behalf of the Executive Committee



President



General Secretary

Dated

Auditor's report pages 1 to 4

The notes on pages 9 to 17 form an integral part of these financial statements.

**STATEMENT OF COMPREHENSIVE INCOME**  
**YEAR ENDED 31ST DECEMBER 2016**

All amounts are expressed in Belize dollars

	Notes	2016	Restated 2015
<b>INCOME</b>			
Grant receipts	3, 9	1,091,491	2,245,751
Other income	3, 9	<u>205,883</u>	<u>515,886</u>
		<u>1,297,374</u>	<u>2,761,637</u>
<b>EXPENSES</b>			
Program and operational expense	Page 19	636,909	1,515,568
General and administrative expense	Page 19	747,748	611,764
Financial expense	Page 19	<u>8,245</u>	<u>12,772</u>
		<u>1,392,902</u>	<u>2,140,104</u>
(Deficit) / surplus before depreciation		(95,528)	621,533
Less: Depreciation		202,741	190,253
(Deficit ) / surplus after depreciation		(298,269)	431,280
Less: Taxation	10	<u>-</u>	<u>-</u>
Net (deficit) / surplus after depreciation		<u>(298,269)</u>	<u>431,280</u>

The notes on pages 9 to 17 form an integral part of these financial statements.



**STATEMENT OF CHANGES IN EQUITY  
YEAR ENDED 31ST DECEMBER 2016**

**All amounts expressed in Belize dollars**

	Notes	2016	Restated 2015
<b>FUND BALANCE</b>			
Accumulated surplus			
Balance at the beginning of the year		1,491,776	1,083,546
Prior period error	12	-	(23,050)
Net (deficit) / surplus for the year (page 3)		<u>(298,269)</u>	<u>431,280</u>
Balance at the end of the year		<u><u>1,193,507</u></u>	<u><u>1,491,776</u></u>
 Revaluation reserve			
Balance at the beginning of the year		9,927,232	9,927,232
Transfer to fund balance (accumulated earnings)		<u>-</u>	<u>-</u>
Balance at end of year		<u><u>9,927,232</u></u>	<u><u>9,927,232</u></u>

The notes on pages 9 to 17 form an integral part of these financial statements.

**STATEMENT OF CASH FLOWS**  
**YEAR ENDED 31ST DECEMBER 2016**

All amounts are expressed in Belize dollars.

	Notes	2016	Restated 2015
<b>Cash flow from operating activities:</b>			
Net (deficit) / surplus for the year (page 4)		(298,269)	431,280
Items not affecting working capital			
Depreciation		202,741	190,253
Write off		9,063	
Prior period error - 2015 FS		-	(15,493)
Prior period error - 2014			(23,050)
		<u>(86,465)</u>	<u>582,990</u>
<b>Changes in operating accounts - add / (deduct)</b>			
Decrease in accounts receivable and prepayments		3,000	3,720
Increase / (decrease) in accounts payable and accruals		44,523	(259,932)
Increase in severance payable		5,750	28,800
Net cash flow (used by) from operating activities		<u>(33,192)</u>	<u>355,578</u>
<b>Cash flow from financing activities:</b>			
Repayment of borrowings		<u>-</u>	<u>(60,000)</u>
Net cash flow (used by) investing activities		<u>-</u>	<u>(60,000)</u>
<b>Cash flow from investing activities:</b>			
Purchase of equipment		<u>(120,236)</u>	<u>(162,761)</u>
Net cash flow (used by) investing activities		<u>(120,236)</u>	<u>(162,761)</u>
(Decrease) / Increase in cash and cash equivalents		(153,428)	132,817
Cash and cash equivalents at the beginning of the year		<u>173,035</u>	<u>40,218</u>
Cash and cash equivalents at the end of the year		<u>19,607</u>	<u>173,035</u>

The notes on pages 9 to 17 form an integral part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
31ST DECEMBER 2016**

All amounts are expressed in Belize dollars

**1. GENERAL INFORMATION**

The Football Federation of Belize (FFB), formerly known as the Belize National Football Association (BNFA), was established in 1980 as a non-profit, non-governmental organization. FFB is the governing body of football in Belize and is an affiliate of The Fédération Internationale de Football Association (FIFA), and The Confederation of North, Central America and Caribbean Association Football (CONCACAF).

FFB operates from its registered office at No. 26 Hummingbird Highway, Belmopan City, Belize.

The main objectives of FIFA are organize competition in all their forms at the national and international levels that will allow for more fans to be attracted to the game; to develop football in Belize by implementing the necessary program structures(technical direction); and to administer football in Belize (financing & management), especially the Premier League of Belize.

FIFA derives most of its operating funds from stakeholders such as FIFA and CONCACAF. Other revenue is derived from public donations and sponsorships; and from internally generated resources in the form of member revenues, ticket sales, and other commercial fund raising activities.

These financial statements are prepared in compliance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Unless otherwise stated, monetary amounts are stated in Belize dollars. The accounting policies outlined in Note 3 have been consistently applied to all periods presented.

**2. GOING CONCERN**

These financial statements have been prepared on the basis of accounting principles applicable to a going concern entity which assumes that the Federation will continue operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

As at 31st December 2016, the Members do not have any indication that the sources of financing are at risk.

These financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern assumption was not appropriate then the carrying values of assets, carrying values of liabilities, reported revenues, reported expenses and the classification on the statement of financial position would need to be adjusted.

**3. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES, AND JUDGEMENTS**

The significant accounting policies used in the preparation of these financial statements are summarized below. These accounting policies conform, in all material respects, to IFRS.

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**NOTES TO THE FINANCIAL STATEMENTS  
31ST DECEMBER 2016**

All amounts are expressed in Belize dollars

**3. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES, AND JUDGEMENTS  
(continued)****3.1 General**Use of estimates, assumptions, and management judgement:

In preparing the financial statements, management is required to make subjective estimates and assumptions that affect the reported amount of assets, liabilities, net income, and related disclosures. Estimates made by management are based on historical experience and other assumptions that are believed to be reasonable. Key sources of estimation uncertainty include: impairment and useful lives of property and equipment, and accrued liabilities. Accordingly, actual results may differ from these and other estimates thereby impacting future financial statements. Refer to the relevant accounting policies in this note 3 for details on management's use of estimates and assumptions.

**3.2 Changes in accounting policies**

There have been no significant changes in accounting policies during the financial year.

**3.3 Financial instruments - recognition and measurement**Initial recognition of a financial asset or liability:

FFB recognizes a financial asset or financial liability when the organization becomes a party to the contractual provisions of the instrument.

Cash and cash equivalents:

Cash and cash equivalents includes cash on hand and deposits held on call with financial institutions. All cash and cash equivalents have a term of less than 90 days in compliance with IFRS. Cash held for specific projects are classified as restricted cash balances. There were no restricted cash balances as at 31st December 2016.

Accounts receivable and prepayments:

Accounts receivable and prepayments are initially measured at the transaction price (including transaction costs) and are subsequently measured at the undiscounted amount of cash or other consideration expected to be received.

At the end of each reporting period, management assesses whether there is objective evidence of impairment on accounts receivable and prepayments. Objective evidence includes significant financial difficulty of the debtor, breach in contract, probability of bankruptcy, and repayment trends. Impairment is measured as the difference between the carrying value and the discounted estimated future cash flows. When objective evidence exists, the impairment is recorded immediately.

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**NOTES TO THE FINANCIAL STATEMENTS  
31ST DECEMBER 2016**

All amounts are expressed in Belize dollars

**3. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES, AND JUDGEMENTS  
(continued)****3.3 Financial instruments - recognition and measurement (continued)**Loans receivable:

Loans receivable are initially measured at the transaction price (including transaction costs) and are subsequently measured at amortized cost using the effective interest method.

At the end of each reporting period, management assesses whether there is objective evidence of impairment on loans receivable. Objective evidence includes significant financial difficulty of the debtor, breach in contract, probability of bankruptcy, and repayment trends. Impairment is measured as the difference between the carrying value and the discounted estimated future cash flows. When objective evidence exists, the impairment is recorded immediately.

Trade and other payables:

Trade and other payables are recognized on an accrual basis, when goods or services are received. Payables are recognized initially at the transaction price (including transaction costs) and are subsequently measured at the undiscounted amount of cash or other consideration expected to be paid.

Interest:

Interest is recognized in Interest income and Interest expense in the statements of comprehensive income for all interest bearing financial instruments using the effective interest method. The effective interest rate is the rate that discounts estimated future cash flows over the expected life of the financial asset or liability to the net carrying amount upon initial recognition. Significant judgement is applied in determining the effective interest rate due to uncertainty in the timing and amounts of future cash flows.

When financial assets bearing interest become doubtful of collection, accrued and uncollected interest is recorded as impaired.

Derecognition of a financial asset or liability:

Financial assets are derecognized on the statement of financial position when FFB's contractual rights to the cash flows from the assets have expired, when FFB retains the right to receive the cash flows of the assets but assume an obligation to pay those cash flows to a third party, or when FFB has transferred the contractual rights to receive the cash flows to a third party.

Financial liabilities are derecognized on the statement of financial position when FFB's obligation specified in the contract expires, is discharged, or is cancelled. The difference between the carrying amount of the financial liability and the consideration paid is recognized in the statement of comprehensive income.

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**NOTES TO THE FINANCIAL STATEMENTS  
31ST DECEMBER 2016**

All amounts are expressed in Belize dollars

**3. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES, AND JUDGEMENTS  
(continued)****3.4 Property and Equipment**

Property and Equipment comprises of land and buildings, stadium, motor vehicles, office equipment, furniture, and fixtures. Property and equipment are carried at historical cost or their revalued amount (in the case of land, building, and stadium) less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying value or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits will flow to FFB and the cost can be measured reliably. All other repairs and maintenance are charged to income during the financial period in which they are incurred.

Depreciation on equipment is calculated using the straight line method at the following rates:

Motor vehicles	25%
Building	3%
Furniture, fixtures and equipment	25% and 33%
Stadium	4%

When property and equipment are disposed of by sale or scrapping, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in the statement of comprehensive income.

**3.5 Revaluation reserve**

An independent valuation of FFB's land, buildings, and stadium was performed by valuers to determine their fair value in 2014. Revaluation surplus of \$9,927,232 was credited to other comprehensive income and included in the statement of changes in equity.

**3.6 Employee benefit obligations****Termination benefit - severance:**

FFB recognises termination benefits in accordance with the labour laws of Belize and its staff policy document. Employees who have been continuously employed for a period of five to ten years are entitled to one week's wages in respect of each complete year of service. Employees who have been continuously employed for a period over ten years are entitled to one week's wages in respect of each complete year of service prior to 1st May 2011 and two week's wages in respect of each complete year of service for the period served thereafter.

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**NOTES TO THE FINANCIAL STATEMENTS  
31ST DECEMBER 2016**

All amounts are expressed in Belize dollars

**3. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES, AND JUDGEMENTS  
(continued)****3.7 Provisions**

Provisions are liabilities of uncertain timing or amount and are recognized when FFB has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are measured as the best estimate of the consideration required to settle the present obligation at the reporting date. Significant judgement is required to determine whether a present obligation exists and in estimating the probability, timing and amount of any cash outflows. Provisions are recorded related to litigation, future employee benefits, the allowance for off-balance sheet items and other items. Provisions are recorded on the basis of all available information at the end of the reporting period. In the event that results differ from management expectations, FFB may incur expenses in excess of the provisions recognized.

**3.8 Income recognition**

FFB receives donation income from a number of different sources. Income is comprised of the fair value of consideration received or receivable.

Income is recognized when the amount of income can be reliably measured and it is probable that future economic benefits will flow to the entity.

Interest income is recognized using the effective interest method.

**3.9 Expense recognition**

Expenses are recognized on the accrual basis in the period the goods are received or services are rendered.

**3.10 Leasing**

A lease is an agreement in which the lessor grants the lessee the right to use an asset for an agreed upon period of time in return to a payment or series of payments. A finance lease is a lease the transfers substantially all the risk and rewards incidental to ownership of the leased asset to the lessee, where title may or may not eventually be transferred. An operating lease is a lease other than a financing lease.

**Operating leases:**

In the event that FFB is a lessee in an operating lease, the rental payments are recorded on a straight-line basis over the lease term in the statement of comprehensive income.

**Finance leases:**

In the event that FFB is a lessee in a financing lease, the leased asset is recorded to property and equipment and the related lease obligation is recorded as a liability on the statement of financial position. The amount recorded is the lower of the fair value of the leased asset and the minimum lease payments.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**31ST DECEMBER 2016**

All amounts are expressed in Belize dollars

**3. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES, AND JUDGEMENTS**  
 (continued)

**3.11 Translation of foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated in Belize dollars at rates prevailing at the date of the statement of financial position. Foreign exchange gains and losses resulting from the translation and settlement of these items are recognized in the statement of comprehensive income. Non-monetary assets and liabilities in foreign denominations are translated into Belize dollars at historical rates.

**3.12 Financial risk management**

FFB is exposed to credit and liquidity risk by nature of its activities.

Credit risk:

FFB's financial assets that potentially subject the organization to a significant concentration of credit risk consist primarily of cash and cash equivalents. The Federation mitigates its exposure to credit loss by placing its cash with reputable local financial institutions.

Liquidity risk:

FFB's liquidity risk relates to the risk that the entity is unable to meet its payment obligations associated with its financial liabilities when they fall due. FFB manages this risk through the support from committed funding sources.

**4. ACCOUNTS RECEIVABLES**

Accounts receivables consist of the following:

Accounts receivable - trade

2016

2015

-	3,000
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**NOTES TO THE FINANCIAL STATEMENTS**  
**31ST DECEMBER 2016**

All amounts are expressed in Belize dollars

**5. PROPERTY AND EQUIPMENT**

Property and equipment consists of the following:

2016	Land and Buildings	Stadium	Equipment, furniture & fixtures	Motor Vehicle	Total
<u>Cost</u>					
At 31st December 2015	9,826,812	1,612,841	108,402	54,678	11,602,733
Additions		81,255	38,981		120,236
Disposals					-
At 31st December 2016	<u>9,826,812</u>	<u>1,694,096</u>	<u>147,383</u>	<u>54,678</u>	<u>11,722,969</u>
<u>Accumulated amortization</u>					
At 31st December 2015	84,201	64,513	44,341	25,311	218,366
Additions	84,201	67,228	37,643	13,670	202,742
					-
At 31st December 2016	<u>168,402</u>	<u>131,741</u>	<u>81,984</u>	<u>38,981</u>	<u>421,108</u>
Net book value at 31st December 2016	<u>9,658,410</u>	<u>1,562,355</u>	<u>65,399</u>	<u>15,697</u>	<u>11,301,861</u>

FFB holds a 99-year lease for its land from the Government of Belize

2015					
<u>Cost</u>					
At 31st December 2014	9,826,812	1,475,065	91,532	46,563	11,439,972
Additions		137,776	16,870	8,115	162,761
At 31st December 2015	<u>9,826,812</u>	<u>1,612,841</u>	<u>108,402</u>	<u>54,678</u>	<u>11,602,733</u>
<u>Accumulated amortization</u>					
At 31st December 2014			16,472	11,641	28,113
Additions	84,201	64,513	27,869	13,670	190,253
At 31st December 2015	<u>84,201</u>	<u>64,513</u>	<u>44,341</u>	<u>25,311</u>	<u>218,366</u>
Net book value at 31st December 2015	<u>9,742,611</u>	<u>1,548,328</u>	<u>64,061</u>	<u>29,367</u>	<u>11,384,367</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**31ST DECEMBER 2016**

All amounts are expressed in Belize dollars

	2016	2015
<b>6. BORROWINGS</b>		
Loans payable upon demand to Cuello's Bargain Center at 12.5% interest per annum	4,000	4,000
Loans payable upon demand to Sagitun Farms at 12.5% interest per annum	10,000	10,000
	<u>14,000</u>	<u>14,000</u>
<b>7. ACCOUNTS PAYABLE AND ACCRUALS</b>		
Accounts payable and accruals consist of the following:		
Accounts payable - trade	127,289	82,767
Payroll liabilities	24,890	24,890
	<u>152,179</u>	<u>107,657</u>
Figures in 2015 have been restated for errors in the year ended 31st December 2015. Refer to Note 12.		
<b>8. SEVERANCE PAYABLE</b>		
Severance payable consists of the following:		
Severance payable at beginning of year	28,800	23,050
Additions during the year	5,750	5,750
Payments during the year	-	-
Severance payable at end of year	<u>34,550</u>	<u>28,800</u>
Figures in 2015 have been restated for errors in the year ended 31st December 2015. Refer to Note 12.		
<b>9. INCOME</b>		
Revenue consists of donations and other funds received from the following:		
<u>Grant receipts</u>		
FIFA (FAP)	980,989	1,500,000
FIFA (World Cup Qualifier)	-	600,000
FIFA (Course Funds)	41,063	3,536
FIFA (Other)	59,439	142,215
	<u>1,081,491</u>	<u>2,245,751</u>
<u>Other</u>		
Game receipts	26,003	192,791
Traffic Sports	79,245	39,026
Public Donations	75,000	284,000
Other	25,635	69
	<u>1,297,374</u>	<u>2,761,637</u>

NOTES TO THE FINANCIAL STATEMENTS  
31ST DECEMBER 2016

All amounts are expressed in Belize dollars

## 10. TAXATION

FFB is exempt from business tax and general sales tax under the Income and Business Tax Act in Belize as a non-profit organization.

## 11. KEY MANAGEMENT COMPENSATION

	2016	2015
Key management compensation paid in total	93,000	102,000

## 12. RESTATEMENT/ PRIOR PERIOD ERRORS

## Severance payable

FFB is required to pay severance to employees as stipulated under the Belize Labour Act although the obligation was not previously reported. The financial statements of 2015 have been restated to correct this error. The effect on the restatement on those financial statements is summarized below. There is no effect in 2016.

	2016	2015
Increase in severance payable	28,800	
Increase in severance expense	5,750	
Decrease in opening equity	(23,050)	

## Accounts payable to service provider

In 2015, expense was overstated by \$20,489 due to an overaccrual of amounts due to a service provider. The financial statement have been restated to correct this error based on statement obtained. The effect on the restatement on those financial statements is summarized below. There is no effect in 2016.

	2016	2015
Decrease in trade payables		(20,489)
Decrease in transportation expense		(20,489)

FOOTBALL FEDERATION OF BELIZE

SCHEDULE 1 - SCHEDULE OF EXPENDITURE BY COMPONENT  
YEAR ENDED 31ST DECEMBER 2016

All amounts are expressed in Belize dollars

	Youth Football	Men's Competition	Women's Competition	Technical development	Refereeing	Grass roots Program	Medical	Futsal and Beach	General and administration	Event management	Marketing and communication	Training - Programs	In- frastructure	UNCAF	Financial	Total for all components
EXPENSES																
Accommodation	6,164	23,783							10,273							40,220
Affiliate program									11,095							11,095
Entertainment									4,198							4,198
Event management										4,421						4,421
Fuel charges and interest															8,245	8,245
Fuel & Mileage expense	1,422	1,100			330	300			59,539							62,691
Games supplies and expense	5,863	2,019	635						896							8,517
Insurance																896
Advertising			41,259													41,259
Match expense		15,052	1,410								7,144					23,616
Meals	49,867	19,269	5,475			3,118		4,709								77,369
Medical	5,250	3,251					861									9,362
Meetings and conferences	138	589							23,427							24,154
Miscellaneous	3,676	14,158	641			746		291	18,068							37,580
Office supplies and expense									18,121							18,121
Other expense									26,651							26,651
Professional fees									38,867							38,867
Referee costs	5,740		3,825													9,565
Repairs and maintenance - infrastructure													21,669			21,669
Salaries and wages									329,435							329,435
Security		2,197														2,197
Severance									5,750							5,750
Social security									11,485							11,485
Stipend and allowances	47,360	44,861	3,360		1,366	845		6,070	49,165							103,667
Technical development				7,471												7,471
Equipment expense	5,499	7,373	6,037						15,500							34,409
Telephone	770								34,541							35,311
Training and courses					17,763			389	88			47,842				66,082
Transportation	45,596	64,182	18,204			465		3,853	28,862							161,182
Trophies	11,377	3,000	2,720			1,345		1,500								19,942
Uniform	10,480	36				400		2,260	3,910					1,963		19,049
Utilities	8,358	963	2,803			2,555		1,372	32,053							48,104
Vehicle repairs									16,731							16,731
Write off									9,063							9,063
Total expenses	207,560	201,932	86,369	7,471	19,459	9,774	861	20,444	747,748	4,421	7,144	47,842	21,669	1,963	8,245	1,392,802

The notes on pages 9 to 17 form an integral part of these financial statements.