



# STATISTICAL INSTITUTE OF BELIZE



**ANNUAL REPORT**  
08 | 09

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**OMAR ORTIZ**  
Business Development Manager  
Belize Chamber of Commerce &  
Industry



**ALAN GENITTY** (Deputy Chairman)  
Deputy Chief Education Officer  
Ministry of Education



**MELISSA BENNETT**  
Economist  
Ministry of Finance



**MARION PALACIO**  
Deputy Governor  
Central Bank of Belize



**HUGH O'BRIEN**  
Chief Executive Officer  
Ministry of National Development  
Investment & Culture



**MARGARET VENTURA**  
Chief Executive Officer  
Ministry of Health



**AARON LEWIS**  
Dean  
Faculty of Science and Technology  
University of Belize



**JORGE MEL AUIL**  
President  
Belize Business Bureau



**DYLAN RENEAU**  
General Secretary  
National Trade Union Congress of Belize



**GLENN AVILEZ**  
Director-General  
Statistical Institute of Belize

## Board of Directors 2007-2008

Statistical Institute of Belize



The Statistical Institute of Belize(SIB) continues to make advancements in order to ensure its ability to deliver those services and reports that it is relied on to provide. The act establishing the SIB has been very generous in affording the Institute the ability to chart its course. This has created an even greater desire and responsibility within the organization to work to being the best that it can be.

This year has been challenging and though we may not always have conquered the challenges we most definitely did not allow them to beat us nor detract us from our goals. This year, for the first time in over a decade, the SIB conducted a Household Expenditure Survey so as to be able to provide our Government and those that rely on us with information that is not only accurate but relevant and effective in assisting our policy makers to make informed decisions. Our job is not to make decisions but to aid those responsible to do so in an informed manner.

As a young organization, the Institute has shown care for those that it serves by demonstrating its ability to forge ahead with its deliverables by providing what is mandated and then some. We are careful to also provide for the well being of our staff as it is they that afford us the ability to provide quality work to all our customers.

This year the SIB has embarked on a mission, as mandated, to ensuring the security of those employed by the organization as well as the satisfaction of those whom are served by the organization. The staff manual developed last year is being implemented so as to provide for the smooth operations of the SIB as well as striving to maintain the balance between employee satisfaction and performance. In addition to this, we are in the process of developing a strategic plan with inputs from the entire organization so as to fully realize the potentials and ambitions of the SIB as an organization in providing for those who use our services.

In these times where aim is focused on the greater and more beneficial use of our resources, both human and financial, the institute, with the support of the Ministry responsible for its operations, has embarked on a project to finding a permanent and feasible home for the Institute. We are in the process of identifying a location and type of facility to assist in us in carrying out our goals and objectives of our developing Strategic plan.

At this time, I would like to say thanks to all those members of the board and management and staff who have worked tirelessly in an effort to ensuring that we can be the best that we can be. As an organization, we are grateful for the assistance received from the Government of Belize as well as all the various funding agencies who have supported us in numerous ways. We would not have been able to live up to our commitments and will continue to look to you for support especially with the upcoming Population Census in 2010.

Warm Regards,

Omar Ortiz  
Chairman

## Chairman's Message



The 2008/09 financial year was a very busy, challenging and rewarding year for the Statistical Institute of Belize. Busy because it saw the Institute conducting four Household Expenditure Survey rounds to update the consumer price index basket, which had not been revised since 1991, raising concerns of its representativeness of current consumer spending pattern; normally, the Institute only conducts two household surveys in a year.

The year was a challenging one because several senior positions, including the Deputy Director-General, remained unfilled, causing a myriad of technical and managerial setbacks. These shortages impeded the Institute's participation in several technical committees and to a large extent stalled the development of the national statistical system. There were also challenges in the timeliness of some of the major statistics produced by the Institute. While some of the delays are due to internal factors, a significant portion is attributed to the tardiness of data received from other agencies. The SIB definitely intends to direct more of its resources towards improving the timeliness of its statistics.

Despite the many challenges faced during the year, I am very gratified that the Institute received copious appreciation and respect for its work. The media, in particular, has played a major role in raising public awareness of the importance of official statistics. Our staff has benefitted from numerous training opportunities in the Caricom region.

On behalf of the Board, management and staff of the Statistical Institute of Belize, I would like to publicly acknowledge the support of the Hon. Erwin Contreras, Minister of Economic Development, Commerce, Industry and Consumer protection and all other persons and agencies that have contributed to the work and development of the Statistical Institute of Belize.

A handwritten signature in black ink, appearing to be 'G. Avilez'.

Glenn Avilez  
Director-General

## Director-General's Message

S t a t i s t i c a l I n s t i t u t e o f B e l i z e

## MANAGEMENT SERVICES

During the period under review, the Management Services Unit participated in the recruitment of a consultant to develop a strategic plan for the Institute. The strategic plan was long over-due since we believe it should have been done within the first year of the Institute's inception. The consultation sessions were very important to us as it provided an opportunity to hear and also find ways to address some of the issues that could hinder the Institute from achieving its strategic objectives. The unit looks forward to playing a major role in ensuring that all the goals set out in the plan are met.

Although recruiting continues to be a challenge, we believe that the Unit is headed in the right direction in its efforts to recruit and retain competent and professional employees. There were eight new hires or replacements during the year. The unit also continues to efficiently and successfully achieve all its current responsibilities to all its clients, including administering the insurance scheme, preparing payroll, procuring supplies and ensuring timely payments to suppliers, organizing staff functions, preparing or recommending changes to policy documents and ensuring that these are administered in an equitable and consistent manner.

## INFORMATION TECHNOLOGY

During the period under review the Statistical Institute of Belize has made strides towards the attainment of its IT objectives.

Significant sums were invested in the procurement of more modern equipment, both from the Institute's own budget and from outside grants, including help from PAIRCA, the CDB, the World Bank and the IDB. At least \$BZ 30,000.00 has been invested in software, both for new products such as Teleform, a document capture and management system, and for the regularization of the use of existing products, such as Microsoft Windows and SPSS.

IT staff has undergone training in Teleform, SPSS, CPro, Web Development, REDATAM and ARCGIS, all important software to the work of the SIB.

Major IT projects completed or underway include the deployment of a virtualized server environment to leverage the investments in computer hardware; the deployment of Virtual Private Network (VPN) to allow for access to the Institute's main data-centre particularly from our remote offices and also from anywhere that there is Internet access; the development of a GIS from



satellite images to be used in the 2010 census and any subsequent surveys and finally the securing of the Institute's IT infrastructure from outside attack while at the same time establishing a permanent presence on the [Internet](#).

## DATA DISSEMINATION

The Data Dissemination Unit has successfully responded to 1,258 local and international requests. Through the use of our database, requests with the exception of those with technical requirements are answered within 36 hours. Seven press releases have been issued and twelve news stories were published in the local media.

Personnel from the unit benefited from training in website management and design and SPSS both of which have proven to be very useful in the day to day activities. The Desktop Publisher had a capacity building opportunity, attending an Adobe Suite training.

The Unit assisted, through formatting and design, the 2008 Abstract of Statistics, the Multiple Indicators Cluster Survey publications and the Household Expenditure Survey Questionnaire. New bookmarks, brochures and publicity material were completed in the past fiscal year.

The unit anticipates an active year assisting with the promotion of the 2010 Population and Housing [Census](#).

## STATISTICAL COORDINATOR

The newly created post of Statistical Coordinator coincides with the formal establishment of a National Statistical System (NSS). The NSS is intended to harmonize the production of national statistics and provide ease of comparability to promote our country's best interest internationally. The Statistical Coordinator promotes the use of international standards and guidelines in the production and dissemination of official statistics and will lobby where necessary, for technical and or financial assistance to improve existing statistical systems. Important to the success of the NSS is SIB's fostering and maintaining a working relationship with main producers of statistics in the public and private sector, mindful of also fulfilling users' requirements efficiently.

One of the first tasks is to hold an inaugural launch to formalize the establishment of the National Statistical System with attendance of government officials and CEO's of various ministries. The concept and benefits of NSS were discussed and several concerns were raised about the current state of inter-agency information exchange. The establishment of a governance structure was proposed by SIB's director general, which would consist of an oversight committee with technical working groups in areas of Economic, Social and Environmental and Energy Statistics. During the next meeting the governance committee will be formed from among the members of various agencies.

Other developments include the design of a Statistical System Questionnaire

which will be administered to agency personnel engaged in data production processing and dissemination; the questionnaire seeks to investigate the existing statistical system infrastructure. After an analysis of the questionnaire's findings we can then identify the lack of resources, and infrastructural challenges which will facilitate the development of a plan of action to improve the existing statistical systems.

## STATISTICAL ANALYSIS

### LFS

Have you done any work for pay, profit or family gain for at least one hour in the past week? This question forms the basis of the Labour Force Statistics produced semi-annually by SIB. It covers both part and full time jobs, people who are self-employed, those who receive a wage for their labour and those who don't (for example unpaid family workers, trainees and apprentices), those involved in the cultivation of crops or rearing of animals (for own use or sale) and those who prepare and sell food, nuts, fruits or the lotto ticket you hope will bring you that lucky jackpot so you don't have to work ever again. However, home duties and odd jobs done around the house (such as cutting the lawn) and volunteer work are both excluded from our definition of employment.

Other questions on the Labour Force Survey include "How many hours did you work in all jobs last week?", "What kind of work do you do", and "Why were you not available for work?". And it is the answers to these, and several other questions, that

tell us how many people are employed and unemployed in Belize. The same surveys also allow us to estimate the number of people in the labour force - defined as the number of persons aged 14 or over who are categorised as either 'working' (employed) or who are 'seeking or available for work' (unemployed).

Main Labour Force Indicators April 2006 - May 2008

	Apr-06	Apr-07	May-08
<b>Total Population</b>	<b>299,766</b>	<b>309,760</b>	<b>321,660</b>
Population under 14 years of age	104,047	110,001	111,034
Working-age Population (14 years +)	195,719	199,759	210,626
- Employed Population	102,234	111,835	114,465
- Unemployed Population	10,573	10,423	10,172
- Persons Not in the Labour Force (PNLF)	82,912	77,501	85,989
Labour Force Participation Rate	57.6	61.2	59.2
Unemployment Rate	9.4	8.5	8.2
<b>Employed Population by Industrial Grouping (No.)</b>			
Primary	21,645	25,345	30,035
Secondary	15,635	16,180	18,835
Tertiary	64,955	70,310	65,595
<b>Employed Population by Industrial Grouping (%)</b>			
Primary	21.2	22.7	26.2
Secondary	15.3	14.5	16.5
Tertiary	63.5	62.9	57.3

Source: Statistical Institute of Belize

So what are the latest findings? Well the most up to date information relating to May of 2008, showed that the total population of Belize was estimated at 321 660. This is an increase of 11900 (3.8%) since April 2007. Just over a third of the population are aged below 14 (111 034, or 34.5%). A further 85 989 people are excluded from the labour force (this includes people who attend school, or who are retired for example). This means that the labour force of Belize is estimated at 124 637 (59.2% of the total population). And out of this number 114 465 people are employed (91.8%) and 10 172 are unemployed (8.2%). This compares to similar unemployment figures of 8.5% for April 2007 and 9.4% for April 2006. The following figure shows these figures are part of two larger trends seen over the past six

years – the first the population is increasing steadily, and secondly that the unemployment is falling year on year.

Mid-Year Population Estimates - 2008

	Total	Male	Female
<b>Country Total</b>	<b>322,100</b>	<b>160,900</b>	<b>161,200</b>
Urban	165,700	80,900	84,800
Rural	156,400	80,000	76,400
<b>Corozal</b>	<b>36,800</b>	<b>18,300</b>	<b>18,500</b>
Corozal Town	9,300	4,400	4,900
Corozal Rural	27,500	13,900	13,600
<b>Orange Walk</b>	<b>48,300</b>	<b>24,600</b>	<b>23,700</b>
Orange Walk Town	16,300	8,100	8,200
Orange Walk Rural	32,000	16,500	15,500
<b>Belize</b>	<b>96,600</b>	<b>47,500</b>	<b>49,100</b>
Belize Urban	76,800	37,500	39,300
Belize City	65,200	31,500	33,700
San Pedro	11,600	6,000	5,600
Belize Rural	19,800	10,000	9,800
<b>Cayo</b>	<b>77,000</b>	<b>38,400</b>	<b>38,600</b>
Cayo Urban	45,900	22,500	23,400
San Ignacio/Sta Elena	19,100	9,300	9,800
Benque Viejo	8,700	4,300	4,400
Belmopan	18,100	8,900	9,200
Cayo Rural	31,100	15,900	15,200
<b>Stann Creek</b>	<b>33,300</b>	<b>17,100</b>	<b>16,200</b>
Dangriga Town	12,000	5,800	6,200
Stann Creek Rural	21,300	11,300	10,000
<b>Toledo</b>	<b>30,100</b>	<b>15,000</b>	<b>15,100</b>
Punta Gorda Town	5,400	2,600	2,800
Toledo Rural	24,700	12,400	12,300

Source: Statistical Institute of Belize

## MERCHANDISE TRADE

With imports growing at a higher rate than exports, the merchandise trade deficit widened further by 26.5% to \$1.1 billion at the end of 2008. Strong domestic demand and additional outlays by businesses in the commercial free zone boosted imports.

### IMPORTS

Merchandise imports expanded by 22.3% (\$305.5mn) in 2008, six times the rate of the previous year, to \$1.7 billion. The bulk of the increase was contributed by growth in machinery and transport equipment which shot up by 40.0% (\$100.4mn). The acceleration was mainly due to higher outlays on electrical parts for line telephony and telephone

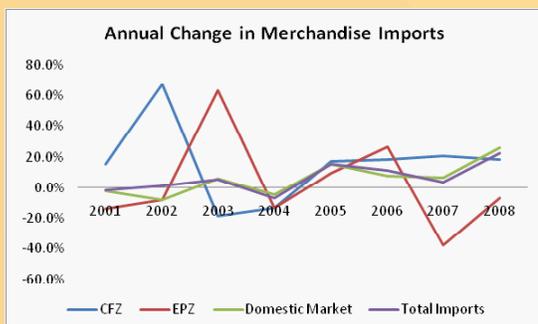
switching apparatus, aircrafts and motor vehicles. It reflected additional domestic demand as the largest telecommunications company embarked on a capital investment program and the replacement of aircraft inventory for entities in the tourism industry.

Another significant contributor to the rise in imports was the 40.6% (\$66.6mn) jump in manufactured goods such as boxes and construction materials, mainly due to the turnaround in banana exports and households improving or building new homes. Chemical Products also posted a double-digit increase (15.8%) on the back of the agricultural rebound, reflecting additional outlays on fertilizers, insecticides, herbicides and the importation of other agricultural inputs.

The surge in fuel imports during the review period is dominated by the price impact. International crude oil prices continued to trend upwards during the first half of 2008, rising from US\$91.94 per barrel (West Texas Intermediate crude oil price) in January, peaking at US\$133.88 in July and remaining above US\$100.00 per barrel until October. There was a strong decline in prices during the last two months of 2008, but the high prices during the first three quarters was the primary cause behind the \$51.5mn rise in mineral fuels and lubricants.

Import demand for food and live animals remained robust, rising by a further 18.2% (\$24.6mn) in 2008. This sector was buoyed up by higher demand for wheat, margarine, animal feed, sweet biscuits, milk and other milk products.

After recording a 20.9% rise in 2007, imports into the commercial free zone accelerated by an additional 18.4% during the review period, fueled by the continued Mexican demand for products from that area.



### *DOMESTIC EXPORTS*

After a decline of 5.3% in the previous year, the value of domestic exports picked up by 15.3% in 2008. Both external and domestic factors contributed to the satisfactory performance of exports during the review period.

High energy prices during most of 2008 aided a 61.9% (\$88.3mn) boom in crude oil sales, making this sector the largest export earner with a share of about 40.0% of total domestic export earnings. On the other hand, volume increase was the main contributor to the strengthening of the banana sector which rebounded from the impact of the Sigatoka disease and benefitted from the EU replanting project in 2007 to report a 57.9% (\$24.1mn) rise in earnings.

After modest output in 2007, cobia exports grew handsomely as the industry completed its first full year of production. Earnings from cobia sales expanded by \$3.5mn and contributed to a 5.0% turnaround in earnings for the marine sector.

After declining in 2007 due to adverse weather conditions, exports of conch recovered by 23.2%, resulting in a \$1.3mn rise in revenues. Notwithstanding a reduction in export volume for a third year in a row as the industry grapples with fluctuating world demand, increasing production costs and diseases, earnings for the shrimp sector improved by 4.9% during 2008, reflecting a modest increase in the average world price per pound. Lobster exports reverted to its pre-2007 downward pattern as inclement weather conditions continued to plague the industry. Coupled with the slackening world demand which dampened world prices during 2008 this sector recorded contractions in both volume and value of 2.1% and 8.0%, respectively.

After dodging hurricane Dean in 2007, the sugar industry took a substantial hit from severe floods in 2008 which resulted in a 20.3% contraction in sugar exports. Close to 80.0% of total sales went to the preferential EU market with no sales to the US market and exports to CARICOM plummeting by 75% to 532 long tons. A deceleration was also seen in papaya exports as hurricanes in 2007 and 2008 wiped out the steady progress that the industry had experienced between 2004 and 2006. During the 2008 review period there was a further 13.9% (\$3.63) decline in receipts.

The US economic crisis and weakening demand in the Caribbean market further depressed exports of orange and grapefruit concentrate. Another development has been the decision by European buyers to source the cheaper produce from larger exporters such as Brazil. The

result was significant price volatility which caused a 22.1% (\$3.6mn) fall in earnings from grapefruit concentrate. Meanwhile, orange concentrate required a vigorous 21.5% growth in volume to ensure only a marginal 1.2% (\$1.2mn) decline in earnings.

Strong earnings from the sale of orange and grapefruit squash, R.K. beans and black eye peas and a variety of other non-traditional exports were sufficient to offset declines in the sales of fresh oranges and pepper sauce. The net effect was a 36.9% (\$8.8mn) increase in earnings for the non-traditional export sector.

Two-way trade with major partners remained strong, during 2008, with the United States maintaining its position as Belize's largest trade partner. Against the backdrop of additional crude oil sales, Belize's trade deficit with the United States improved by 2.2% (\$7.1mn) to \$320.8mn. On a account of the CFZ trade with Panama, Central America was the second biggest trade partner with Belize's trade deficit with that region increasing by 67.6% (\$87.1mn) to \$216.0mn. Bilateral trade between Belize and its third largest trading partner, Mexico, hit \$146.8mn, resulting in a worsening in the trade deficit of 20.6% (\$25.0mn). Belize recorded a trade surplus with its fourth largest trade partner, the EU, with two-way trade of \$67.8mn, down by 23.5% (\$20.8mn) when compared to 2007. The trade deficit with Canada, Belize's second smallest trade partner, improved by 9.9% to \$11.9mn, while CARICOM remained the smallest of Belize's main trade partners showing a 55.1% (\$4.2mn) decline in the trade surplus to \$3.4mn.

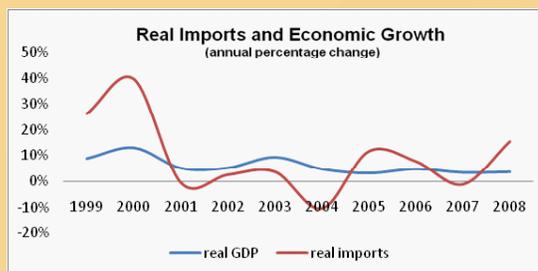
Attracted by higher prices, petroleum sales were diverted from Central America to the United States making it the main destination for Belize's domestic exports during 2008. The US market share rose from 26.6% (which made it the third main domestic export destination in 2007) to 42.4%. As a result, Central America's market share fell by 7.8%, making it Belize's third main export market in 2008 as compared to its number two rank in the previous year. The EU had not been the primary export market for a ten-year period until it reclaimed the number one spot in 2007. However, this was short-lived as that region became the second main export destination in 2008, accounting for 27.0% of Belize's exports. Meanwhile, the contraction in sugar exports caused a further decline in CARICOM export market share by 1.8 percentage points to 5.2%. Mexico's small share of total domestic exports further declined by 0.2 percentage points to 1.7% with the continuing poor performance of shrimp production.

Unlike the export markets, the major import markets remained unchanged during 2008, with the United States as the main provider of imports, accounting for 34% of total imports. This included some food, machinery and manufactured goods. This was followed by Central America that provided 20.1% of all imports such as CFZ purchases, manufactured goods and chemical products. Mexico and the EU were the sources of some manufactured goods, dairy and processed products and accounted for 9.4% and 5.4% of total imports, respectively. Meanwhile, higher costs of fuel imports from Netherlands Antilles and

additional CFZ purchases from China pushed up the market share of other miscellaneous countries by 0.7 percentage points to 28.7% during the review period.

## TRENDS IN MERCHANDISE IMPORTS (1998 TO 2008)

It is not surprising to observe that imports have been expanding in Belize, particularly over the past decade as the country experienced strong economic growth. During this period, real GDP averaged 6.0% annual growth while imports grew on average by about 9.0%.



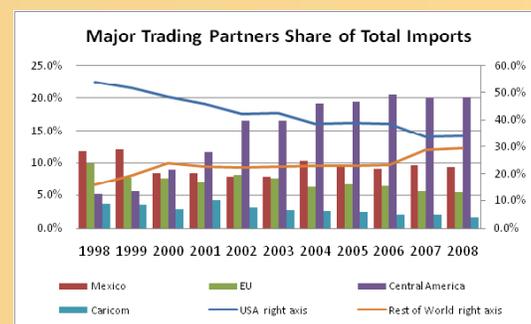
Source: Statistical Institute of Belize

Imports expanded in most years over the past decade. In 1998, Belize imported \$592 million of goods which was equivalent to \$2,482 per person although many of the goods were imported by companies and not individuals. In 2008, Belize imported \$1.7 billion worth of goods which was equivalent to \$5,375 per person.

Belizean imports have remained relatively diversified with the major types of imports declining as a percentage of total imports between 1998 and 2008. In 1998, the five leading groups included

machinery and transport equipment, mineral fuels & lubricants, manufactured goods, food and live animals and chemical products. These accounted for 83.8% (\$496.4mn) of total merchandise imports. However, imports of these five sectors accounted for 67.6% (\$1.1bn) of total merchandise imports in 2008 as goods to the commercial free zone has grown substantially since 2000.

About 40% of imported goods are classified as intermediate goods which include raw material and other components used by producers to make goods either for domestic sale or export. About a third is classified as other goods, which represent some of the imports for the commercial free-zone. The remainder is classified as consumer goods (16%) used by households and capital goods (13%) which include machines used for the production of other goods.



Source: Statistical Institute of Belize

Belize's imports mainly originate from the United States, followed by Central America, Mexico and Europe. In 1998, these countries accounted for almost 85.0% of Belize's imports, however in 2008 these same countries accounted for just over 68.0% of total imports. This largely reflects a boost in fuel imports in the 2000's from the Netherland Antilles that pushed

up the share of the rest of the world.

The US has traditionally been Belize's main trading partner and while imports from that country has risen from \$319.0 million in 1998 to \$569.0 million in 2008, their share of total imports has steadily eroded from 53.8% (1998) to 34.0% (2008). Food, motor vehicles and aircraft (machinery and transport equipment) and manufactured goods are some of the major imports from the United States.

Some notable changes have occurred with Central American sources. With the development of the commercial free zone, Belize imported a variety of goods from Panama and Costa Rica with clothing and textiles and electronics accounting for the bulk of imports. Guatemalan imports also recorded strong growth, largely on the strength of chemical products, machinery and some manufactured goods. Consequently, imports from Central America grew from \$30.1 million in 1998 to \$336.34 in 2008. Central America's import share quadrupled from 5.1% to 20.1%.

The ranking of the remaining countries, Mexico, EU and CARICOM have changed minimally over time. Mexico's share of total imports dropped by 2.4 percentage points between 1998 (11.8%) and 2008 (9.4%) while the EU's share of total imports fell by 4.6 percentage points from 10.0% to 5.4%. Some food products, electrical equipment, building cement, diesel oil and chemicals are the key imports from these areas.

Notwithstanding the phasing out of tariffs applied to goods from the CARICOM area, total imports increased modestly

from \$21.5mn in 1998 to \$27.6mn in 2008, while the share of total imports declined by 2.0 percentage points from 3.6% in 1998 to 1.6% in 2008.

## UPCOMING EVENT

### 2010 POPULATION AND HOUSING CENSUS

May 12th, 2010 is a day we have been waiting a decade for... Census Day. The Population and Housing Census, the largest exercise for the staff of the Statistical Institute of Belize, is scheduled for 2010. Data collection will be organized and implemented by a staff of over 1,000 people and is scheduled for a four week period during the summer. The Census

The census is the only survey that will give us a national, comprehensive picture of the social and living conditions of our people in 2010. The greatest strength of the census is the provision of detailed population and housing characteristic figures at local level, the results of which are essential tools for effective policy, planning and decision making purposes.



As part of public - ity efforts a Logo and a Slogan competition were held in June 2009.

The Census exercise is an exciting time for our staff and our nation. Stay tuned for more information on the 2010 Census



## BAKER TILLY HULSE

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### REPORT OF THE AUDITOR TO THE BOARD OF DIRECTORS OF STATISTICAL INSTITUTE OF BELIZE

We have audited the accompanying statement of financial position of the STATISTICAL INSTITUTE OF BELIZE as at 30th September 2009 and 31st March 2009 and the related statements of comprehensive income and cash flows for the periods then ended. These financial statements are the responsibility of the Institute's management. Our responsibility is to express an opinion on the financial statements based on our audit.

We conducted our audits in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the STATISTICAL INSTITUTE OF BELIZE as of 30th September 2009 and 31st March 2009 and the results of its operations and its cash flows for the periods then ended in conformity with International Financial Reporting Standards.

We concluded the interim audit 6th January 2010.

We concluded our audit 10th June 2008.

CHARTERED ACCOUNTANT  
6th January 2010

Belize City,  
Belize, C.A.



Mark C. Hulse, Principal

## Audited Financial Statements

## S t atistical I nstitute of B elize

STATEMENTS OF FINANCIAL POSITION  
30TH SEPTEMBER 2009 AND 31ST MARCH 2009

All amounts expressed in Belize dollars.

	Notes	30th September 2009	31st March 2009
Current assets:			
Cash and bank		1,011,487	952,184
Cash and bank - restricted	2, 3	313,533	193,502
Accounts receivable and prepayments	2, 4	42,584	42,988
Other assets	2, 5	<u>2,270</u>	<u>3,479</u>
		<u>1,369,874</u>	<u>1,192,153</u>
Long-term assets:			
Furniture and equipment	2, 6	<u>329,568</u>	<u>277,914</u>
<u>Total assets</u>		<u>1,699,442</u>	<u>1,470,067</u>
Current liabilities:			
Accounts payable and accruals	2, 7	50,741	31,338
Pension liability	2, 8	157,283	113,962
Project liability	2, 9	<u>156,250</u>	<u>79,540</u>
Total liabilities		<u>364,274</u>	<u>224,840</u>
NET ASSETS		<u>1,335,168</u>	<u>1,245,227</u>
EQUITY			
Fund balance		1,198,956	1,145,510
Capital grant		<u>136,212</u>	<u>99,717</u>
TOTAL FUND BALANCE		<u>1,335,168</u>	<u>1,245,227</u>

Approved on behalf of the Board

\_\_\_\_\_ Director

\_\_\_\_\_ Director

Dated

Auditor's report page 1

The notes on pages 6 to 13 form an integral part of these financial statements.

STATEMENTS OF COMPREHENSIVE INCOME FOR 6 MONTHS TO 30TH SEPTEMBER 2009 AND YEAR ENDED 31ST MARCH 2009

All amounts are expressed in Belize dollars.

	Notes	6 months to 30th September 2009	Year ended 31st March 2009
<b>INCOME:</b>			
Subvention - GOB		900,000	2,322,996
Direct payments - GOB	10	144,740	253,612
Sale of publications - net	11	1,374	2,973
Consultancy		56,212	105,281
Amortized income - donated assets		11,931	32,984
Other income	12	32,381	19,883
Gain on disposals		-	4,791
		<u>1,146,638</u>	<u>2,742,520</u>
<b>EXPENSES:</b>			
Advertising		13,339	21,275
Allowances		19,523	34,670
Bank charges		1,862	2,949
Contributions		38	6,265
Depreciation		41,351	64,359
Bad debts		-	120
Electricity		52,696	72,640
Employee benefits		53,125	86,520
Fuel expense		19,099	33,917
Licenses and insurance		3,824	7,094
Loss on disposal			1,072
Meetings and conferences		9,172	13,464
Miscellaneous		575	1,352
Office expense		22,687	97,774
Postage and delivery		784	1,856
Printing and reproduction		14,304	23,690
Professional fees		32,968	36,995
Rent		70,600	144,950
Repairs and maintenance		18,924	25,864
Salaries and wages		624,121	1,137,660
Social security		21,066	39,456
Telephone		21,464	37,207
Training and workshops		22,708	93,077
Travel and subsistence		74,599	123,431
Water		1,730	6,064
		<u>1,140,559</u>	<u>2,113,721</u>
Net income		<u>6,079</u>	<u>628,799</u>

The notes on pages 6 to 13 form an integral part of these financial statements.

## STATEMENTS OF CHANGES IN EQUITY FOR 6 MONTHS TO 30TH SEPTEMBER 2009 AND YEAR ENDED 31ST MARCH 2009

All amounts are expressed in Belize dollars.

	Notes	6 months to 30th September 2009	Year ended 31st March 2009
<b>EQUITY</b>			
<b>FUND BALANCE</b>			
Balance at the beginning of the year		1,145,510	591,424
Prior year adjustments	13	47,367	(74,713)
Net income for the year (page 3)		<u>6,079</u>	<u>628,799</u>
Balance at the end of the year		<u>1,198,956</u>	<u>1,145,510</u>
<b>CAPITAL GRANT</b>			
Balance at the beginning of the year		99,717	92,440
Additions		48,426	40,261
Amortized amount		<u>(11,931)</u>	<u>(32,984)</u>
		<u>136,212</u>	<u>99,717</u>
<b>TOTAL EQUITY</b>		<u>1,335,168</u>	<u>1,245,227</u>

The notes on pages 6 to 13 form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS FOR 6 MONTHS TO 30TH SEPTEMBER 2009 AND YEAR ENDED 31ST MARCH 2009

All amounts are expressed in Belize dollars.

	Notes	6 months to 30th September 2009	Year ended 31st March 2009
Cash flow from operating activities:			
Net income for the year		6,079	628,799
Items not affecting working capital			
- depreciation charge		41,351	64,359
- net gain on disposal of assets		-	(3,719)
- prior period adjustment	13	47,367	(74,713)
- amortization income		<u>(11,931)</u>	<u>(32,984)</u>
		82,866	581,742
Add/(less):			
Decrease / (increase) in accounts receivable and prepayments		404	(21,691)
Decrease in other assets		1,209	4,088
Increase in accounts payable and accruals		19,403	16,937
Increase in pension liability		43,321	66,433
Project liability		<u>76,710</u>	<u>79,540</u>
Net cash flow from operating activities		<u>223,913</u>	<u>727,049</u>
Cash flow from investing activities:			
Purchase of property, plant and equipment		(44,579)	(78,088)
Proceeds from sale of assets		<u>-</u>	<u>20,500</u>
Net cash flow (used by) investing activities		<u>(44,579)</u>	<u>(57,588)</u>
Increase in cash and bank balance		179,334	669,461
Cash and bank balance at the beginning of the year		<u>1,145,686</u>	<u>476,225</u>
Cash and bank balance at the end		<u>1,325,020</u>	<u>1,145,686</u>
SUPPLEMENTAL INFORMATION			
Additions - donated assets		48,426	40,261

The notes on pages 6 to 13 form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS FOR 6 MONTHS TO 30TH SEPTEMBER 2009 AND YEAR ENDED 31ST MARCH 2009

All amounts are expressed in Belize dollars.

**1. STATUS**

The Statistical Institute of Belize was established as a statutory body on 1st April 2007 by the Statistical Institute of Belize Act, No. 9 Of 2006. The Institute replaced the Central Statistical Office as the national statistical agency of Belize.

The principal functions of the Institute are the collection, compilation, extraction, analysis and release of official statistics relating to demographics, social, environmental, economic and general activities and conditions of Belize.

The Institute pursues its objectives utilizing an operational budget comprising of monthly government subventions, grant funds and proceeds from the sale of publications and services.

The Statistical Institute of Belize's principal office is located at no. 1902 Constitution Drive, Belmopan City, Belize with subsidiary offices in all districts. At 30th September 2009, the Institute employed approximately 35 persons.

**2. STATEMENT OF ACCOUNTING POLICIES**

The financial statements of The Statistical Institute of Belize have been prepared in accordance with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board.

*Basis of preparation*

These financial statements are presented in Belize Dollars. They have been prepared under the historical cost convention. The preparation of these statements require the use of certain accounting estimates It also requires that management exercise its judgment in the process of applying the Institute's accounting practices and policies to most realistically portray the results of operations.

*Cash and cash equivalents*

Cash and cash equivalents includes cash on hand and deposits held on call with local banks.

*Foreign currency translation*

Foreign currency transactions are translated into Belize dollars using the exchange rates prevailing at the dates of the transactions. Foreign currency balances outstanding at the statement of financial position date are converted at the rates ruling on that date. Gains and losses, both realized and unrealized, are included in the statement of comprehensive income.

*Accounts receivable*

Accounts receivable consists of amounts receivable for sale of publications, employee loans and other miscellaneous receivables.

Amounts are originally stated at invoice value and subsequently shown at amortized value. There is no provision for impairment.

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NOTES TO THE FINANCIAL STATEMENTS FOR 6 MONTHS TO 30TH SEPTEMBER 2009 AND YEAR ENDED 31ST MARCH 2009

All amounts are expressed in Belize dollars.

## 2. STATEMENT OF ACCOUNTING POLICIES (continued)

*Furniture and equipment*

Furniture and equipment is carried at historical cost and depreciated on the straight line method at the following rates:

Motor vehicle	25%
Computer equipment	20%
Furniture and equipment	10%
Building	2.5%

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Institute and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred. Major renewals and improvements are capitalized.

When 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.

*Trade and other payables:*

Trade and other payables are recognized on the accrual basis in the period when goods are received or services rendered.

*Pension liability*

Pension liability represents funds held by the Institute in a joint-contribution pension scheme by SIB and its employees. This is also reflected as restricted cash on the statement of financial position.

*Project liabilities*

Project liabilities represent undisbursed amounts of funds received for specific projects. These balances are directly related to restricted cash on hand.

*Capital grants*

Capital grants represent the value of assets donated to the Institute by the Government of Belize and other agencies. The grant is recognized at the current market value of the asset and amortized to income at the same rate of annual depreciation of the donated assets.

*Revenue*

Revenue comprises of the sale of consultancy services and publications. Revenue also includes government grants (subventions).

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NOTES TO THE FINANCIAL STATEMENTS FOR 6 MONTHS TO 30TH SEPTEMBER 2009 AND YEAR ENDED 31ST MARCH 2009

All amounts are expressed in Belize dollars.

## 2. STATEMENT OF ACCOUNTING POLICIES (continued)

### Revenue (continued)

Revenue is recognized as follows:

Sales of publications - sales of publications are recognized when the sale occurs.

Sales of services - sales of services are recognized in the period when services are rendered.

Government grants - Government subventions are recognized in the period when cash is received.

### Expenses

Expenses are recognized in the period when services are rendered or goods received.

### FINANCIAL RISK MANAGEMENT

The Institute's activities expose it to credit risk and liquidity risks. Risk Management is executed by management under policies set by the Board of Directors.

#### Credit risk

Credit risk arises from credit extensions to customers resulting in trade receivables. Management assesses the credit quality of the customer before extending credit. Trade receivables are continuously monitored and adjusted as necessary.

#### Liquidity risk and cash flow risk

The Institute earns some income but is dependent on monthly subventions from the Government of Belize to cover normal operating expense and fixed costs. Liquidity risk and cash flow risk in this case is the risk that sufficient cash will not be available to cover these expenses. The Institute manages this risk with prudent cash management in relation to a prepared budget.

#### Inventory risk

Inventory risk is the risk that inventory may be outdated or stolen. Management closely monitors inventory levels in relation to sales and also conducts frequent stock takes of the equipment on hand.

#### Fraud risk

The Institute is exposed to fraud risks from customers as well as employees. The Institute seeks to minimize these risks by internal controls, authorizations for payments, and inventory checks and balances.

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NOTES TO THE FINANCIAL STATEMENTS FOR 6 MONTHS TO 30TH SEPTEMBER 2009 AND YEAR ENDED 31ST MARCH 2009

All amounts are expressed in Belize dollars.

	30th September 2009	31st March 2009
3. CASH AND BANK - restricted		
Cash and bank restricted consists of the following:		
Pension liability	157,283	113,962
Project liability	<u>156,250</u>	<u>79,540</u>
	<u>313,533</u>	<u>193,502</u>
Projects are audited separately.		
4. ACCOUNTS RECEIVABLE AND PREPAYMENTS		
Accounts receivable and prepayments consist of the following:		
Accounts receivable - trade	30,667	30,667
Prepaid expenses	3,633	3,394
Prepayment for website development	293	1,320
Prepaid purchases	-	7,607
Staff Advances	<u>7,991</u>	<u>-</u>
	<u>42,584</u>	<u>42,988</u>
5. OTHER ASSET		
Other asset consists of the following:		
Inventory of 'Abstract of Statistics' publications produced by the Institute for resale	1,398	2,607
Donated office supplies and equipment	<u>872</u>	<u>872</u>
	<u>2,270</u>	<u>3,479</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR 6 MONTHS TO 30TH SEPTEMBER 2009 AND YEAR ENDED 31ST MARCH 2009

All amounts are expressed in Belize dollars.

6. FURNITURE AND EQUIPMENT

Furniture and equipment consist of the following:

SEPTEMBER 2009 - INTERIM	Motor Vehicles	Computer Equipment & Software	Furniture & Other Equipment	Total
<b>Cost</b>				
Cost at 31st March 2009	164,314	126,546	76,688	367,548
Additions	-	37,581	6,998	44,579
Disposal	-	-	-	-
Transfer in (donations)		48,426		48,426
Cost at 30th Sep 2009	<u>164,314</u>	<u>212,553</u>	<u>83,686</u>	<u>460,553</u>
<b>Accumulated Depreciation</b>				
Balance at 31st March 2009	52,491	28,119	9,024	89,634
Additions	20,539	16,951	3,861	41,351
Disposal	-	-	-	-
Balance at 30th Sep 2009	<u>73,030</u>	<u>45,070</u>	<u>12,885</u>	<u>130,985</u>
<b>Net Book Value at 30th September 2009</b>	<u>91,284</u>	<u>167,483</u>	<u>70,801</u>	<u>329,568</u>
<b>MARCH 2009 - FISCAL YEAR END</b>				
<b>Cost</b>				
Cost at 31st March 2008	129,434	78,168	62,911	270,513
Additions	54,880	48,378	15,090	118,348
Disposal	(20,000)	-	(1,313)	(21,313)
Cost at 31st March 2009	<u>164,314</u>	<u>126,546</u>	<u>76,688</u>	<u>367,548</u>
<b>Accumulated Depreciation</b>				
Balance at 31st March 2008	19,629	7,538	2,641	29,808
Additions	37,154	20,581	6,624	64,359
Disposal	(4,292)	-	(241)	(4,533)
Balance at 31st March 2009	<u>52,491</u>	<u>28,119</u>	<u>9,024</u>	<u>89,634</u>
<b>Net Book Value at 31st March 2009</b>	<u>111,823</u>	<u>98,427</u>	<u>67,664</u>	<u>277,914</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR 6 MONTHS TO 30TH SEPTEMBER 2009 AND YEAR ENDED 31ST MARCH 2009

All amounts are expressed in Belize dollars.

30th September 2009      31st March 2009

6. FURNITURE AND EQUIPMENT (continued)

The distribution between purchased and donated assets is as follows:

	Cost	Accumulated Depreciation	Net Book Value	
Purchased assets -SIB				
Motor vehicles	164,314	(73,030)	91,284	111,823
Computer equipment	80,660	(17,413)	63,247	31,982
Furniture and equipment	46,527	(7,703)	38,824	34,392
	<u>291,501</u>	<u>(98,146)</u>	<u>193,355</u>	<u>178,197</u>
Donated assets -GOB				
Motor Vehicle	-	-	-	-
Computer and equipment	31,790	(12,716)	19,074	22,253
Furniture and equipment	37,160	(5,182)	31,978	33,274
	<u>68,950</u>	<u>(17,898)</u>	<u>51,052</u>	<u>55,527</u>
Donated assets - OTHER				
Computer and equipment - UNICEF	11,416	(4,376)	7,040	8,181
Computer and equipment - CDB	44,941	(2,496)	42,445	-
Computer and equipment - UNFPA	3,486	(174)	3,312	-
Computer and equipment - SEICA	40,260	(7,896)	32,364	36,009
	<u>100,103</u>	<u>(14,942)</u>	<u>85,161</u>	<u>44,190</u>
<b>Total furniture and equipment</b>	<b><u>460,554</u></b>	<b><u>(130,986)</u></b>	<b><u>329,568</u></b>	<b><u>277,914</u></b>

7. ACCOUNTS PAYABLE AND ACCRUALS

Accounts payable and accruals consist of the following:

Accounts payable - trade	35,410	16,021
Payroll liabilities	9,611	6,737
Professional fees	5,720	8,580
<b>Total accounts payable and accruals</b>	<b><u>50,741</u></b>	<b><u>31,338</u></b>

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NOTES TO THE FINANCIAL STATEMENTS FOR 6 MONTHS TO 30TH SEPTEMBER 2009 AND YEAR ENDED 31ST MARCH 2009

All amounts are expressed in Belize dollars.

	30th September 2009	31st March 2009
8. PENSION LIABILITY		
Pension liability reflects amounts held by the Institute earmarked for a pension scheme for employees. Refer note 3.	<u>157,283</u>	<u>113,962</u>
9. PROJECT LIABILITY		
Project liability represent the undisbursed funds earmarked for specific projects:		
WORLD BANK		
Balance at the beginning of the year	79,540	79,840
Funds received	-	114,009
	<u>79,540</u>	<u>193,849</u>
Less: Disbursements	(120)	(114,309)
Balance at the end of the year	<u>79,420</u>	<u>79,540</u>
UNICEF		
Balance at the beginning of the year	-	-
Funds received	80,000	-
	<u>80,000</u>	-
Less: Disbursements	(3,170)	-
Balance at the end of the year	<u>76,830</u>	<u>-</u>
TOTAL PROJECT LIABILITY (Refer to note 3)	<u>156,250</u>	<u>79,540</u>
10. DIRECT PAYMENTS - GOB		
Rent	68,850	137,700
Telephone	21,464	37,208
Electricity	52,696	72,640
Water	1,730	6,064
	<u>144,740</u>	<u>253,612</u>
11. SALE OF PUBLICATIONS		
Sales of Abstract of Statistics	2,620	4,700
Less: cost of sales	(1,246)	(1,727)
Gross profit on publications	<u>1,374</u>	<u>2,973</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR 6 MONTHS TO 30TH SEPTEMBER 2009 AND YEAR ENDED 31ST MARCH 2009

All amounts are expressed in Belize dollars.

	30th September 2009	31st March 2009
12. OTHER INCOME		
Interest income earned on fixed deposits	<u>32,381</u>	<u>19,883</u>
13. PRIOR YEAR ADJUSTMENTS		
Reclassification of funds from World Bank ( International Bank for Reconstruction & Development)	-	(79,840)
Reversal of stale dated cheques	2,048	5,052
Adjustment to expenses	(366)	-
Adjustment to pension fund	669	-
Adjustment to capital grants (donated assets)*	44,941	-
Adjustment to inventory	<u>75</u>	<u>75</u>
	<u>47,367</u>	<u>(74,713)</u>

\* Software was expensed in prior year - now being capitalized. Cost was donated by Caribbean Development Bank.

