

Belize Olympic and Commonwealth Games Association

Financial statements
31st December 2021

BELIZE OLYMPIC AND COMMONWEALTH GAMES ASSOCIATION

**FINANCIAL STATEMENTS
31ST DECEMBER 2021**

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BELIZE OLYMPIC AND COMMONWEALTH GAMES ASSOCIATION

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Belize Olympic and Commonwealth Games Association, which comprise the statement of financial position as at 31st December 2021, statement of fund balance and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Belize Olympic and Commonwealth Games Association as of 31st December 2021 and of its financial performance and cash flows for the period then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs).

Basis of 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 Association in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Belize, 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 opinion.

Emphasis of Matter

We draw attention to Note 2.1 of the financial statements, which explains why the Association has not presented restricted and unrestricted funds separately. Our opinion is not modified in respect of this matter.

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

Management is responsible for the preparation and fair presentation of the 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.

PKF Belize • Regent House • 35 Regent Street • P.O. Box 280 • Belize City • Belize
Tel: (501) 227-7428 • (501) 227-7222 • Email: info@pkfbelize.com • Website: pkfcaribbean.com/belize
Partners: J.A. Bautista • J. Ortez

INDEPENDENT AUDITOR'S REPORT (continued)

Responsibilities of Management and Those Charged with Governance for the Financial Statements (continued)

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

Those charged with governance are responsible for overseeing the Association'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 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association'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



Accountants &
business advisers

INDEPENDENT AUDITOR'S REPORT (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

- Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

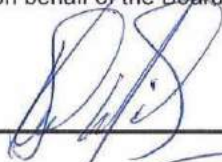
PKF Belize

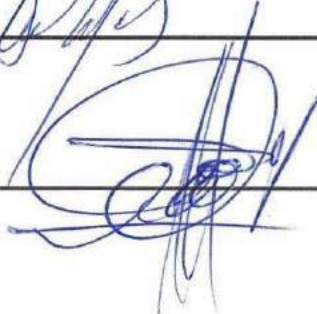
PKF Belize
Chartered Accountants
Belize City
3rd December 2022

BELIZE OLYMPIC AND COMMONWEALTH GAMES ASSOCIATION
STATEMENT OF FINANCIAL POSITION
31ST DECEMBER 2021

	Notes	2021	2020
ASSETS			
Current assets:			
Cash and bank		438,426	453,901
Investment	4	111,611	222,582
Accounts receivable	5	77,063	164,911
		627,100	841,394
Property and equipment, net	7	1,301,355	930,278
Total assets		BZ (\$) 1,928,455	1,771,672
LIABILITIES AND FUND BALANCES			
Accounts payable	6	79,278	46,474
FUND BALANCES			
Retained funds		1,849,177	1,725,198
		1,849,177	1,725,198
Total liabilities and fund balance		BZ (\$) 1,928,455	1,771,672

Approved on behalf of the Board of Directors on 3rd December 2022:


 _____ President


 _____ Treasurer

The notes on pages 7 to 12 form an integral part of these financial statements.

	Notes	2021	2020
Support income	8	1,130,901	957,816
Other income			
Interest Income from term deposits		495	1,622
Miscellaneous income		1,223	-
Travel Reimbursement: PASO		1,180	-
Total support income and other income		1,133,799	959,438
Expenses:			
Games expenses	11	203,928	-
Assistance to associations	9	549,898	593,253
Administrative expenses	10	172,390	187,685
Other expenses	12	71,652	117,660
Depreciation	7	11,952	12,038
Total Expenses		1,009,820	910,636
Change in fund balance for the period		123,979	48,802
Fund balances from prior period		1,725,198	1,676,396
Fund balance at end at 31st December 2021	BZ (\$)	1,849,177	1,725,198

The notes on pages 7 to 12 form an integral part of these financial statements.

	2021	2020
Cash flows from operating activities:		
Increase in fund balance for the period	123,979	48,802
Adjustment to reconcile net income to net cash provided by operations:		
Depreciation	11,952	12,038
Changes in current assets and liabilities:		
Decrease (Increase) in accounts receivables	87,848	(145,600)
Increase in accounts payable	32,804	8,714
Net cash provided by (used in) operating activities	256,583	(76,046)
Cash flows from investing activities:		
Purchase of property and equipment	(383,029)	(769,041)
Purchase of Investment	(111,611)	(222,582)
Proceeds from disposal of investment	222,582	-
Net cash (used in) investing activities	(272,058)	(991,623)
Net (decrease) in cash and bank	(15,475)	(1,067,669)
Cash and bank, beginning of year	453,901	1,521,570
Cash and bank, end of year	BZ (\$) 438,426	453,901

The notes on pages 7 to 12 form an integral part of these financial statements.

1. GENERAL INFORMATION

The Belize Olympic and Commonwealth Games Association (the Association) is a not-for-profit organization limited by guarantee, incorporated under the Companies Act Chapter 250 of the Substantive Laws of Belize.

The Association is registered and domiciled in Belize. Its main office is located at the Marion Jones Stadium, Princess Margaret Drive Belize City, Belize.

The mission of the Association is to uphold and promote Olympic values, principles and ideals and to contribute to building a successful sports system in Belize through which all Belizeans can safely participate, enjoy and succeed at all levels of sports and physical activities.

The Association is supported mainly by grants provided in accordance with International Olympic Committee (I.O.C) charters for member funding. The Association also receives funding from Pan American Sports Organizations for Athletic programs.

The association is managed by members of the board elected by representatives from the national federations at the annual general meeting.

These financial statements were authorized for issue by the Board on 3rd December 2022.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparing the financial statements

The financial statements of Belize Olympic and Commonwealth Games Association have been prepared in accordance with the 'International Financial Reporting Standard for Small and Medium-sized Entities' (IFRS for SMEs) issued by the International Accounting Standards Board.

The restricted and unrestricted funds and restricted and unrestricted retained fund balances have not been presented separately in the financial statements because the system that is currently in place does not provide the necessary information for restricted funds from unrestricted funds to be tracked and separated.

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 judgement in the process of applying the entity'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.

2.2 Foreign currency translation

(a) Functional and presentation currency

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

(b) 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 recognised in the Statement of Fund Balance.

Foreign exchange gains and losses that relate to borrowings, cash and cash equivalents are presented in the Statement of Fund balance as 'Other income'. All other foreign exchange gains and losses are presented in the Statement of Fund balance within expenses.

2.3 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, security deposits and other short-term highly liquid investments with original maturities of within a year.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Accounts receivables

Accounts receivables are recognized initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of accounts receivable is established when there is objective evidence that the Association will not be able to collect all amounts due according to the original terms of the receivables.

2.5 Property and equipment

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

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably. The carrying cost of the replaced part is derecognized. All other repairs and maintenance are expensed in the period in which they are incurred.

Depreciation on 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:

Furniture and fixtures	10 years
Computer equipment	5 years

When property and equipment are disposed of by sale or scrapping, the cost and related accumulated depreciation are removed from the financial statements and any resulting gain or loss, determined by comparing the proceeds with the carrying amount, are recognised within general administrative expenses.

2.6 Impairment of non-financial assets

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 recognised 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.

2.7 Investments

Investments in shares which do not have a quoted market price in an active market and whose value, in the board members opinion, cannot be reliably measured, are recorded at cost less impairment.

2.8 Accounts payable

Accounts payable are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Unconditional promises to give cash towards program fundings are recognized as payables and as assistance to associations expenses when the grantee's request for contribution is approved by the members of the Board.

2.9 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 profit or loss on a straight-line basis over the period of the lease. The association leases three apartments under operating leases.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.9 Leases (continued)

The Association has an operating lease with the Government of Belize for 1.07 acres of land at the Marion Jones Sporting Complex situated in the King's Park registration section, Block no. 45, Belize City, Belize District. The lease is for the term of Ninety-nine (99) years.

2.10 Support and revenue recognition

The Association recognises support from International Olympic committee when the contributions provided for in accordance with the International Olympic charter for member funding, can be reliably measured and it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Association's activities. Interest income is recognised using the effective interest method.

Support from contributions, which would include grants that are unconditional, are recognized when received and classified as net assets with or without donor restrictions.

Conditional contributions are recognized as liabilities if assets are transferred in advance or not recognized at all until the conditions have been substantially met or explicitly waived by the donor, at which point the contributions are recognized as unconditional and classified as net assets with or without donor restrictions.

2.11 In-kind contributions

No amounts have been reflected in the financial statements for contributed services but the Association acknowledges that it has benefited from contributed services provided by individuals. The specialized skills provided would typically need to be purchased if not provided by donation.

2.12 Expenditure recognition

Expenditure is recognized when incurred.

2.13 Comparative information

Where necessary, comparative amounts have been reclassified to conform with changes in presentation in the current year.

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 Association 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 useful life of property, plant and equipment.

	2021	2020
4. INVESTMENTS		
Term Deposits - Belize Bank Limited		
Term Deposit - TD11244601	111,611	-
Term Deposit - TD11244695	-	111,291
Term Deposit - TD11244687	-	111,291
	<u>BZ (\$)</u>	<u>222,582</u>
	<u>111,611</u>	<u>222,582</u>

5. ACCOUNTS RECEIVABLE 2021 2020

Accounts receivable consist of the following:

Reimbursement due from Cuban coaches	22,562	13,861
Belize Basketball Federation	7,000	7,000
Rent deposits	3,450	-
Receivables from the Belize Volleyball Association	44,051	144,050
	BZ (\$) 77,063	164,911

6. ACCOUNTS PAYABLES 2021 2020

Accounts payable consist of the following:

Accounts payable	9,800	-
Belize Bank Master Card	41	-
Retention payable (Construction of building)	69,086	46,003
Social Security and payroll taxes payable	351	471
	BZ (\$) 79,278	46,474

7. PROPERTY AND EQUIPMENT

Property and equipment consist of:

	Furniture and fixtures	Computer Equipment	Construction in progress	Total	
Cost					
At 1st January 2021	37,987	46,666	899,793	984,446	
Additions	1,370	-	339,349	340,719	
Disposals	-	(18,600)	-	(18,600)	
Reclassifications	-	-	42,310	42,310	
At 31st December 2021	39,357	28,066	1,281,452	1,348,875	
Accumulated depreciation					
At 1st January 2021	24,000	30,168	-	54,168	
Depreciation Charge for the year	3,799	8,153	-	11,952	
Eliminated on disposals	-	(18,600)	-	(18,600)	
At 31st December 2021	27,799	19,721	-	47,520	
Carrying amount:					
At 1st January 2021	BZ (\$)	13,987	16,498	899,793	930,278
At 31st December 2021	BZ (\$)	11,558	8,345	1,281,452	1,301,355

8. SUPPORT INCOME 2021 2020

Pan American Sports Organization	710,212	537,005
Olympic Solidarity	202,606	420,811
Commonwealth Games Federation	74,033	-
Belize Volleyball Association	144,050	-
	BZ (\$) 1,130,901	957,816

	2021	2020
9. ASSISTANCE TO ASSOCIATIONS/FEDERATIONS		
Athletics	133,768	174,521
Basketball	2,753	-
Bodybuilding	8,843	9,720
Canoe	14,499	-
Cycling	63,781	2,699
Fencing	20,186	7,517
Football	2,753	4,505
Judo	3,568	-
Karate	10,237	11,661
Rugby	25,148	4,635
Sailing	5,935	25,334
Softball	3,985	2,304
Table Tennis	37,695	124,494
Tennis	25,123	70,915
Triathlon	28,990	-
Volleyball	162,634	154,948
	BZ (\$)	549,898
		593,253
10. ADMINISTRATIVE EXPENSES		
Advertising and marketing	675	4,126
Anti doping cost	-	12,434
Bank Charges	4,269	6,791
Caribbean Association of National Olympic Committee	-	2,233
Christmas Bonus	4,000	5,500
Equipment Maintenance	1,213	1,902
Exchange gain/loss(Euros)	6,547	10,089
Foreign travel	16,824	19,039
Janitorial Services	450	390
Lease	4,000	-
License and taxes	224	5,000
Meetings	5,286	3,705
Membership dues	-	1,411
Miscellaneous	3,417	1,244
Office space Rent	28,500	21,200
Office supplies	1,442	4,983
Phone allowance	3,600	3,600
Postage and delivery	4,012	3,561
Professional fees	12,979	9,298
Registration	250	100
Salaries and wages	58,310	55,440
Social security expense	2,164	2,685
Utilities	14,228	12,954
	BZ (\$)	172,390
		187,685
11. GAMES EXPENSES		
Olympic Games	64,529	-
Central American Games	20	-
Pan American Sports	4,486	-
Pan American Junior Games	134,893	-
	BZ (\$)	203,928
		-
12. OTHER EXPENSES		
Olympics scholarships	71,371	103,991
Donation to the Government of Belize	281	13,669
	BZ (\$)	71,652
		\$117,660

13. DONATION TO THE GOVERNMENT OF BELIZE

Donation to the Government of Belize was in the form of the Andrew Faber multipurpose sporting facility on Fabers road constructed in collaboration with the National Sports Council of Belize. The total value of this facility is \$255,644 of which \$195,010 was contributions made by the Association during the period 2019 to 2021.

14. OLYMPICS SCHOLARSHIPS

Olympics scholarship is a program by Olympic Solidarity whereby they sponsor the athletes training preparation for competing in the Olympic games. These funds are given directly to the athletes and not channel through the Sporting Federation or Association therefore are not classified under Assistance to Associations.

15. COVID-19

The global economic impact continues to be significant. The Association has no intention to liquidate or cease operations; it expects to continue to obtain public funding to continue to operate for the foreseeable future. The pandemic will continue to impact the National Olympic Committee 2021/2022 programs. To mitigate the impact of Covid-19, the association plans to monitor its upcoming activities and efficiently maximize the utilization of grant funding. The Association will explore new investment opportunities to enhance its continuity.