

BELIZE CITY COUNCIL

**FINANCIAL STATEMENTS
31 MARCH 2015**

BELIZE CITY COUNCIL

**FINANCIAL STATEMENTS
31 MARCH 2015**

INDEX

	Page (s)
Independent auditors' report	1 & 2
Statement of financial position	3
Statement of financial performance	4
Statement of changes in net assets	5
Statement of cash flows	6
Notes to the financial statements	7 - 26

**REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF
BELIZE CITY COUNCIL**

Report on the Financial Statements

We have audited the accompanying financial statements of Belize City Council, which comprise the statement of financial position as at 31 March 2015, and the statement of financial performance, statement of changes in net assets and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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 applied to public sector entities 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



REPORT OF THE INDEPENDENT AUDITORS continued

Basis for Qualified Opinion

The Belize City Council Act, Chapter 85 of the Laws of Belize, provides that the Council pay employees termination benefits under a defined benefit plan. Management continues to account for the defined benefit plan under a cash basis of accounting rather than on an accrual basis of accounting. The financials consequently do not recognize the future obligations of the Council in respect of the pension benefits that would be payable to employees in the future.

Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Belize City Council as of 31 March 2015 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as applied to public sector entities.

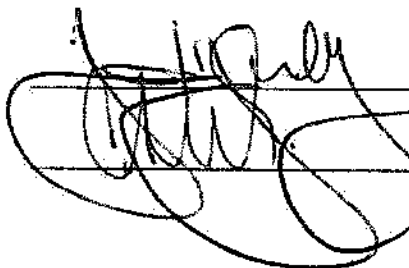
A handwritten signature in black ink that reads 'PKF Belize'.

PKF Belize
Chartered Accountants
Belize City
21 December 2015

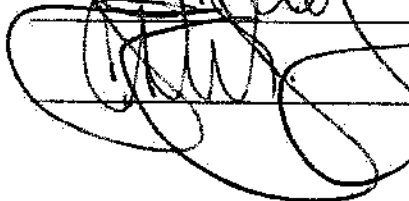
STATEMENT OF FINANCIAL POSITION
31 MARCH 2015

	Notes	2015	2014
ASSETS			Restated
Current assets			
Cash and cash equivalents		3,671,704	3,234,431
Inventories	4	55,273	53,497
Trade and other receivables	5	12,718,559	10,801,156
		<u>16,445,536</u>	<u>14,089,084</u>
Non-current assets			
Property and equipment	6	81,811,691	70,910,637
Total assets	BZ\$	<u>98,257,227</u>	<u>84,999,721</u>
LIABILITIES AND NET ASSETS			
Current liabilities			
Trade and other payables	7	8,944,844	11,950,560
Deferred income	8	22,957,806	11,934,044
Current portion of borrowings	9	1,297,671	1,741,346
Current portion of other long term payable	10	1,080,000	-
		<u>34,280,321</u>	<u>25,625,950</u>
Non-current liabilities			
Borrowings	9	20,722,663	21,815,753
Other long term payable	10	1,387,399	-
Gratuity/Severance payable	11	2,463,962	1,893,889
		<u>24,573,924</u>	<u>23,709,642</u>
Total liabilities		<u>58,854,245</u>	<u>49,335,592</u>
Net assets			
General fund		39,402,982	35,664,129
		<u>39,402,982</u>	<u>35,664,129</u>
Total liabilities and net assets	BZ\$	<u>98,257,227</u>	<u>84,999,721</u>

Approved on behalf of the Belize City Council:



 _____ Mayor



 _____ City Administrator

Independent auditors' report pages 1 and 2.

The notes on pages 7 to 26 form an integral part of these financial statements.

STATEMENT OF FINANCIAL PERFORMANCE
YEAR ENDED 31 MARCH 2015

	Notes	2015	2014 Restated
REVENUE			
Building permits		68,890	107,631
Cemetery		141,266	139,541
Donations		265,383	425,274
Interest income		19,223	37,813
Liquor license fees		727,705	638,440
Other income		270,321	292,486
Property tax revenue		10,153,416	9,394,531
Rental revenue		537,299	564,397
Tourism related revenue		1,783,611	1,428,712
Trade license fees		5,023,292	4,482,541
Traffic related revenue		4,559,061	3,823,765
		<u>23,549,467</u>	<u>21,335,131</u>
EXPENDITURE			
Finance and administrative department	13 (a)	7,257,579	6,102,865
Human resource management department	13 (b)	1,724,330	1,391,421
Market department	13 (c)	214,321	255,210
Mechanical department	13 (d)	23,975	96,023
Management information systems department	13 (e)	181,957	174,686
Municipal court department	13 (f)	365,115	428,285
Office of the Mayor department	13 (g)	472,170	2,102,756
Public relations department	13 (h)	679,543	405,155
Revenue department	13 (i)	700,163	753,370
Sanitation department	13 (j)	7,861,786	8,817,037
Security department	13 (k)	713,180	762,222
Senior town planning department	13 (l)	114,855	98,743
Traffic department	13 (m)	1,209,181	1,079,517
Valuation department	13 (n)	318,360	267,626
Works department	13 (o)	1,731,977	2,945,027
		<u>23,568,492</u>	<u>25,679,943</u>
Deficit from operating activities		(19,025)	(4,344,812)
Government grants and subventions	12	3,757,878	2,127,554
Surplus (Deficit) for the year	BZ\$	<u>3,738,853</u>	<u>(2,217,258)</u>

The notes on pages 7 to 26 form an integral part of these financial statements.

**STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED 31 MARCH 2015**

	Notes	General fund	Total net assets
Balance as at 31 March 2013		37,881,387	37,881,387
Deficit for the year		(136,600)	(136,600)
Balance as at 31st March 2014, as previously reported		<u>37,744,787</u>	<u>37,744,787</u>
Change in accounting policy	16	(2,080,658)	(2,080,658)
Balance as at 31 March 2014, as restated		35,664,129	35,664,129
Surplus for the year ended 31 March 2015		3,738,853	3,738,853
Balance as at 31 March 2015	BZ\$	<u><u>39,402,982</u></u>	<u><u>39,402,982</u></u>

The notes on pages 7 to 26 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH 2015

	Notes	2015	2014 Restated
Cash flows from operating activities			
Surplus (Deficit) for the year		3,738,853	(2,217,258)
Adjustments for non-cash income and expenses:			
Depreciation	6	1,567,037	981,722
(Gain) Loss on disposal of property and equipment		(3,131)	181,097
Gratuity/Severance provision	10	570,073	211,155
		<u>5,872,832</u>	<u>(843,284)</u>
Changes in working capital:			
Increase in trade and other receivables		(1,917,403)	(484,605)
(Increase) Decrease in inventories		(1,776)	10,947
(Decrease) Increase in trade and other payables		(3,005,716)	275,024
Increase in deferred income		11,023,762	3,642,104
Net cash generated from operating activities		<u>11,971,699</u>	<u>2,600,186</u>
Cash flows from investing activities			
Purchases of property and equipment	6	(12,531,582)	(14,671,802)
Proceeds from sale of property and equipment		66,622	18,875
Net cash used in investing activities		<u>(12,464,960)</u>	<u>(14,652,927)</u>
Cash flows from financing activities			
Proceeds from borrowing		-	10,200,000
Repayments of borrowings		(1,536,865)	(487,904)
Other long term liability		2,467,399	-
Net cash from financing activities		<u>930,534</u>	<u>9,712,096</u>
Net increase (decrease) in cash and cash equivalents		<u>437,273</u>	<u>(2,340,645)</u>
Cash and cash equivalents at beginning of the year		3,234,431	5,575,076
Cash and cash equivalents at end of the year	BZ\$	<u>3,671,704</u>	<u>3,234,431</u>
Represented by:			
Cash on hand and at bank	BZ\$	<u>3,671,704</u>	<u>3,234,431</u>

The notes on pages 7 to 26 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

1. GENERAL INFORMATION**Mayor and Councillors:**

Executive Mayor - Mr. Darrell Bradley (Finance, Administration, Human Resources, Special Projects and CARILED)

Deputy Mayor - Dean Samuels (Works)

Alifa Elrington (Municipal Court, Staff Development and Training)

Dion Leslie (Sanitation, Foreign Affairs and Sister City Relations)

Dr. Alain Gonzalez (Public Health and After School Program)

Michael Theus (Economic Development, Small Business and Trade & Investment)

Kevin Singh (Market, Beautification, Citizen Engagement, Special Events and Parks)

Philip Willoughby (CEMO, Security, Flood Mitigation and Climate Change)

Hyacinth Latchman-Cuellar (Women, NGO, Community Participation and Public Relations)

Jason Edwards (Tourism, Zoning & Planning and Local Building Authority)

Bernard Pitts Jr. (Traffic, MIS, Youth & Sports and Special Constable)

Administration:

Candice Burke - City Administrator

Marilyn Ordonez - Director of Finance

The Belize City Council (the Council) is entrusted with the general rule and good governance of Belize City and has the power, subject to the provisions of the Belize City Council Act, to do all things necessary to carry out such trust and in particular has the power and authority to (a) establish, regulate, control, maintain and manage markets, slaughter-houses, bath-houses and wash-houses; (b) to impose rents and fees upon persons using or benefited by such markets, slaughter-houses, bath-houses and wash-houses; (c) To impose such restrictions upon owners of land as may be necessary to prevent any building upon such land from being or becoming a danger to surrounding properties; (d) to undertake the marking and numbering of lots, houses, buildings and yards; (e) to establish, maintain and control parks, gardens, squares and open spaces within Belize City; (f) to erect and maintain a building required for public purposes; (g) to establish, maintain and control a public library; (h) to manage and dispose of any lands, buildings or other property acquired or owned by the Council for public purposes; and (i) to do all such other things or matters for the purpose of increasing the convenience and amenity of Belize City.

The Council is obliged to perform the following duties in Belize City in an efficient and timely manner - (a) to maintain all public cemeteries; (b) to coordinate, control, manage or regulate the timely and efficient collection and removal of garbage; (c) to construct, repair, alter, widen, lay out and make surveys for streets in Belize City; to cleanse and keep in good repair any public drain, canal, or creek in Belize City except when the public health would, in the opinion of the Council, be endangered by such an operation.

The Council is a body incorporated under the Belize City Council Act, Chapter 85 of the Laws of Belize (Revised Edition 2000). Its administrative offices is located at City Hall, North Front Street, Belize City, Belize.

These financial statements were authorized for issue by the Council on 21 December 2015.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**2.1 Basis of preparing the financial statements**

The financial statements of the Council have been prepared in accordance with International Financial Reporting Standards (IFRS) as applied to public sector entities. They have been prepared under the historical cost convention. The principal accounting policies applied in the preparation of these financial statements are set out in the following paragraphs.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.1 Basis of preparing the financial statements**

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

The financial statements have been prepared on a going concern basis which assumes that the Council will continue in operational existence for the foreseeable future. The validity of this assumption depends on the continuing support of Central Government, the City's residents and the suppliers of goods and services to the Council.

2.1.1 Changes in accounting policies and disclosures.**(a) New and amended standards adopted by the Council**

The following standards have been adopted by the Council for the first time for the financial year beginning on or after April 1, 2014:

Amendment to IAS 32, 'Financial instruments: Presentation' on offsetting financial assets and financial liabilities. This amendment clarifies that the right of set-off must not be contingent on a future event. It must also be legally enforceable for all counterparties in the normal course of business, as well as in the event of default, insolvency or bankruptcy. The amendment also considers settlement mechanisms. The amendment did not have a significant effect on the Council's financial statements.

Amendments to IAS 36, 'Impairment of assets' on recoverable amount disclosures. These amendments address the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal. These amendments had no impact on the Council's financial statements.

Amendment to IAS 39, 'Financial instruments: Recognition and measurement' on the novation of derivatives and the continuation of hedge accounting. This amendment considers legislative changes to 'over-the-counter' derivatives and the establishment of central counterparties. Under IAS 39 novation of derivatives to central counterparties would result in discontinuance of hedge accounting. The amendment provides relief from discontinuing hedge accounting when novation of a hedging instrument meets specified criteria. This amendment had no impact on the Council's financial statements.

IFRIC 21, 'Levies'. This interpretation is on IAS 37, 'Provisions, contingent liabilities and contingent assets'. The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. The interpretation had no impact on the Council's financial statements.

b) New standards, amendments and interpretations not yet adopted

IFRS 9, 'Financial instruments'. This standard replaces the guidance in IAS 39. It includes requirements on the classification, measurement and recognition of financial assets and financial liabilities. It also includes an expected credit losses model that replaces the current incurred loss impairment model. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted. The Council is yet to assess IFRS 9's impact on its financial statements.

IFRS 15, 'Revenue from contracts with customers' is a converged standard from the IASB and FASB on revenue recognition. The standard will improve the financial reporting of revenue and improve comparability of revenue in financial statements globally. The standard is effective for annual periods beginning on or after 1 January 2018. The Council is yet to assess the impact of IFRS 15 on its financial statements.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.1.1 Changes in accounting policies and disclosures (continued)****b) New standards, amendments and interpretations not yet adopted (continued)**

Amendment to IFRS 10 and IAS 28 on investment entities applying the consolidation exception. These amendments clarify the application of the consolidation exception for investment entities and their subsidiaries. The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. The amendments will be effective for annual periods beginning on or after 1 January 2016.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Council.

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 Council operates ('the functional currency'). The financial statements are presented in Belize dollars which is the Council'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 financial performance. The official exchange rate for the Belize dollar is fixed at BZ\$2 to US\$1.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are recognized in the statement of financial performance as revenues or expenditures in the period in which they arise.

2.3 Cash and cash equivalents

Cash and cash equivalents includes cash on hand and at bank, bank overdrafts, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within current liabilities on the statement of financial position.

2.4 Trade receivables

Trade 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 trade receivables is established when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of the receivables.

2.5 Inventories

Inventories are valued at the lower of cost and net realizable value, cost being determined on the first-in-first-out (FIFO) basis.

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution.

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Council.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.6 Property and equipment**

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

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

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the reducing balance method. The rates used are as follows:

Buildings	2%
Infrastructure	3%
Computer and office equipment	20%
Furniture and fixtures	10%
Other equipment	10%
Machinery and Vehicles	10 - 25%

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

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of financial performance.

2.7 Impairment of non-financial assets other than inventories

Assets that are subject to depreciation or amortization are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit (CGU) to which the asset has been allocated) is tested for impairment. An impairment loss is 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.

2.8 Financial assets**(a) Initial recognition and measurement**

The Council classifies its financial assets in the following categories: at fair value through the statement of financial performance, loans and receivables and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

The Council's financial assets include: cash and cash equivalents, trade and other receivables and loans and other receivables.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.8 Financial assets (continued)****(b) Subsequent measurement**

The subsequent measurement of financial assets depends on their classification.

(i) Financial assets at fair value through the statement of financial performance

Financial assets at fair value through the statement of financial performance are financial assets held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the short term. At the date of the statement of financial position, the Council held no financial assets at fair value.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the statement of financial performance.

(iii) Available for sale

Available for sale financial assets are non-derivative financial assets that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period. At the date of the statement of financial position, the Council held no available for sale financial assets.

(c) Derecognition

The Council derecognizes a financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets when:

(i) The rights to receive cash flows from the asset have expired or is waived.

(ii) The Council has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party, and either: (a) the Council has transferred substantially all the risks and rewards of the asset; or (b) the Council has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

2.9 Borrowings

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

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Interest is charged to expense in the period incurred.

2.10 Trade payables

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

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.11 Borrowing costs**

Borrowing costs is recognised on the basis of the effective interest method and is included in finance costs in the statement of financial performance.

2.12 Employee benefits**Severance/Gratuity obligations:**

The City Council recognises termination benefits in accordance with the Labour Act (the Act), Chapter 297 of the Substantive Laws of Belize.

The Act was revised in April 2011 to require that employees who have been employed for (a) five to ten years be paid severance pay of one week's pay for each year of service provided he is retiring on or after 60 years of age or on medical grounds or his employment was terminated by the employer without good and sufficient cause and (b) employees with more than ten years be paid severance pay of two week's pay for each year of service. The revised Act also provided that employees who had already completed ten years of service prior to the commencement of the revision be paid a week's salary for the period served prior to the commencement of the revision and two weeks' salary for the period served after the commencement of the revision to the Act. The revision was effective 1 May 2011.

Where a worker with a minimum of ten years' continuous service resigns his employment he is eligible for a gratuity equal to severance pay as computed in respect of redundancy.

If a worker who was qualified for payment of severance or gratuity as outlined above dies while still in the employment of an employer, the employer must, within one month of the death, deposit any payment due with the Registrar General for the account of the estate of the deceased worker.

Pension obligations:

As provided by the Belize City Council Act, Chapter 85 of the Laws of Belize, government employees are entitled to a pension under a defined benefit plan. Defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The defined benefit obligation is calculated at least every 3 years by independent actuaries using the projected unit credit method. The employer recognizes the actuarial amount as a liability and any actuarial gains or losses is recognized in the statement of financial performance.

The Council recognizes pensions payable to employees on a cash basis, that is, when it pays the pensions to its retired employees.

2.13 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. The Council recognizes revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Council; and when specific criteria have been met for each of the Council's activities, as in the following paragraphs.

(a) Revenue from taxes, fees, licenses, fines and asset-exchange transactions:

The Council recognizes revenue from taxes, fees, licenses, fines and asset-exchange transactions when the event occurs and the asset recognition criteria are met. To the extent that the revenue received benefit future periods, a deferred income liability is recognized. Any asset-exchange revenues are recognized when it is probable that the economic benefits or service potential associated with the asset will flow to the Council and the fair value of the asset can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.13 Revenue recognition (continued)****(b) Government grants and subventions:**

The Council applies the income approach in accounting for government grants and subventions. Revenues from government grants and subventions are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Council and can be measured reliably.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Council recognises as expenses the related costs for which the grants are intended to compensate.

Government grants related to depreciable assets are recognize in income on a systematic basis over the periods and in the proportions in which depreciation expense on those assets is recognized.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Council with no future related costs is recognised in profit or loss of the period in which it becomes receivable.

(c) Revenue from the rendering of services:

The Council recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably.

(d) Interest income:

Interest income is recognized using the effective yield method.

(e) Rental income:

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and included in revenues in the statement of financial performance.

2.14 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged in the statement of financial performance on a straight-line basis over the period of the lease.

The Council leases out stalls, at the Michael Finnegan market, lots and other Council spaces and properties under operating leases.

2.15 Provisions

Provisions are recognized when the Council has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

Where some or all of a provision is to be reimbursed, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

Otherwise, the expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.16 Contingent liabilities

Contingent liabilities reflect possible liabilities that may be incurred by the Council where the potential amount is unable to be estimated, and/or it is still not deemed probable that an obligating event has arisen. Material contingent liabilities are disclosed in a note to the financial statements.

2.17 Taxes

Section 8 (1) (c) of the Income and Business Tax Act, Chapter 55 of the Laws of Belize, exempts the Council from taxes on any income in so far as such income is not derived from a trade or business.

2.18 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 Council 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 are addressed below.

(a) The collectability of loans and receivables

The Council assesses the collectability of its loans and receivables at the end of each reporting period. In determining whether an impairment loss should be recorded in statement of financial performance, the Council evaluates the indicators present in the market to determine if they are indicative of impairment.

Where specific impairments have not been identified, impairment is calculated on a portfolio basis based on historical experience.

(b) Gratuity/Severance

Provisions are estimated based on the information available.

Provisions are measured based on management's best estimate of the expenditure required to settle the obligation at the reporting date.

4. INVENTORIES	2015	2014
Traffic department license plates, drivers' licenses, stickers and supplies	BZ\$ 55,273	53,497
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

	2015	2014
7. TRADE AND OTHER PAYABLES		
Trade payable	3,533,889	6,553,220
Other payables and accruals	5,151,355	5,151,958
Escrow funds held from liquidation of properties for tax arrears	259,600	245,382
	<u>BZ\$ 8,944,844</u>	<u>11,950,560</u>
	=====	=====
8. DEFERRED INCOME		
Property tax	4,503,385	4,377,923
Trade licence	3,246,169	3,112,691
Liquor licence	390,354	382,525
Traffic licence	1,886,525	1,980,248
Government grants: infrastructure	12,507,790	2,080,657
Government grant: vehicles	423,583	-
	<u>BZ\$ 22,957,806</u>	<u>11,934,044</u>
	=====	=====
Deferred income represents prepaid taxes, licenses and government grants received in the form of depreciable assets. As an incentive for early and full payment of taxes and licenses, the Council offers discounts on prepayments.		
9. BORROWINGS		
Municipal bonds:		
Municipal bonds series No. 1 of issue No. 1, interest rate of 3.5%, maturing on December 24, 2014.	-	1,000,000
Municipal bonds series No. 2 of issue No. 1, interest rate of 5.5%, maturing on December 24, 2017.	3,000,000	3,000,000
Municipal bonds series No. 3 of issue No. 1, interest rate of 8%, maturing on December 24, 2022.	6,000,000	6,000,000
Municipal bonds series No. 2 of issue No. 2, interest rate of 5.5%, maturing on May 24, 2018.	2,000,000	2,000,000
Municipal bonds series No. 3 of issue No. 2, interest rate of 8%, maturing on May 24, 2023.	3,172,000	3,172,000
Municipal bonds series No. 1 of issue No. 3, interest rate of 3.5%, maturing on September 6, 2015.	500,000	500,000
Municipal bonds series No. 2 of issue No. 3, interest rate of 5.5%, maturing on September 6, 2018.	500,000	500,000
Municipal bonds series No. 2 of issue No. 3, interest rate of 5.5%, maturing in November 2018	1,528,000	1,528,000
Municipal bonds series No. 3 of issue No. 3, interest rate of 8%, maturing in November 2023.	2,300,000	2,300,000
Total municipal bonds	<u>19,000,000</u>	<u>20,000,000</u>

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015**

	2015	2014
9. BORROWINGS (continued)		
Other borrowings:		
Bank loan, secured, to assist with infrastructure development, repayable by equal monthly instalments of \$71,066, inclusive of interest.	2,820,234	3,357,099
Advances from the Ministry of Finance, interest-free, repayable within 12 months. In July 2015, the loan was converted to a grant.	200,000	200,000
Total borrowings	<u>22,020,234</u>	<u>23,557,099</u>
Less: Current portion	<u>(1,297,671)</u>	<u>(1,741,346)</u>
	BZ\$ <u>20,722,563</u>	<u>21,815,753</u>
	=====	=====
Borrowings are repayable as follows:		
2015	-	1,741,346
2016	1,297,671	1,097,390
2017	660,255	660,586
2018	3,729,393	3,729,393
2019 and thereafter	16,332,915	16,328,384
	<u>BZ\$ 22,020,234</u>	<u>23,557,099</u>
	=====	=====
10. OTHER LONG TERM PAYABLE		
Judgement debt awarded Belize Maintenance Limited, payable by monthly instalments of BZ\$15,000 per week and two lump sum payments of BZ\$300,000 on the 31st December 2015 and BZ\$228,000 on the 31st December 2016.	2,467,399	-
Less: Current portion	<u>(1,080,000)</u>	-
	BZ\$ <u>1,387,399</u>	-
	=====	=====
The long term debt is payable as follows:		
2016	1,080,000	-
2017	1,008,000	-
2018	379,399	-
	<u>2,467,399</u>	-
	=====	=====
11. GRATUITY/SEVERANCE PAYABLE		
At 1 April	1,893,889	1,682,734
Additions	570,073	211,155
At 31 March	BZ\$ <u>2,463,962</u>	<u>1,893,889</u>
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

12. GOVERNMENT GRANTS AND SUBVENTIONS	2015	2014
Contributions in cash	1,481,700	1,484,500
Contributions in debt service	1,382,794	612,794
Contribution - salaries and wages for BML workers	367,500	-
Contributions - infrastructure	384,690	30,260
Contribution - vehicles (backhoe loaders, dump trucks, pickup, bus and flat bed trailer)	141,194	-
	BZ\$ 3,757,878	2,127,554
	=====	=====

(a) Cash contributions represent allocations approved by the National Assembly. The monies are disbursed in 12 equal monthly instalments of \$123,708 by the Ministry of Local Government.

(b) The debt service contributions represents payments made by the Government of Belize during the period towards the bank loan owed by the Council.

(c) Contributions related to BML workers' salary and wages represent support received from the Government of Belize for the payment of salaries and wages for the BML workers.

(d) Infrastructure contributions represent the depreciable portion of the construction costs for the completion of Belize City streets that is recognized as income for the year.

(e) Vehicle contributions represents the depreciable portion of the acquisition cost of vehicles that is recognized as income for the year.

13. SEGMENT REPORTING

The Council's administrative functions are carried out by the City Administrator. All the Council's departments report directly to the City Administrator.

For management purposes, the Council is organized into departments, based on the activities they perform.

The City Administrator monitors the expenditures incurred by each department for the purpose of making decisions about resource allocation and performance assessment. Segment information represents costs incurred by each segment without allocation of revenues earned, measured consistently with the accounting policies applied in the financial statements.

<i>(a) FINANCE AND ADMINISTRATIVE DEPARTMENT EXPENDITURES</i>	2015	2014
Advertisement	1,623	7,975
Board meetings	461	-
Consultant expenses	534,110	58,969
Depreciation	1,566,928	981,722
Disaster preparedness	11,599	-
Donation	104,067	48,222
Festivities/Celebrations	58,846	10,573
Financial expenses	1,720,071	1,838,895
Fuel	124,667	100,436
Implements	3,383	3,688
Indemnities	1,805	-
Insurance expense	11,370	10,079
(Gain) Loss on disposal of property and equipment	(3,131)	181,097
Materials and supplies	272,559	204,642
Miscellaneous	208,268	23,038
Pension	-	2,185
Provision for uncollectible receivables	654,444	1,198,838
Rent and leases	2,717	565
Repairs and maintenance	76,099	52,702

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

13. SEGMENT REPORTING (continued)

	2015	2014
<i>(a) FINANCE AND ADMINISTRATIVE DEPARTMENT EXPENDITURES (continued)</i>		
Salaries	1,189,879	987,387
Social assistance and contribution	350,233	9,868
Staff benefits	129,837	131,752
Training	11,639	8,737
Transport & Travel	9,910	-
Utilities	216,195	241,495
	<u>BZ\$ 7,257,579</u>	<u>6,102,865</u>
	=====	=====

(b) HUMAN RESOURCE MANAGEMENT DEPARTMENT EXPENDITURES

Advertising	-	4,025
Celebration and festivities	348,727	358,812
Commission	-	800
Donation	786	205
Financial expenses	60	-
Fuel expenses	5,817	8,336
Implements	57	419
Insurance	131,964	72,509
Insurance	11,640	74,727
Other	1,452	92
Pension and gratuity	266,878	396,562
Rent and leases	-	372
Repairs and maintenance	7,980	8,704
Salaries	260,724	220,269
Severance/Gratuity	570,074	211,154
Social assistance and contribution	2,326	13,069
Staff benefits	100,273	13,948
Training	1,131	2,282
Transport and travel	11,430	1,488
Utilities	3,011	3,648
	<u>BZ\$ 1,724,330</u>	<u>1,391,421</u>
	=====	=====

(c) MARKET DEPARTMENT EXPENDITURES

Celebration and festivities	412	-
Fuel	1,018	1,841
Implements	1,706	1,047
Insurance	9,100	40,461
Materials and supplies	6,161	11,727
Miscellaneous	88	9,777
Rent	-	150
Repairs and maintenance	19,519	29,174
Salaries and staff benefits	98,402	98,608
Staff benefits	4,854	-
Transport and travel	-	130
Utilities	73,061	62,295
	<u>BZ\$ 214,321</u>	<u>255,210</u>
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

13. SEGMENT REPORTING (continued)

	2015	2014
<i>(d) MECHANICAL DEPARTMENT EXPENDITURES</i>		
Fuel	5,763	-
Implements	-	2,291
Materials and supplies	-	4,605
Repairs and maintenance	2,398	40,196
Salaries	15,103	46,643
Staff benefits	711	2,288
	<u>BZ\$ 23,975</u>	<u>96,023</u>
	=====	=====

(e) MANAGEMENT INFORMATION SYSTEM DEPARTMENT EXPENDITURES

Celebration and festivities	375	-
Fuel	5,941	4,915
Implements	75	-
Material and supplies	10,869	10,277
MIS Consultancy	10,050	4,350
Other	-	135
Repairs and maintenance	13,069	16,844
Salaries	136,784	132,155
Staff benefits	3,964	5,543
Training	550	-
Transport and travel	280	406
Utilities	-	61
	<u>BZ\$ 181,957</u>	<u>174,686</u>
	=====	=====

(f) MUNICIPAL COURT DEPARTMENT EXPENDITURES

Advertisement	-	7,544
Celebration and festivities	400	-
Donations	-	334
Fuel	2,469	3,840
Implements	484	321
Insurance	-	167
Materials and supplies	13,936	20,300
Miscellaneous	-	1,177
Repairs and Maintenance	2,846	7,865
Salaries	313,742	335,729
Social assistance and contribution	-	1,400
Staff benefit	12,244	19,532
Transport and travel	280	762
Utilities	18,714	29,324
	<u>BZ\$ 365,115</u>	<u>428,285</u>
	=====	=====

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015**

13. SEGMENT REPORTING (continued)

	2015	2014
<i>(g) OFFICE OF THE MAYOR DEPARTMENT EXPENDITURES</i>		
Advertisement	-	16,135
Beautification	-	79,117
Celebration and festivities	808	10,804
Commission	-	300
Donations	500	136,824
Financial Expenses	-	1,103
Fuel	-	4,261
Implements	-	1,222
Insurance	2,295	2,507
Legal and professional fees (Note 17)	-	79,335
Materials and supplies	2,605	44,702
Miscellaneous	1,905	50,624
Rent and leases	-	1,313
Repairs and maintenance	5,677	281,761
Remuneration of Mayor and Councillors	390,165	381,535
Social assistance and contribution	29,117	863,874
Staff benefits	12,500	33,329
Training	-	3,625
Transport and travel	12,876	87,567
Utilities	13,722	12,720
Vehicle expenses	-	10,098
	BZ\$ 472,170	2,102,756
	=====	=====

(h) PUBLIC RELATIONS DEPARTMENT EXPENDITURES

Advertisement	177,582	235,109
Celebration and festivities	62,845	6,783
Donations	498	-
Fuel	6,924	3,756
Implements	1,830	735
Miscellaneous	188	29
Materials and supplies	45,523	34,631
Rent and leases	1,157	-
Repairs and maintenance	29,747	253
Salaries	221,711	117,871
Staff benefits	9,874	3,931
Social assistance and contributions	94,267	265
Training	-	102
Transport and travel	24,467	1,130
Utilities	2,930	560
	BZ\$ 679,543	405,155
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2016

13. SEGMENT REPORTING (continued)

	2015	2014
<i>(i) REVENUE DEPARTMENT EXPENDITURES</i>		
Commission	305,235	376,642
Consultancy	-	2,000
Celebration and festivities	-	500
Board expenses	58,729	71,036
Financial expenses	80	200
Fuel	(1,019)	(4,004)
Insurance	-	362
Material and supplies	32,306	36,849
Miscellaneous	179	1,711
Repairs and maintenance	6,583	1,126
Salaries	275,313	254,999
Staff benefit	21,064	11,510
Transport and travel	-	439
Utilities	1,693	-
	BZ\$ 700,163	753,370
	=====	=====

(j) SANITATION DEPARTMENT EXPENDITURES

Cemetery upkeep	107,119	89,500
Celebration and festivities	1,250	48
Donation	-	230
Fuel	52,261	56,858
Hire of equipment	-	18,590
Implements	16,978	13,409
Improvement of property	-	4,032
Insurance	15,859	1,025
Materials and supplies	28,682	14,174
Other	235	36
Repairs and maintenance	30,872	70,010
Rent and leases	94,769	
Salaries	923,943	508,205
Sanitation contracts (Note 17)	6,570,250	8,015,548
Social assistance and contribution	370	2,318
Staff benefits	18,125	22,528
Transport and travel	814	-
Utilities	259	526
	BZ\$ 7,861,786	8,817,037
	=====	=====

(k) SECURITY DEPARTMENT EXPENDITURES

Fuel	1,493	14,789
Celebration and festivities	-	70
Consultancy	640,905	76,913
Disaster preparedness	25	-
Implements	-	562

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

13. SEGMENT REPORTING (continued)

	2015	2014
<i>(k) SECURITY DEPARTMENT EXPENDITURES (continued)</i>		
Insurance	-	362
Material and supplies	1,339	12,280
Other	-	2,544
Repairs and maintenance	535	2,688
Salaries	66,643	627,439
Social assistance and contributions	-	90
Staff benefits	1,393	22,655
Training	42	-
Transport and travel	805	1,830
	<u>BZ\$ 713,180</u>	<u>762,222</u>
	=====	=====

(l) SENIOR TOWN PLANNING DEPARTMENT EXPENDITURES

Board meetings	6,125	-
Consultancy	-	1,100
Fuel	14,295	12,098
Implements	-	849
Insurance	915	689
Materials and supplies	805	941
Miscellaneous	100	3,438
Repairs and maintenance	1,621	3,709
Salaries	88,087	68,624
Staff benefits	2,907	6,719
Transport and travel	-	576
	<u>BZ\$ 114,855</u>	<u>98,743</u>
	=====	=====

(m) TRAFFIC DEPARTMENT EXPENDITURES

Celebration and festivities	850	-
Consultancy	400	3,750
Financial expenses	201	9,098
Fuel	35,699	35,362
Implements	1,579	5,120
Insurance	2,607	3,487
Materials and supplies	242,773	237,944
Other	513	69
Repairs and maintenance	59,551	61,224
Salaries	795,975	661,868
Staff benefits	38,517	31,912
Transport and travel	255	-
Training	200	-
Utilities	30,061	29,683
	<u>BZ\$ 1,209,181</u>	<u>1,079,517</u>
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

13. SEGMENT REPORTING (continued)*(n) VALUATION DEPARTMENT EXPENDITURES*

	2015	2014
Celebration and festivities	1,000	-
Consultancy	1,800	2,950
Financial expenses	298	240
Fuel	7,686	7,506
Implements	421	998
Insurance	-	1,340
Materials and supplies	29,040	19,604
Miscellaneous	(4,458)	41
Repairs and maintenance	2,549	4,259
Salaries	263,131	215,579
Staff benefits	12,054	11,206
Transport and travel	4,839	3,903
	<u>BZ\$ 318,360</u>	<u>267,626</u>
	=====	=====

(o) WORKS DEPARTMENT EXPENDITURES

Board Meetings	100	-
Bridge maintenance	25,897	24,779
Celebration and festivities	500	1,150
Consultancy	33,000	-
Donation	-	150
Equipment rental	-	550
Fuel Expense	128,809	139,947
Implements	20,077	9,447
Insurance	6,666	6,580
Material and supplies	13,781	37,899
Other	37	(2,767)
Parks/playground	-	7,828
Rent and leases	42,965	-
Repairs and maintenance	189,845	181,141
Salaries	745,718	622,826
Social assistance and contribution	1,125	16,351
Staff benefits	29,752	36,054
Street maintenance	470,871	1,836,130
Utilities	22,834	26,962
	<u>BZ\$ 1,731,977</u>	<u>2,945,027</u>
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015.

14. EMPLOYEES SALARIES AND BENEFITS	2015	2014
Gratuities/Severance	653,599	426,857
Pensions paid	183,353	183,043
Salaries and wages	5,390,188	4,915,104
Social security costs	252,775	236,347
Staff benefits	145,294	120,448
	<u>BZ\$ 6,625,209</u>	<u>5,881,799</u>

15. KEY MANAGEMENT COMPENSATION

Key management includes the Mayor, Councillors and key members of management. The compensation paid to key management for employee services was:

BZ\$	<u>474,423</u>	<u>429,255</u>
------	----------------	----------------

16. CHANGE IN ACCOUNTING POLICY

	March 31, 2014 as previously reported	Adjustments	March 31, 2014 restated
Deferred income understated	9,853,386	2,080,658	11,934,044
General fund understated	37,744,785	(2,080,656)	35,664,129
Government grants and subvention overstated	4,208,212	(2,080,658)	2,127,554
Deficit for the year understated	(136,600)	(2,080,658)	(2,217,258)

The accounting policy for the recognition of income from government grants in respect to depreciable assets was revised retrospectively. Government grants related to depreciable assets are now recognised in income on a systematic basis over the useful life of the asset (Note 2.13 (b)).

17. RECLASSIFICATION

	March 31, 2014 as previously reported	Adjustments	March 31, 2014 restated
SEGMENT REPORTING:			
<i>OFFICE OF THE MAYOR DEPARTMENT EXPENDITURES (Note 13 (g))</i>			
Legal and professional fees	1,309,143	(1,229,808)	79,335
<i>SANITATION DEPARTMENT EXPENDITURES (Note 13 (j))</i>			
Sanitation contracts	6,785,740	1,229,808	8,015,548

A judgement debt paid to Belize Waste Control Limited was classified in error under legal and professional fees when it should have been classified under sanitation contracts.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015**

18.	COMMITMENTS	2015	2014
	Committed and contracted:		
	Infrastructure	652,693	3,128,200
	Sanitation	7,229,236	10,065,822

The Council has also contracted security services to be paid based on the hours of security service provided at fixed hourly rates. The contract expires in February 2017.

19. CONTINGENCIES

The Council sold property belong to a Claimant to recover arrears of property taxes. A claim has been filed in the Court whereby the Court is being requested to order the Council to pay the Claimant for the excess of the proceeds received from the sale of the property, together with interest or such other sums as the Court deems fit. The matter is now at the case management stage and a trial date is to be set in the near future.

20. FINANCIAL RISK MANAGEMENT

The Council's activities exposes it to mainly two financial risks: credit risk and liquidity risk.

(a) Credit risk

Credit risk is the risk of financial loss, should debtors fail to fulfil their obligations to the Council. Credit risk arises mainly from the possibility of the Council not collecting its receivables as listed below:

	2015	2014
Property tax receivable	9,295,923	7,259,922
Trade license receivable	634,107	1,531,813
Tourism related revenues receivable	1,862,233	1,113,191
Garbage fee receivables	154,667	205,537
Liquor license	17,688	15,668
Rent Receivables	229,534	249,560
Staff receivable	151,636	176,760
Other receivables	372,771	248,705
	BZ\$ 12,718,559	10,801,156
	=====	=====

The Council's Collection Department has the responsibility to manage its credit risk. The Department has established collection policies and procedures which include, as a last resort, placing a lien on property to collect overdue balances.

(b) Liquidity risk

Liquidity risk is the risk that the Council is unable to meet its obligations when they fall due as a result of cash requirements from contractual commitments or other cash outflows, such as operating costs and debt maturities.

The Mayor, Councillors and City Administrator manages the Council's liquidity risk by securing bank overdraft facilities and sourcing financial support from central government, businesses and citizens.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

34. FINANCIAL RISK MANAGEMENT (continued)

(b) Liquidity risk (continued)

The following table presents the Council's liabilities into categories based on maturity dates after the end of the financial reporting date.

2015	< 3 months	3 - 12 months	1 - 5 years	> 5 years	Total
Trade and other payables	8,944,844	-	-	-	8,944,844
Borrowings	-	1,297,671	9,250,563	11,472,000	22,020,234
Other long term payable	-	1,080,000	1,387,399	-	2,467,399
Gratuity and pension payable	-	-	-	2,463,962	2,463,962
	BZ\$ 8,944,844	2,377,671	10,637,962	13,935,962	35,896,439
	=====	=====	=====	=====	=====
2014	< 3 months	3 - 12 months	1-5 years	> 5 years	Total
Trade and other payables	11,950,560	-	-	-	11,950,560
Borrowings	-	1,741,346	10,343,753	11,472,000	23,557,099
Gratuity and pension payable	-	-	-	1,893,889	1,893,889
	BZ\$ 11,950,560	1,741,346	10,343,753	13,365,889	37,401,548
	=====	=====	=====	=====	=====