

SOCIAL SECURITY BOARD BELIZE



ANNUAL REPORT 2012



SOCIAL SECURITY BOARD



SOCIAL SECURITY BOARD



Our Mission:

Deliver timely, cost effective and top quality service to our beneficiaries and other stakeholders;

Grow and protect a sustainable Social Security Fund with integrity and transparency;

Our Vision:

To be a model Social Security Institution, the pride of Belize!

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CORPORATE INFORMATION



SOCIAL SECURITY BOARD

BOARD OF DIRECTORS



Mr. Douglas Singh
Chairman



Mr. James Murphy
Deputy Chairman & GOB Representative



Mr. Estevan Perera
Government Representative



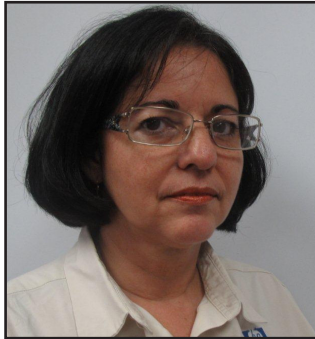
Mr. Anwar Barrow
Government Representative



Mr. Ariel Mitchell
Government Representative



Mr. Mark Lizarraga
Employer's Representative



Mrs. Lourdes Smith
Employer's Representative



Mr. Phillip Tate
Employee's Representative



Ms. Lorelei Westby
Employee's Representative



Mr. Richard Flowers
Chief Executive Officer (Ex-Officio Member)



CORPORATE INFORMATION

INVESTMENT COMMITTEE

Chairman:	Mr. Nestor Vasquez
Employer's Representative:	Mr. Emil Mena
National Trade Union Congress:	Ms. Lorelei Westby
Government Representative:	Mr. Norman Dueck
Chief Executive Officer (Ex-Officio Member):	Mr. Richard Flowers
Board Secretary:	Mrs. Irene Cruz

NON-CONTRIBUTORY PENSION COMMITTEE

Chairman:	Canon Leroy Flowers
Member National Council on Aging:	Mr. Andre O'Brien
Member Ministry of Human Development:	Mrs. Ava Pennill
Secretary:	Ms. Agnes Flowers

NATIONAL HEALTH INSURANCE COMMITTEE

Executive Chairman:	Dr. George Gough
Chief Executive Officer, Social Security Board:	Mr. Richard Flowers
Chief Executive Officer, Ministry of Health:	Dr. Peter Allen
Director of Health Services:	Dr. Michael Pitts
Belize Council of Churches:	Mrs. Rose Armstrong
Belize Medical and Dental Association:	Dr. Giovanni Solorzano
ORINCO:	Mrs. Louise Moore
NTUCB:	Ms. Cynthia Villagran
NTUCB:	Mr. Marvin Mora
PUP Representative:	Dr. Gregorio Garcia
Belize Business Bureau:	Dr. Cardo Martinez
Belize Chamber of Commerce:	Ms. Kay Menzies
General Manager NHI:	Dr. Ramon Figuerroa
Secretary:	Mrs. Phyllis Moody

AUDIT COMMITTEE

Chairman:	Mrs. Natalie Goff
Employer's Representative:	Mrs. Lourdes Smith
Employee's Representative:	Mr. Dylan Reneau
Secretary/Internal Auditor:	Ms. Denise Mahler

CONSULTANTS

External Auditor: Castillo, Sanchez and Burrell
Actuary: Hernando Pérez Montás Consultores Actuariales, S.A.
Legal: Young's Law Firm

NCP APPEAL TRIBUNAL

Chairman:	Ms. Leonora Flowers
Members:	Ms. Anna Gonzalez Mr. Carlton Mckoy



APPEAL TRIBUNAL

Chairpersons:

Mr. Aldo Salazar
Ms. Margaret Mckenzie
Mrs. Naima Barrow
Ms. Tricia Pitts-Anderson
Ms. Tania Moody
Ms. Jaseth Jackson
Mr. Jose Cardona

Employer's Representatives:

Mr. Nolan Michael
Mr. Lawrence MacLaren
Mrs. Cynthia Awe
Ms. Karen Godfrey
Mr. Bernard Pickwood
Mrs. Joan Avelar
Mr. Albert Moore
Ms. Marina Young
Mr. Erasmo Franklin
Ms. Michelle Rudon
Ms. Lisbeth Ayuso

Employees's Representatives:

Ms. Yolanda Carillo	Mr. Sean Nicholas
Mr. Aislynn Humes	Ms. Virginia Cabanas
Mr. Arnold Zuniga	Ms. Brenda Ferguson
Mr. Douglas Yorke	Ms. Ines Duran
Mr. Earl Lopez	Mr. Brenton Gentle
Mr. Hartman Mckoy	Ms. Cynthia Villagran
Mr. Horris Patten	Ms. Rebeca Suazo
Mr. Ian Ramirez	Mr. Dorin McFadzean
Mrs. Jacqueline Sanchez	Ms. Cathy Linares
Mr. Jamir Enriquez	Mr. Alejandro Gonzalez
Mr. Javier Roberts	Ms. Gwendolyn Wesby
Ms. Ofelia Gomez	Mr. Timoteo Romero
Mr. Paul Perriott	Mr. Mario Caliz
Mr. Phillip Tate	Ms. Horetence Humes
Mr. Ramon Carcamo	Mr. Eugene Lisbey
Mrs. Margaret Enriquez	



CORPORATE INFORMATION

MANAGEMENT

Executive Services

Chief Executive Officer
Board Secretary
Executive Secretary
Manager, Internal Audit Services
Manager, Information Technology Services

Mr. Richard Flowers
Mrs. Irene Cruz
Mrs. Phyllis Moody
Ms. Denise Mahler
Mr. Erikson Lamb

Benefits & National Branch Operation Services

General Manager
Benefits Manager
Employment Injury Manager
Manager, Corozal Branch and the Free Zone Sub Office
Manager, Orange Walk Branch
Manager, Belize City Branch
Manager, San Pedro Branch and Caye Caulker Sub Office
Manager, Belmopan Branch
Manager, Santa Elena Branch, Spanish Lookout and Benque Vejo del Carmen Sub Offices
Manager, Dangriga Branch
Manager, Independence Branch and Plancencia Sub Office
Manager, Punta Gorda

Ms. Anna Gonzalez
Ms. Anna Guy
Mrs. Chandra Cansino
Ms. Ismelda Waite
Mrs. Floricely Riverol
Mrs. Thurnica Middleton
Mrs. Margarita Cawich
Mr. Derrick Morgan

Mrs. Olivia Dakers
Mrs. Leonie Ferguson

Mrs. Yolanda Sabido
Mr. Arnaldo Villas

Financial and Accounting Services

General Manager
Manager, Accounting Services
Senior Inspector, Compliance Services

Mr. Leo Vasquez
Mrs. Nabi Nabet Reyes
Mr. Carlton Mckoy

Human Resources Management and Administration Services

General Manager
Manager, Industrial Relations Services

Ms. Arlene Neal
Mrs. Deborah Ruiz

Investment Services

General Manager
Manager

Mr. Norberto Depaz
Mr. Miguel Gongora

Legal Services

Legal Officer

Ms. Leonora Flowers

National Health Insurance

General Manager
Manager, Primary Care

Dr. Natalia Rodriguez
Ms. Ruth Jaramillo

Office of Strategic Management

General Manager
Manager, Customer Relations Services
Manager, Research and Analysis Services

Mrs. Leticia Vega
Mrs. Marianela Guerra
Mr. Sean Sebastian

Registration & Contribution Records Services

General Manager

Mrs. Maria Elena Contreras



CONTACT INFORMATION: HEADQUARTERS, BRANCHES AND SUB OFFICES

Belize Branch Office

Corner Princess Margaret Drive
& St. Joseph Street
Belize City
Tel: 224-5025/ 223-2834
Fax: 224-5893

Belmopan Branch Office

P.O. Box 18
Bliss Parade, Belmopan
Tel: 822-0085/822-0086
Fax: 822-2825

Belmopan, Headquarters

P.O. Box 18
Bliss Parade, Belmopan
Tel: 822-2163/2471
Fax: 822-3331

Benque Viejo Del Carmen Sub-Office

Church Street
Benque Viejo Del Carmen
Tel: 823-2337

Caye Caulker Sub-Office

Front Street
Caye Caulker Village
Tel: 226-0053

Corozal Branch Office

105 A 7th Avenue
Corozal Town
Tel: 422-2276
Fax: 422-3678

Corozal Free Zone Sub-Office

Nassau Plaza
Corozal Free Zone
Tel: 423-7240
Fax: 423-7244

Dangriga Branch Office

#1 Courthouse Street
Dangriga Town
Tel: 522-2101/ 522-3736
Fax: 522-3198

Independence Branch Office

Savannah Road
Independence
Stann Creek District
Tel: 523-2083
Fax: 523-2448

Orange Walk Branch Office

Corner Queen Victoria Street &
La Democracia Avenue
Orange Walk Town
Tel: 322-2217/322-0220
Fax: 322-3958

Placencia Sub-Office

Main Street
Placencia Village
Tel: 523-3619
Fax: 523-3231

Punta Gorda Branch Office

Corner Prince & West Streets
Punta Gorda Town
Tel: 722-2076
Fax: 722-2525

San Pedro Branch Office

Pescador Drive
San Pedro, Ambergris Caye
Tel: 226-2625
Fax: 226-3064

Santa Elena Branch Office

Corner Western Highway &
Liberty Street
Santa Elena, Cayo District
Tel: 824-2178/ 822-2708
Fax: 824-3534

Spanish Lookout Sub-office

Spanish Lookout
Center Road
Tel: 823-0416

Customer Service Line: 822-0084

Email: info@socialsecurity.org.bz

Website: www.socialsecurity.org.bz



FINANCIAL STATEMENTS

December 31, 2012 and 2011 and
Independent Auditors' Report



SOCIAL SECURITY BOARD



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Ricardo Castillo, CA

Audit & Risk Advisory
Business Solutions
Outsourcing
Real Estate
Corporate
Paralegal

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of SOCIAL SECURITY BOARD:

Report on the Financial Statements

We have audited the accompanying financial statements of Social Security Board, which comprise the statements financial position as at December 31, 2012 and 2011 and statements of income, statements of comprehensive income, statements of changes in reserves and statements of cash flows for the years then ended and a summary of significant accounting policies and other explanatory notes.

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, the Social Security Act and requirement of the Financial and Accounting Regulations, Chapter 44, Revised Edition 2000 – 2003. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. 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 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 auditor's 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 auditor considers 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.

Independent Correspondent Firm to Deloitte Touche Tohmatsu



Independent Auditors' Report
Page 2

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Social Security Board as of December 31, 2012 and 2011 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards, the Social Security Act and requirement of the Financial and Accounting Regulations, Chapter 44, Revised Edition 2000 – 2003.

Castillo Sanchez Murad, CPA

Chartered Accountants
April 12, 2013



FINANCIAL STATEMENTS 2012

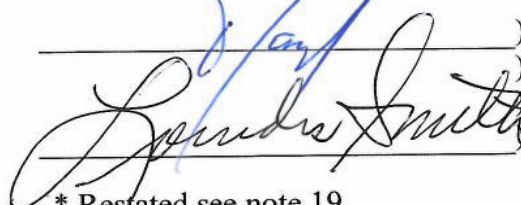
SOCIAL SECURITY BOARD

STATEMENTS OF FINANCIAL POSITION DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

<u>ASSETS</u>	<u>Notes</u>	<u>2012</u>	<u>Restated*</u> <u>2011</u>
Current assets:			
Cash and cash equivalents	2d	\$ 17,476,139	\$ 13,259,294
Central Bank of Belize	2d	234,303	233,166
Short term investments	2d, 4	121,580,228	125,840,448
Investment income receivable	2d,5	6,410,070	6,582,083
Office supplies	2e	171,806	145,262
Accounts receivable	2d, 6	6,647,003	6,227,485
Prepayments		<u>445,273</u>	<u>254,159</u>
Total current assets		<u>152,964,822</u>	<u>152,541,897</u>
Non-current assets:			
Advances to employees	2d	1,245,366	1,144,748
Pension asset	2f, 7	3,290,751	3,425,673
Investment in associates	2g, 8	143,749,973	143,661,074
Loan to associate	9	10,000,000	-
Long term investments	2d, 10	102,751,909	103,843,044
Fixed assets	2h, 11	28,681,536	29,576,336
Intangible asset	2i	<u>1,771,206</u>	<u>1,968,007</u>
Total non-current assets		<u>291,490,741</u>	<u>283,618,882</u>
TOTAL ASSETS		<u>\$444,455,563</u>	<u>\$436,160,779</u>
<u>LIABILITIES AND RESERVES</u>			
Current liabilities:			
Accounts payable and accruals	2d, 12	\$ 5,782,828	\$ 6,688,909
Total current liabilities		<u>5,782,828</u>	<u>6,688,909</u>
Deferred income	2j	1,353,457	3,566,243
Reserves:			
Short term benefits branch		4,051,823	5,990,921
Long term benefits branch		318,924,615	316,257,143
Employment injury benefits reserve		90,659,714	80,161,709
Disablement and death benefits reserves	2p	16,385,946	17,191,883
National health insurance fund		2,499,027	1,835,699
Natural disaster fund		1,131,076	881,076
Social development fund		376,326	161,523
Pension reserve	2f, 7	<u>3,290,751</u>	<u>3,425,673</u>
Total reserves		<u>437,319,278</u>	<u>425,905,627</u>
TOTAL LIABILITIES AND RESERVES		<u>\$444,455,563</u>	<u>\$436,160,779</u>

The financial statements on pages 3 to 7 were approved and authorized for issue by the Board of Directors on July 16, 2013 and are signed on its behalf by:

_____) Chairman

 Director

* Restated see note 19.

The notes on pages 19 to 54 are an integral part of these financial statements.

FINANCIAL STATEMENTS 2012



SOCIAL SECURITY BOARD

STATEMENTS OF INCOME

YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

	Notes	2012	Restated* 2011
INCOME			
Contributions:			
Employers and employed persons		<u>\$64,524,849</u>	<u>\$61,223,009</u>
Total contributions		<u>64,524,849</u>	<u>61,223,009</u>
Other income:	2l		
Net investment income	13	11,742,837	16,582,122
Other income - net	14	1,051,843	924,691
GOB contribution to NHI Fund	2m	<u>14,000,004</u>	<u>14,000,004</u>
Total other income		<u>26,794,684</u>	<u>31,506,817</u>
TOTAL INCOME		<u>\$91,319,533</u>	<u>\$92,729,826</u>
EXPENDITURES			
Benefits:	2q		
Short term benefits branch	17a	<u>\$10,751,043</u>	\$10,975,193
Long term benefits branch	17b	<u>31,563,988</u>	28,637,786
Employment injury benefits branch	17c	<u>3,286,430</u>	4,026,246
Disablement and death benefits	2r	<u>1,991,547</u>	1,815,926
National health insurance benefits		<u>12,597,805</u>	<u>13,426,568</u>
Total benefits		<u>60,190,813</u>	<u>58,881,719</u>
Operating expenses:			
Administration	15	<u>18,302,276</u>	18,771,480
Establishment	16	<u>1,156,865</u>	1,131,069
Financial		<u>148,295</u>	<u>144,082</u>
Total operating expenses		<u>19,607,436</u>	<u>20,046,631</u>
TOTAL EXPENDITURES		<u>79,798,249</u>	<u>78,928,350</u>
Excess of income over expenditures		<u>\$11,521,284</u>	<u>\$13,801,476</u>

*Restated see note 19.

The notes on pages 19 to 54 are an integral part of these financial statements.



FINANCIAL STATEMENTS 2012

SOCIAL SECURITY BOARD

STATEMENTS OF COMPREHENSIVE INCOME YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

	<u>2012</u>	<u>Restated*</u> <u>2011</u>
EXCESS OF INCOME OVER EXPENDITURES	\$11,521,284	\$13,801,476
OTHER COMPREHENSIVE INCOME:		
APV disablement benefits	426,524	858,843
APV death benefits	<u>277,959</u>	<u>475,953</u>
	704,483	1,334,796
Actuarial (loss) gains on defined benefits plan	<u>(134,922)</u>	<u>90,427</u>
Other comprehensive income for the year	<u>569,561</u>	<u>1,425,223</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$12,090,845</u>	<u>\$15,226,699</u>

* Restated see note 19.

The notes on pages 19 to 54 are an integral part of these financial statements.

FINANCIAL STATEMENTS 2012



SOCIAL SECURITY BOARD STATEMENTS OF CHANGES IN RESERVES YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

	Short term Benefits Branch	Long term Benefits Branch	Employment Injury Benefits Branch	Disablement and Death Benefits Reserve	National Health Insurance Fund	Natural Disaster Fund	Social Development Assistance Account	Pension Reserve	Total
Balance, December 31, 2011 as previously issued	\$5,791,644	\$304,276,165	\$77,288,300	\$16,563,847	\$1,835,699	\$881,076	\$161,523	\$3,425,673	\$410,223,927
Prior period adjustment (Note 19)	(131,638)	531,309	296,807	(63)	-	-	-	-	696,415
Effect of IFRS 1 (Note 19)	330,915	11,449,669	2,576,604	628,099	-	-	-	-	14,985,287
Balance, December 31, 2011 restated (Note 19)	5,990,921	316,257,143	80,161,711	17,191,883	1,835,699	881,076	161,523	3,425,673	425,905,629
Transfer to Social Development Account and Assistance Fund	-	-	(1,141,999)	-	-	-	1,141,999	-	-
Transfer to Short Term Benefit Branch	-	-	-	-	-	-	-	-	-
Natural Disaster Fund Expenditure	-	-	-	-	-	250,000	-	-	250,000
Social Development Account & Assistance Fund Expenditures	-	-	-	-	-	-	(927,196)	-	(927,196)
Excess of (expenditures over income) income over expenditures	(1,939,098)	2,667,472	11,640,002	(1,510,420)	663,328	-	-	-	11,521,284
Other Comprehensive Income	-	-	-	704,483	-	-	-	(134,922)	569,561
Balance, December 31, 2012	<u>\$4,051,823</u>	<u>\$318,924,615</u>	<u>\$90,659,714</u>	<u>\$16,385,946</u>	<u>\$2,499,027</u>	<u>1,131,076</u>	<u>\$376,326</u>	<u>\$3,290,751</u>	<u>\$437,319,278</u>

The notes on pages 19 to 54 are an integral part of these financial statements.



FINANCIAL STATEMENTS 2012

SOCIAL SECURITY BOARD

STATEMENTS OF INCOME

YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

	<u>2012</u>	<u>2011</u>
Cash flows from operating activities:		
Excess of income over expenditures	<u>\$11,521,284</u>	<u>\$13,801,476</u>
Adjustments to reconcile excess of income over expenditures to net cash provided by operating activities:		
Amortization – intangible asset	196,801	-
Depreciation	1,534,435	1,542,472
Amortization of deferred income	(2,212,783)	(2,148,807)
Loss on sale of fixed asset	139,817	5,497
Changes in current assets and liabilities:		
Decrease (increase) in investment income receivable	172,012	(334,876)
Increase in office supplies	(26,544)	(47,996)
Increase in accounts receivable	(419,518)	(2,358,363)
Increase in prepayments	(191,114)	(24,631)
Increase in advances to employees	(100,618)	(264,248)
Decrease in accounts payable and accruals	<u>(906,081)</u>	<u>(6,823,616)</u>
Total adjustment	<u>(1,813,593)</u>	<u>(10,454,568)</u>
Net cash provided by operating activities	<u>9,707,691</u>	<u>3,346,908</u>
Cash flows from investing activities:		
Investment in associates	(88,899)	(6,580,708)
Loan to associate	(10,000,000)	-
Long and short term investments	5,351,355	7,330,950
Net additions to fixed assets	(970,097)	(1,354,742)
Increase in intangible asset	-	(504,879)
Proceeds from disposal	<u>190,645</u>	<u>-</u>
Net cash used in investing activities	<u>(5,516,996)</u>	<u>(1,109,379)</u>
Cash flows from financing activities:		
Change in short term reserve	-	(216,594)
Change in long term reserve	-	292,106
Change in death and disablement reserve	704,483	1,334,796
Change in natural disaster fund	250,000	250,000
Change in social development fund	<u>(927,196)</u>	<u>(846,342)</u>
Net cash provided by financing activities	<u>27,287</u>	<u>813,966</u>
Net increase in cash and bank balances	<u>4,217,982</u>	<u>3,051,495</u>
Cash and bank balances, January 1	<u>13,492,460</u>	<u>10,440,965</u>
Cash and bank balances, December 31	<u>\$17,710,442</u>	<u>\$13,492,460</u>

The notes on pages 19 to 54 are an integral part of these financial statements.



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

1. STATUS

Social Security Board (Board/SSB) is a statutory body which came into existence with the enactment of the Social Security Act, Chapter 44, Laws of Belize 1980. Social Security was established to provide various financial benefits to insured persons residing in Belize. Funding of these benefits is provided through contributions from employers and employees. The corporate headquarters is located at Bliss Parade, Belmopan.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation

Statement of compliance – The financial statements of Social Security Board have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), while the form and content are specified in the Social Security Act, Chapter 44, Revised Edition 2003.

Basis of presentation – The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

Functional and presentation currency – The financial statements are presented in Belize dollars, which is also the functional currency of the Board.

Use of estimates and judgments – The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates. It also requires the Board of Directors to exercise its judgment in the process of applying the Board's accounting policies.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Board based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Board. Such changes are reflected in the assumptions when they occur.

The cost of defined benefit pension plans and other post-employment medical benefits and the present value of the pension obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All valuations are made by an actuary.



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

2.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Changes in accounting policies

Except as described below, the accounting policies adopted are consistent with those used in the previous financial year.

Non-derivative financial assets and non-derivative financial liabilities

The Board early adopted IFRS 9 Financial Instruments (October 2010) (IFRS 9 (2010)) with a date of initial application of 1 January 2012. As a result, the Board has classified its financial assets as subsequently measured at either amortised cost or fair value, depending on its business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. In accordance with the transitional provisions of IFRS 9 (2010), the Board did not restate prior periods but has classified the financial assets that the Board held at January 1, 2012 retrospectively based on the facts and circumstances of the business model in which such assets were held at that date. The adoption of IFRS 9 (2010) did not impact the Board's accounting policy for financial liabilities as disclosed in its financial statements as at and for the year ended December 31, 2012.

Amendments to IFRS 7 Disclosures – Transfers of Financial Assets

These disclosures relate to assets transferred (as defined under IAS 39). If the assets transferred are not derecognised entirely in the financial statements, an entity has to disclose information that enables users of financial statements to understand the relationship between those assets which are not derecognised and their associated liabilities.

If those assets are derecognised entirely, but the entity retains a continuing involvement, disclosures have to be provided that enable users of financial statements to evaluate the nature of, and risks associated with, the entity's continuing involvement in those derecognised assets. Effective implementation date is for annual periods beginning on or after July, 1 2011 with no comparative requirements. The Board has not performed transfers of financial assets that require this disclosure.

Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Board's financial statements are disclosed below. The Board intends to adopt these standards, if applicable, when they become effective.

IAS 1 Presentation of Items of Other Comprehensive Income – Amendments to IAS 1

The amendments to IAS 1 change the grouping of items presented in other comprehensive income (OCI). Items that could be reclassified (or 'recycled') to profit or loss at a future point in time (for example, actuarial gains and losses on defined benefit plans and revaluation of land and buildings) would be presented separately from items that will never be reclassified (for example, net gain on hedge of net investment, exchange differences on translation of foreign operations, net movement on cash flow hedges and net loss or gain on available-for-sale financial assets). The amendment affects presentation only and has no impact on the Board's financial position or performance. The amendment becomes effective for annual periods beginning on or after July 1, 2012, and will therefore be applied in the Board's first annual report after becoming effective.



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

IAS 19 Employee Benefits (Revised)

The IASB has issued numerous amendments to IAS 19. These range from fundamental changes such as removing the corridor mechanism and the concept of expected returns on plan assets to simple clarifications and re-wording. The amended standard will impact the net benefit expense as the expected return on plan assets will be calculated using the same interest rate as applied for the purpose of discounting the benefit obligation. The amendment becomes effective for annual periods beginning on or after January 1, 2013 and will therefore be applied in the Board's first annual report after becoming effective.

IAS 28 Investments in Associates and Joint Ventures (as revised in 2011)

As a consequence of the new IFRS 11 Joint Arrangements, and IFRS 12 Disclosure of Interests in Other Entities, IAS 28 Investments in Associates, has been renamed IAS 28 Investments in Associates and Joint Ventures, and describes the application of the equity method to investments in joint ventures in addition to associates. The revised standard becomes effective for annual periods beginning on or after January 1, 2013.

IAS 32 Offsetting Financial Assets and Financial Liabilities — Amendments to IAS 32

These amendments clarify the meaning of “currently has a legally enforceable right to set-off”. The amendments also clarify the application of the IAS 32 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous.

These amendments become effective for annual periods beginning on or after January 1, 2014, and will be applied in the Board's first annual report after becoming effective.

IFRS 1 Government Loans – Amendments to IFRS 1

These amendments require first-time adopters to apply the requirements of IAS 20 Accounting for Government Grants and Disclosure of Government Assistance, prospectively to government loans existing at the date of transition to IFRS. Entities may choose to apply the requirements of IFRS 9 (or IAS 39, as applicable) and IAS 20 to government loans retrospectively if the information needed to do so had been obtained at the time of initially accounting for that loan. The exception would give first-time adopters relief from retrospective measurement of government loans with a below-market rate of interest. The amendment is effective for annual periods on or after January 1, 2013. The amendment has no impact on the Board.

IFRS 7 Disclosures — Offsetting Financial Assets and Financial Liabilities — Amendments to IFRS 7

These amendments require an entity to disclose information about rights to set-off and related arrangements (e.g., collateral agreements). The disclosures would provide users with information that is useful in evaluating the effect of netting arrangements on an entity's financial position. The new disclosures are required for all recognised financial instruments that are set off in accordance with IAS 32 Financial Instruments: Presentation.



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) **YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)**

2.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The disclosures also apply to recognised financial instruments that are subject to an enforceable master netting arrangement or similar agreement, irrespective of whether they are set off in accordance with IAS 32. These amendments will not impact the Board's financial position or performance and become effective for annual periods beginning on or after January 1, 2013.

IFRS 9 Financial Instruments: Classification and Measurement

IFRS 9, as issued, reflects the first phase of the IASB's work on the replacement of IAS 39 and applies to classification and measurement of financial assets and financial liabilities as defined in IAS 39. The standard was initially effective for annual periods beginning on or after January 1, 2013, but Amendments to IFRS 9 Mandatory Effective Date of IFRS 9 and Transition Disclosures, issued in December 2011, moved the mandatory effective date to January 1, 2015. In subsequent phases, the IASB will address hedge accounting and impairment of financial assets. The adoption of the first phase of IFRS 9 has had an effect on the classification and measurement of the Board's financial assets, but has not had an impact on classification and measurements of financial liabilities. The Board will quantify the effect in conjunction with the other phases, when the final standard including all phases is issued.

IFRS 10 Consolidated Financial Statements, IAS 27 Separate Financial Statements

IFRS 10 replaces the portion of IAS 27 Consolidated and Separate Financial Statements that addresses the accounting for consolidated financial statements. It also addresses the issues raised in SIC-12 Consolidation — Special Purpose Entities.

IFRS 10 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by IFRS 10 will require management to exercise significant judgment to determine which entities are controlled and therefore are required to be consolidated by a parent, compared with the requirements that were in IAS 27. The amendment will not have any impact since the Board currently holds no such investments. This standard becomes effective for annual periods beginning on or after January 1, 2013.

IFRS 11 Joint Arrangements

IFRS 11 replaces IAS 31 Interests in Joint Ventures and SIC-13 Jointly-controlled Entities Non-monetary Contributions by Venturers. IFRS 11 removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation. Instead, JCEs that meet the definition of a joint venture must be accounted for using the equity method. The new standard will have no impact on the financial position of the Board since it does not have any such arrangements. This standard becomes effective for annual periods beginning on or after January 1, 2013, and is to be applied retrospectively for joint arrangements held at the date of initial application.

IFRS 12 Disclosure of Involvement with Other Entities

IFRS 12 includes all of the disclosures that were previously in IAS 27 related to consolidated financial statements, as well as all of the disclosures that were previously included in IAS 31 and IAS 28. These disclosures relate to an entity's interests in subsidiaries, joint arrangements, associates and structured entities.



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

2.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A number of new disclosures are also required including:

- A requirement to disclose judgements made in determining if the Board controls, has joint control or significant influence over an entity
- A requirement to disclose judgements made in determining the type of joint arrangement in which the Board has an interest

The Board will disclose its judgment in respect of the entity currently excluded from its financial statements that will be included due to the existence of potential voting rights held. This standard becomes effective for annual periods beginning on or after January 1, 2013.

IFRS 13 Fair Value Measurement

IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The Board is currently assessing the impact that this standard will have on the financial position and performance, but based on the preliminary analyses, no material impact is expected. This standard becomes effective for annual periods beginning on or after January 1, 2013.

IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine

This interpretation applies to waste removal (stripping) costs incurred in surface mining activity, during the production phase of the mine. The interpretation addresses the accounting for the benefit from the stripping activity. The new interpretation will not have an impact on the Board. The interpretation is effective for annual periods beginning on or after January 1, 2013.

Annual Improvements May 2012

These improvements will not have an impact on the Board, but include:

IFRS 1 First-time Adoption of International Financial Reporting Standards

This improvement clarifies that an entity that stopped applying IFRS in the past and chooses, or is required, to apply IFRS, has the option to re-apply IFRS 1. If IFRS 1 is not re-applied, an entity must retrospectively restate its financial statements as if it had never stopped applying IFRS.

IAS 1 Presentation of Financial Statements

This improvement clarifies the difference between voluntary additional comparative information and the minimum required comparative information. Generally, the minimum required comparative information is the previous period.

IAS 16 Property Plant and Equipment

This improvement clarifies that major spare parts and servicing equipment that meet the definition of property, plant and equipment are not inventory.



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) **YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)**

2.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

IAS 32 Financial Instruments, Presentation

This improvement clarifies that income taxes arising from distributions to equity holders are accounted for in accordance with IAS 12 Income Taxes.

The amendment aligns the disclosure requirements for total segment assets with total segment liabilities in interim financial statements. This clarification also ensures that interim disclosures are aligned with annual disclosures.

IAS 34 Interim Financial Reporting

The amendment clarifies the disclosure requirements for segment assets and liabilities in interim financial statements. These improvements are effective for annual periods beginning on or after January 1, 2013.

c. Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded by the Board at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange at the reporting date. All differences arising on settlement or translation of monetary items are taken to the income statement. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in profit or loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in profit or loss.

d. Financial instruments

A financial instrument is a contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

i. Date of recognition

The Board initially recognizes, accounts receivables, deposits, and debt instruments on the date at which they are originated. All other financial assets and liabilities (including assets and liabilities designated at fair value through profit or loss) are initially recognized on the trade date at which the Board becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is measured initially at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

2.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

ii. Amortized cost measurement

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

iii. Classification

Financial assets

At inception a financial asset is classified as measured at amortised cost or fair value. A financial asset qualifies for amortised cost measurement only if it meets both of the following conditions:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows;
- and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

If a financial asset does not meet both of these conditions, then it is measured at fair value.

Financial assets held for trading are not held within a business model whose objective is to hold the asset in order to collect contractual cash flows.

Investment securities are initially measured at fair value plus, in case of investment securities not at fair value through profit or loss, incremental direct transaction costs and subsequently accounted for depending on their classification.

Cash and cash equivalents are carried at amortised cost in the statement of financial position. Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

Loans and advances are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and that the Board does not intend to sell immediately or in the near term. Loans and advances are initially measured at fair value plus incremental direct transaction costs, and subsequently measured at their amortised cost using the effective interest method.

Financial assets are not reclassified subsequent to their initial recognition, except when the Board changes its business model for managing financial assets.

Note 3 outlines the categories of financial assets.



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

2.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

iii. Classification (continued)

Financial liabilities

The Board classifies its financial liabilities as measured at amortised cost or fair value through profit or loss.

The Board designates financial liabilities at fair value through profit or loss when liabilities contain embedded derivatives that significantly modify the cash flows that would otherwise be required under the contract.

Note 3 outlines the categories of financial liabilities.

iv. Identification and measurement of impairment

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of loan receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

v. Derecognition

The Board derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Board neither transfers nor retains substantially all the risks and rewards of ownership and it does not retain control of the financial asset.



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

2.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

v. Derecognition (continued)

Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Board is recognised as a separate asset or liability in the statement of financial position.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset transferred), and consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

The Board derecognises a financial liability when its contractual obligations are discharged or cancelled or expire

vi. Offsetting

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Board has a legal right to set off the recognised amounts and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted under IFRSs, or for gains and losses arising from a group of similar transactions such as in the Board's trading activity.

vii. Fair value measurement

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date.

The fair value of an instrument is measured using quoted prices in an active market for that instrument. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis.

If a market for a financial instrument is not active, then the Board establishes fair value using a valuation technique. Valuation techniques include using recent arm's length transactions between knowledgeable, willing parties (if available), reference to the current fair value of other instruments that are substantially the same, discounted cash flow analyses and option pricing models. The chosen valuation technique makes maximum use of market inputs, relies as little as possible on estimates specific to the Board, incorporates all factors that market participants would consider in setting a price, and is consistent with accepted economic methodologies for pricing financial instruments. Inputs to valuation techniques reasonably represent market expectations and measures of the risk-return factors inherent in the financial instrument.



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) **YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

vii. Fair value measurement.

The Board calibrates valuation techniques and tests them for validity using prices from observable current market transactions in the same instrument or based on other available observable market data.

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price, i.e. the fair value of the consideration given or received, unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument, i.e. without modification or repackaging, or based on a valuation technique whose variables include only data from observable markets.

When transaction price provides the best evidence of fair value at initial recognition, the financial instrument is initially measured at the transaction price and any difference between this price and the value initially obtained from a valuation model is subsequently recognised in profit or loss on an appropriate basis over the life of the instrument but not later than when the valuation is supported wholly by observable market data or the transaction is closed out.

Any difference between the fair value at initial recognition and the amount that would be determined at that date using a valuation technique in a situation in which the valuation is dependent on unobservable parameters is not recognised in profit or loss immediately but is recognised over the life of the instrument on an appropriate basis or when the instrument is redeemed, transferred or sold, or the fair value becomes observable.

e. Office supplies

Office supplies are stated at the lower of cost and net realizable value, cost being determined on the actual cost of the supplies.

f. Pension fund

The Board, as of January 1, 1991, operates a pension scheme which is separately administered by a Board of Trustees. The scheme, which is a defined benefit plan, is funded by contributions from the Board in amounts recommended by the actuaries, and from employees at the rate of 2.8% of annual pensionable salaries. The Board's contributions of 4.3% of pensionable salaries are charged against income in the year they become payable.

Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in other comprehensive income. Such actuarial gains and losses are also immediately recognized in retained earnings and are not reclassified to profit or loss in subsequent periods.



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in associates

Associates are investments in entities where the company has the power to exercise a significant influence, but they do not have control or joint control through participation in the financial and operational decisions of the entity.

Usually the stockholding is 20% to 50% of the voting rights. Investments in associated entities are accounted for under the equity method and include goodwill identified on acquisition, net of any accumulated impairment loss.

Under the equity method, the investment in the associate is carried on the statement of financial position at cost plus post acquisition changes in the Board's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortized nor individually tested for impairment.

The income statement reflects the Board's share of the results of operations of the associate. When there has been a change recognized directly in the equity of the associate, the Board recognizes its share of any changes and discloses this, when applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between the Board and the associate are eliminated to the extent of the interest in the associate.

The Board's share of profit of an associate is included in the income statement as Investment Income. This is the profit attributable to equity holders of the associate and, therefore, is profit after tax and non-controlling interests in the subsidiaries of the associate.

The financial statements of the associates of the Board are prepared for the same reporting period as the Board. When necessary, adjustments are made to bring the accounting policies in line with those of the Board. After application of the equity method, the Board determines whether it is necessary to recognize an additional impairment loss on its investment in its associates.

The Board determines at each reporting date, whether there is any objective evidence that the investment in each associate is impaired. If this is the case, the Board calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount in the 'share of profit of an associate' in the income statement.

Upon loss of significant influence over the associate, the Board measures and recognizes any retaining investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Fixed assets

Fixed assets are recorded at cost and, other than land, are depreciated using the straight line method over the estimated useful life of the assets as follows:

Buildings	50 years
Furniture, fixtures and equipment	10 years
Computers and accessories, hardware and software	5 years
Motor vehicles	4 years

Repairs and maintenance are charged against income. Improvements which extend the useful life of the assets are capitalized. When fixed assets are disposed of by sale or are scrapped, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in income.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

i. Intangible assets

Intangible assets comprise basically the contractual rights and expenses incurred on specific projects with future economic value, are valued at cost, less accumulated amortization and losses by reducing the recoverable amount where applicable. Intangible assets are recognized only if it is likely that they will generate economic benefits to the Board, are controllable under the Board's control and their respective value can be measured reliably.

Intangible assets that have finite useful lives are amortized over their effective use or a method that reflects their economic benefits, while those with indefinite useful lives are not amortized; consequently these assets are tested at least annually as to their recovery (impairment test). The estimated useful life and amortization methods are reviewed at the end of each financial year and the effect of any changes in estimates are recorded in a prospective manner.

Internally generated intangible assets, during the research phase, have their expenditure recorded in expenses of the period when incurred. Expenditure on development activities (or stage of development of an internal project) is recorded as intangible assets if and only if it meets all of the requirements of the standard. Initial recognition of this asset corresponds to the sum of the expenditures incurred from when the intangible asset has passed to meet the recognition criteria required by the standard.

Intangible assets generated internally, are recorded at cost value less amortization and loss on the accumulated impairment. The Board's intangible assets comprise mainly of acquired software licenses. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the income statement when the asset is derecognized.



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Deferred income

The Board sold portions of the flows from its mortgage investment portfolio. The financial instrument associated with these flows is carried in the financial statements as “restricted mortgages (Note 10)” and are stated at cost less impairment losses.

Income derived from these transactions are treated as deferred income and amortized over the term of each agreement-governing disposal of mortgage flows.

Where losses are sustained as a result of servicing mortgage portfolios under the securitization program, such losses are charged directly to income.

k. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

l. Income recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Board, and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Board assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Board has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognized.

Investment income – is accounted for on the accrual basis, except for dividends, which are recognized when received. Income from associates is accounted for by the equity method.

Interest income – For all financial instruments measured at amortised cost and interest bearing financial assets classified as available for sale, interest income or expense is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in Investment Income and Other income in the income statement.

Dividends – Revenue is recognized when the Board’s right to receive the payment is established.



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) **YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Income recognition– (continued)

iv. Rental income – Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue due to its operating nature.

Basis of apportionment of income –

(i) Contributions

Section 14(1) of the Financial and Accounting Regulations, 1980 provides that all contributions shall be distributed among the Benefits Branches in the following proportions:

	<u>2012</u>	<u>2011</u>
(1) Short term Benefits Branch	19.25%	19.25%
(2) Long term Benefits Branch	56.25%	56.25%
(3) Employment Injury Benefits Branch	24.50%	24.50%

(ii) Other income

Section 14(2) of the Financial and Accounting Regulation, 1980 provides that income from investment of the Reserves is allocated to each branch on the basis of their respective reserves at the end of the previous financial year.

Section 14(3) of the Financial and Accounting Regulations, 1980 provides that all other income to the fund which cannot be identified with any specific branch shall be distributed among the three benefit branches in equal parts.

m. Government contributions

Government contributions and support are accounted for when the Board complies with reasonable security conditions set by the government related to contributions, and assistance received. The Board records via the statement of income, as reducing spending according to the nature of the item, and through the distribution of results on statement of income, or earnings in reserve accounts.

When the grant relates to an expense item, it is recognised as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. When the grant relates to an asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related asset.

When the Board receives non-monetary grants, the asset and the grant are recorded gross at nominal amounts and released to the income statement over the expected useful life and pattern of consumption of the benefit of the underlying asset by equal annual installments. When loans or similar assistance are provided by government or related institutions with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as additional government grants.



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Taxes –

Income and property tax and stamp duty

Section 64 (2) of the Social Security Act, Chapter 44, Revised Edition 2003 exempts the Board from income tax and property tax, and stamp duty.

General sales tax

Revenues, expenses and assets are recognized net of the amount of general sales tax.

o. Benefit payments –

i. SSB recognizes costs associated with payments in the period the beneficiary or recipient is entitled to receive the payment.

ii. Liabilities are accrued on benefits for past periods that have not completed processing by the close of the fiscal year, such as benefit payments due but not paid pending receipt of pertinent information.

p. Disablement and death benefit reserves

The Disablement and Death Benefits Reserve is made up as provided by Section 16(3) of the Financial and Accounting Regulations, 1980 by transferring thereto at the end of each financial year the balance outstanding in the current account after the actuarial present value of the periodically payable disablement and death benefits awarded in that year have been charged against income for that year in the Income and Expenditure Account of the Employment Injury Benefit Branch and credited to a current account, which is also credited with the income from the investment of the said reserve, and debited with actual payment of the current periodical disablement and death benefit effected during that year.

q. Basis of apportionment of expenditure

i. Section 15(1) of the Financial and Accounting Regulation, 1980 states that the expenditures of each benefit branch shall be ascribed to that Branch under which the benefit is grouped, namely: Short Term Benefits Branch, Long Term Benefits Branch and Employment Injury Benefits Branch.

ii. Section 15(2) of these regulations states that the administrative expenditures of the Fund shall be distributed among the three benefit branches in such a manner that the proportion allocated to a particular branch shall be equal to the proportion which the sum of the contribution income and benefit expenditure shown in the Income and Expenditure Account of that branch bears to the sum of the contribution income and benefit expenditure of the Fund as a whole.

iii. Administrative expenses are taken to mean all expenses properly incurred in the administration of the Scheme.

All other expenditures that are not attributable to any specific branch are distributed among the three benefit branches in equal parts.



FINANCIAL STATEMENTS 2012

SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

3. FINANCIAL RISKS

Financial risk factors

The Board's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The Board's overall risk management program seeks to maximize the returns derived for the level of risk to which the Board is exposed and seeks to minimize potential adverse effects on the Board's financial performance. The Board's policy allows it to use financial instruments to both moderate and create certain risk exposures.

All securities investments present a risk of loss of capital. The maximum loss of capital on purchased long term equity and debt securities is limited to the fair value of those positions.

The management of these risks is carried out by the investment manager under policies approved by the Investment Committee and Board of Directors and the General Manager of Finance. The Board has specific limits on these instruments to manage the overall potential exposure.

In accordance with IFRS 7, an entity shall disclose information that enables users of its financial statements to evaluate the nature and extent of risks arising from financial instruments to which the entity is exposed at the reporting date.

	<u>Fair value through profit and loss</u>		<u>Amortised costs</u>	
Financial assets	2012	2011	2012	2011
	\$	\$	\$	\$
Cash and bank	-	-	17,710,442	13,492,460
Short term investments	-	-	121,580,228	125,840,448
Investment income receivable	-	-	6,410,070	6,582,083
Accounts receivable	-	-	6,647,003	6,227,485
Advances to employees	-	-	1,245,366	1,144,748
Long term investments	15,443,276	700	87,308,633	103,842,344
Loan to associate	-	-	10,000,000	-
Investment in associates	<u>143,749,973</u>	<u>143,661,074</u>	<u>-</u>	<u>-</u>
Total financial assets	<u>159,193,249</u>	<u>143,661,774</u>	<u>250,901,742</u>	<u>257,129,568</u>



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

3. FINANCIAL RISKS (Continued)

Financial liabilities	Financial liabilities at fair value through profit or loss		Financial liabilities at amortised cost	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
	\$	\$	\$	\$
Accounts payable and accruals	<u>2,622,962</u>	<u>2,686,936</u>	<u>3,159,866</u>	<u>4,001,973</u>
Total financial liabilities	<u>2,622,962</u>	<u>2,686,936</u>	<u>3,159,866</u>	<u>4,001,973</u>

The Board uses different methods to measure and manage the various types of risk to which it is exposed; these methods are explained below:

Market risk

a. Price risk

The Board's policy is to manage price risk through diversification and selection of securities and other financial instruments within specified limits set by the Social Security Act (Chapter 44) of the Laws of Belize, the Investment Committee and the Board of Directors.

A summary analysis of investments by asset class at December 31, 2012 is presented below:

<u>Investment Mix</u>	<u>% of Total Investment</u>
Debentures	1.55
Other	3.52
Shares	1.69
Treasury notes	2.85
Real Estate	3.39
Mortgage and Housing	2.49
Private Sector Loans	14.63
Investment in Associates	39.05
Term Deposits	<u>30.83</u>
Total	<u>100.00</u>

The Act also limits a single investment to be no more than 20% of the total amount of the Reserves, including economically targeted investments. The majority of the Board's equity investments are publicly traded. The Board's policy requires that the overall market position is monitored on a weekly basis by the Board's Investment Manager and is reviewed on a quarterly basis by the Investment Committee and Board of Directors. Compliance with the Board's investment policies are reported to the Investment Committee on a monthly basis.



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

3.FINANCIAL RISKS (Continued)

b. Foreign exchange risk

The Board does not operate internationally and does not hold monetary and non-monetary assets denominated in currencies other than the Belize Dollar, the functional currency. Foreign currency risk, as defined in IFRS 7, arises as the value of future transactions, recognized monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates. IFRS 7 considers the foreign exchange exposure relating to non-monetary assets and liabilities to be a component of market price risk not foreign currency risk.

c. Cash flow and fair value interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of markets interest rates on the fair value of financial assets and liabilities and future cash flow. The

Board holds fixed interest securities that expose the Board to fair value interest rate risk. The Board also holds cash and cash equivalents that expose the Board to cash flow interest rate risk. The Board's policy requires the General Manager of Finance to manage this risk by measuring the mismatch of the interest rate sensitivity gap of financial assets and liabilities and calculating the average duration of the portfolio of fixed interest securities. The Board's policy is to hold no more than 20% of the Board's net assets in interest bearing assets and liabilities.

The Board has direct exposure to interest rate changes on the valuation and cash flows of its interest bearing assets and liabilities. However, it may also be indirectly affected by the impact of interest rate changes on the earnings of certain companies in which the Board invests and impact on the valuation of certain over-the-counter derivative products that use interest rates as an input in their valuation model.

In accordance with the Board's policy, the Investment Manager monitors the Board's overall interest sensitivity on a weekly basis; the Investment Committee reviews it on a monthly basis.

d. Credit risk

The Board is exposed to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when they fall due. The main concentration to which the Board is exposed arises from the Board's investments in debt securities. The Board is also exposed to counterparty credit risk on trading derivative products, cash and cash equivalents, amounts due from associates, debtors and other receivable balances.

The Board manages credit risk by setting limits on the amount loaned, ensuring the loan is properly collateralized, considering the borrower's leverage and the seasonality of the business by restriction in the loan agreements.

In accordance with the Board's policy, the Investment Manager monitors the Board's credit position on a daily basis, and the Investment Committee reviews it on a monthly basis.



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

3. FINANCIAL RISKS (Continued)

d. Credit risk (continued)

Collateral

Collateral is held to mitigate credit risk exposures and risk mitigation policies determine the eligibility of collateral types. The Board defines collateral as the assets or rights provided to the Board by the borrower or a third party in order to secure a credit facility. The Board would have the rights of secured creditor in respect of the assets/contracts offered as security for the obligations of the borrower/obligor.

The Board ensures that the underlying documentation for the collateral provides the Board appropriate rights over the collateral or other forms of credit enhancement including the right to liquidate, retain or take legal possession of it in a timely manner in the event of default by the counterparty. The Board also endeavors to keep the assets provided as security to the Board under adequate insurance during the tenor of the Board's exposure. The collateral value is monitored periodically.

Types of collateral taken by the Board

Collateral types that are eligible for risk mitigation include: cash; residential, commercial and industrial property; fixed assets such as land, plant and machinery; marketable securities; third party guarantees; and letters of credit.

The Board determines the appropriate collateral for each facility based on the type of product and risk profile of the counterparty. In case of corporate and small and medium enterprises financing, fixed assets are generally taken as security for long tenor loans and current assets for working capital finance. For project finance, security of the assets of the borrower and assignment of the underlying project contracts is generally taken. In addition, in some cases, additional security such as pledge of shares, cash collateral, charge on receivables with an escrow arrangement and guarantees is also taken.

For personal loans, the security to be taken is defined in the investment policy for the respective types of loans. Housing loans and automobile loans are secured by the security of the property/automobile being financed. The valuation of the properties is carried out by an empanelled appraiser at the time of sanctioning the loan.

The Board extends unsecured facilities to clients for certain products such as derivatives, credit cards and personal loans. The limits with respect to unsecured facilities have been approved by the Board of Directors. The decision on the type and quantum of collateral for each transaction is taken by the credit approving authority as per the credit approval authorisation approved by the Board of Directors. For facilities provided as per approved product policies (retail products, loan against shares etc.), collateral is taken in line with the policy.

For certain types of lending – typically mortgages, asset financing – the right to take charge over physical assets is significant in terms of determining appropriate pricing and recoverability in the event of default.



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

3. FINANCIAL RISKS (Continued)

Types of collateral taken by the Board (continued)

Collateral is reported in accordance with our risk mitigation policy, which prescribes the frequency of valuation for different collateral types, based on the level of price volatility of each type of collateral and the nature of the underlying product or risk exposure. Where appropriate collateral values are adjusted to reflect current market conditions, its probability of recovery and the period of time to realize the collateral in the event of possession. The collateral values reported are also adjusted for the effects of over-collateralization.

Loans and advances

The requirement for collateral is not a substitute for the ability to pay, which is the primary consideration for any lending decisions. In determining the financial effect of collateral held against loans neither past due nor impaired, we have assessed the significance of the collateral held in relation to the type of lending. For loans and advances to Board's employees and customers (including those held at fair value through profit or loss), the Board held the following amounts of collateral, adjusted where appropriate as indicated above.



SOCIAL SECURITY BOARD

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)**

3. FINANCIAL RISKS (Continued)

Value	<u>CONSUMER LOANS</u>		<u>COMMERCIAL LOANS</u>		<u>TOTAL</u>				
	Total	Past Due but not Individually Impaired Loans	Total	Past Due but not Individually Impaired Loans	Total	Past Due but not Individually Impaired Loans			
December 31, 2012									
Collateral	9,823,851	5,538,152	4,285,699	44,044,994	42,134,542	1,910,452	53,868,845	47,672,694	6,196,151
Loans	10,158,523	5,829,608	4,328,915	64,398,774	62,458,894	1,939,880	74,557,297	68,288,502	6,268,795
Value	<u>CONSUMER LOANS</u>		<u>COMMERCIAL LOANS</u>		<u>TOTAL</u>				
	Total	Past Due but not Individually Impaired Loans	Total	Past Due but not Individually Impaired Loans	Total	Past Due but not Individually Impaired Loans			
December 31, 2011									
Collateral	28,143,305	8,761,753	19,381,552	46,194,322	44,322,236	1,872,086	74,337,627	53,083,989	21,253,638
Loans	28,390,268	8,958,322	19,431,946	67,746,734	65,845,220	1,901,514	96,137,002	74,803,542	21,333,460



FINANCIAL STATEMENTS 2012

SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

3. FINANCIAL RISKS (Continued)

Liquidity risk

Liquidity risk is the risk that the Board may not be able to generate sufficient cash, resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

As a result, the Board may not be able to liquidate quickly its investments in these instruments at an amount close to their fair value to meet its liquidity requirements, or be able to respond to specific events such as deterioration in the creditworthiness of any particular issuer. At December 31, 2012 and 2011, the Board held no investments that it considered illiquid.

The Board manages its liquidity risk by maintaining an appropriate level of resources in liquid or near liquid form. At December 31, 2012, current assets exceeded current liabilities by \$141,369,073.

In accordance with the Board's policy, the General Manager of Finance monitors the Board's liquidity position on a weekly basis, and the Investment Manager reviews it on a daily basis.

The table below analyses current assets and current liabilities of the Board into relevant maturity grouping based on the remaining period at the balance sheet date to the contractual maturity date.

Net liquidity gap, December 31, 2012

	Within 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Total
	\$	\$	\$	\$	\$
Current Assets					17,476,139
Cash and bank	17,476,139	-	-	-	
Central Bank of Belize	234,303	-	-	-	234,303
Short term investments	54,960,920	57,119,308	9,500,000	-	121,580,228
Office supplies	42,951	128,855	-	-	171,806
Investment income receivable	2,533,115	3,876,955	-	-	6,410,070
Accounts receivable and prepayments	209,957	5,597,374	1,284,945	-	7,092,276
Total current assets	75,457,385	66,722,492	10,784,945	-	152,964,822
Current Liabilities					
Accounts payables and accruals	3,007,512	2,775,316	-	-	5,782,828
Deferred income	553,196	800,262	-	-	1,353,457
Commitments and contingencies	37,637	250,000	881,076	3,290,751	4,459,464
Total current liabilities	3,598,345	3,825,578	881,076	3,290,751	11,595,749
Net liquidity gap, December 31, 2012	<u>71,859,041</u>	<u>62,896,914</u>	<u>9,903,869</u>	<u>(3,290,751)</u>	<u>141,369,073</u>



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

3. FINANCIAL RISKS (Continued)

f. Operational risk

The Board is exposed to operational risk which can lead to financial losses through error, fraud or inefficiencies. The Board mitigates this risk by periodically revisiting its internal controls, adhering to its operational policies and procedures, and reliance on the internal audit function.

4. SHORT TERM INVESTMENTS

	<u>2012</u>	<u>2011</u>
Term deposits	\$103,773,953	\$107,727,392
Citrus Growers Association crop loan	7,306,275	7,613,056
GOB treasury notes	<u>10,500,000</u>	<u>10,500,000</u>
	<u>\$121,580,228</u>	<u>\$125,840,448</u>

5. INVESTMENT INCOME RECEIVABLE

	<u>2012</u>	<u>2011</u>
Sunshine Holdings Limited	\$2,909,578	\$1,704,933
Other loans and mortgage portfolios	1,292,823	834,437
Certificate of deposits	<u>2,207,669</u>	<u>4,042,713</u>
	<u>\$6,410,070</u>	<u>\$6,582,083</u>

Under the terms of the loan note between Sunshine Holdings Limited and SSB issued September 19, 2005, interest earned up to July 31, 2010 was capitalized.

6. ACCOUNTS RECEIVABLE

	<u>2012</u>	<u>2011</u>
Accounts receivable	\$ 203,708	\$ 132,567
Assessment of contributions	2,510,552	1,769,512
Mortgage securitization programme	4,818,147	5,126,840
	7,532,407	7,028,919
Less: provisions for loss on uncollectible assessments	(884,904)	(801,434)
Less: provisions for loss on investments	<u>(500)</u>	<u>--</u>
	<u>\$6,647,003</u>	<u>\$6,227,485</u>

7. PENSION ASSET

The Board sponsors a defined benefit pension scheme in accordance with a Trust Deed signed by the Board and the Trustees on April 24, 1996, but deemed to have been established under irrevocable trust with effect from January 1, 1991. The scheme is contributory (funded on a bipartite basis by the SSB and the employees. The Board pays fixed contributions into the separate trust which is managed by a Board of Trustees nominated by the employer. These contributions are expensed in the period in which they accrue.



FINANCIAL STATEMENTS 2012

SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

7. PENSION ASSET (Continued)

The terms of the defined benefit pension scheme define the amount that employees will receive on retirement. These amounts are dependent on factors such as age, years of service and compensation, and are determined independently of the contributions payable or the investments of the scheme.), and past services are recognized as from January 1, 1991.

An asset or liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit obligation is calculated by independent actuaries every three years using the projected unit cost method. Actuarial gains and losses are recognized in full in the year in which they occur within other comprehensive income.

The pension obligation is measured as the present value of the estimated future cash outflows using interest rates of long-term government bonds that are denominated in the currency in which the benefits will be paid and, which have terms to maturity approximating the terms of the related liability. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to income over the employees' expected average remaining working lives, where these amounts represent an excess over the 10% corridor.

On a going-concern basis and taking into consideration projected salaries at retirement rather than static salaries, the funded status is as follows, as at December 31, 2012:

Projected Benefit Obligation and Funded Status

Funded Status	2012	2011
Accumulated benefit obligation	\$(2,265,186)	\$(2,301,158)
Projected benefit obligation a/	(4,854,902)	(4,406,719) a/
Net Assets	7,979,450	7,666,408 b/
Pre-paid Surplus	\$3,124,548	\$3,259,689

a/ Of which \$3,258,504 are vested

b/ Unaudited

Liability (Surplus) to be recognized in the Statement of Financial Position (at 31 December) ^{a/}

	2012	2011
Present Value of the obligation	4,854,902	4,406,719
Fair value of plan assets	(7,979,450)	(7,666,408)c/
Net obligations (surplus)	(3,124,548)	(3,259,689)
Unrecognized past service cost	-	-
Unrecognized actuarial gain	(166,203)	(165,984)
Liability (surplus) to be recognized	(3,290,751)	(3,425,673)

a/ IAS-19, paragraph 54

b/Full surplus recognized in FY2010 (Note 2 (t) of the financial statements)

c/Unaudited



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

7. PENSION ASSET (Continued)

Changes in Benefit Obligations and Net Assets

The changes in benefit obligations are as follows:

	<u>2012</u>	<u>2011</u>
Change in Projected Obligations		
Projected benefit obligation at January 1	\$4,406,719	\$3,866,295
Service Cost	386,589	353,475
Interest Cost	301,826	266,620
Benefits and expenses	(233,171)	(114,884)
Actuarial (gain) loss – obligations	(7,061)	35,213
Projected benefit obligation at December 31	\$4,854,902	\$4,406,719

Change in Plan Assets

Assets at December 31	\$7,666,408	\$7,062,288
Expected return on assets	545,498	500,671
Contributions	184,303	337,152
Benefit Payments	(233,171)	(114,884)
Actuarial (loss) gain – assets	(183,588)	(118,819)
Assets at December 31	7,979,450	7,666,408
Consolidated gain	\$3,124,548	\$3,259,689

Liability (Surplus) to be recognized in the Statement of Financial Position

	<u>2012</u>	<u>2011</u>
Present Value of the obligation	\$4,854,902	\$4,406,719
Fair value of plan assets	(7,979,450)	(7,666,408)
Net surplus	(3,124,548)	(3,259,689)
Unrecognized past service cost	-	-
Unrecognized actuarial gain	(166,203)	(165,689)
Liability (surplus) to be recognized	(3,290,751)	\$(3,425,378)

Cumulative Gains / Losses and Limits of the Corridor

	<u>2012</u>	<u>2011</u>
Cumulative actuarial gain at 1 Jan. (transitional surplus)	\$3,259,689	\$3,195,993
10% of the greater of FV plan assets or PV of PBO at 1 January	(766,641)	(706,229)
Amount out of corridor	2,493,048	2,489,764
Expected average working service years	15	15
Gain to be recognized	\$ 166,203	\$ 165,984

IFRS permits deferral of unrecognized gains or losses, to the extent that this does not exceed certain limits (defined under the parallel US GAAP requirement as a “corridor”. This limit is the greater of 10% of the PV of the defined benefit obligation at the end of the preceding reporting period (before deducting plan assets), or 10% of the FV of plan assets as of the same date.



FINANCIAL STATEMENTS 2012

SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

7. PENSION ASSETS (Continued)

Expenses to be recognized

	<u>2012</u>	<u>2011</u>
Current service cost	<u>\$386,589</u>	\$353,475
Interest cost	301,826	266,620
Expected return on assets	(545,498)	(500,671)
Net gain recognized	<u>166,203</u>	165,984
Total	<u>309,120</u>	285,408
Employees contributions	<u>(184,343)</u>	(169,353)
Net SSB expenses (pre-paid surplus)	<u>\$124,777</u>	\$116,055

8. INVESTMENT IN ASSOCIATES

	<u>2012</u>	<u>2011</u>
Belize Electricity Limited 26.92%		
Balance, beginning of year	\$83,343,955	\$82,488,437
(Loss) Income from associate	(4,307,200)	855,518
Dividend received from associate	<u>(1,021,901)</u>	-
Balance, end of year	<u>\$78,014,854</u>	<u>\$83,343,955</u>

	<u>2012</u>	<u>2011</u>
Belize Telecommunications Limited 20.18%		
Balance, beginning of year	\$ 60,317,119	\$ 54,591,928
Income from associate	5,418,000	6,791,858
Dividend received from associate	-	(1,066,667)
Balance, end of year	<u>\$ 65,735,119</u>	<u>\$ 60,317,119</u>
Total investment in associate, end of year	<u>\$143,749,973</u>	<u>\$143,661,074</u>

9. LOAN TO ASSOCIATE

Provisional loan to Belize Electricity Limited of \$10,000,000 with interest on a daily basis at a rate of 5% per annum. First payment due and payable on March 31, 2013 and thereafter interest shall be paid quarterly up to a maximum term of 3 years or upon the issuance of the Belize Electricity Limited preference shares to the value of \$10,000,000 in favor of the Social Security Board.



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

10. LONG TERM INVESTMENT

	<u>2012</u>	<u>2011</u>
Shares	\$ 6,216,890	\$ 6,189,290
Term deposit	9,691,010	9,691,010
Private sector loans	53,842,948	51,739,538
Mortgages	9,073,076	17,088,895
Restricted mortgages	86,186	2,773,770
Real estate	12,480,049	12,533,449
Government of Belize loan	2,221,550	3,127,092
Belize City Council Municipal bonds	3,440,200	-
Debentures	5,700,000	700,000
	<u>\$102,751,909</u>	<u>\$103,843,044</u>

At December 31, 2012, non-performing investments amounted to 2.55% of total long and short term investments (December 31, 2011 – 4.42 %). Under the Board's mortgage securitization program, interest earned on restricted mortgages does not accrue to the Board.

Mortgages received from the Ministry of Housing at December 31, 2012 totaled \$660,038 (December 31, 2011 - \$12,339,136).

11. FIXED ASSETS

Cost	Land	Buildings	Furniture and fixtures	Office equipment	Computers	Motor vehicles	Work in progress	Total
					and accessories, hardware and software			
Brought forward, January 1, 2012	\$6,591,005	\$22,811,548	\$2,511,602	\$2,449,333	\$4,962,396	\$660,084	\$1,992,973	\$41,978,941
Additions	-	2,122,545	42,763	267,458	432,307	1,652	386,270	3,252,995
Disposals	-	(458,206)	(4,252)	(39,964)	(124,970)	(100,687)	(2,282,898)	(3,010,977)
Carried forward, December 31, 2012	<u>6,591,005</u>	<u>24,475,887</u>	<u>2,550,113</u>	<u>2,676,827</u>	<u>5,269,733</u>	<u>561,049</u>	<u>96,345</u>	<u>42,220,959</u>
Accumulated depreciation								
Brought forward, January 1, 2012	-	5,005,326	1,948,097	1,229,344	3,861,201	358,637	-	12,402,605
Additions	-	543,008	117,145	236,171	540,342	97,769	-	1,534,435
Disposals	-	(148,763)	(4,034)	(27,843)	(123,007)	(93,970)	-	(397,617)
Carried forward, December 31, 2012	<u>-</u>	<u>5,399,571</u>	<u>2,061,208</u>	<u>1,437,672</u>	<u>4,278,536</u>	<u>362,436</u>	<u>-</u>	<u>13,539,423</u>
Net book value								
December 31, 2012	<u>\$6,591,005</u>	<u>\$19,076,316</u>	<u>\$ 488,905</u>	<u>\$1,239,155</u>	<u>\$ 991,197</u>	<u>\$198,613</u>	<u>\$ 96,345</u>	<u>\$28,681,536</u>
December 31, 2011	<u>\$6,591,005</u>	<u>\$17,806,222</u>	<u>\$ 563,505</u>	<u>\$1,219,989</u>	<u>\$1,101,195</u>	<u>\$301,447</u>	<u>\$1,992,973</u>	<u>\$29,576,336</u>

12. ACCOUNTS PAYABLE AND ACCRUALS

	<u>2012</u>	<u>2011</u>
Mortgage securitization program	\$2,622,962	\$2,686,936
Benefits payable	880,616	1,990,672
Accrued expenses and other liabilities	2,279,250	2,011,301
	<u>\$5,782,828</u>	<u>\$6,688,909</u>



FINANCIAL STATEMENTS 2012

SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

13. NET INVESTMENT INCOME

	<u>2012</u>	<u>2011</u>
Long and short term investments income	\$ 9,290,713	\$14,827,129
Income from associates	1,110,800	7,647,376
Mortgage securitization program	2,212,783	2,148,807
Investment expenses	1,166,325	(184,465)
Loan losses bad debt	<u>(2,037,784)</u>	<u>(7,856,725)</u>
	<u>\$11,742,837</u>	<u>\$16,582,122</u>

14. OTHER INCOME – NET

	<u>2012</u>	<u>2011</u>
Interest on assessments	\$ 176,906	\$ 48,728
Interest on late contributions	581,657	507,158
Interest on staff advances	94,280	90,786
Rental income	13,640	38,555
Loss on disposal of fixed assets	<u>(139,817)</u>	<u>(5,497)</u>
Others	<u>325,177</u>	<u>244,961</u>
	<u>\$1,051,843</u>	<u>\$924,691</u>



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

15. ADMINISTRATION EXPENSES

	<u>2012</u>	<u>2011</u>
Actuarial expenses	\$ 117,544	\$ 120,469
Amortization (intangible asset)	196,801	-
Appeals Tribunal expenses	20,174	10,569
Audit fee	110,191	122,317
Board expenses	231,027	186,948
Cleaning and sanitation	267,636	250,387
Committees expense	116,250	123,399
Compliance project	33,190	49,930
Depreciation	992,411	1,081,398
Donation	-	105,000
Insurance	88,652	93,177
Legal and professional fees	97,122	81,731
Medical and group health insurance	304,755	325,951
Motor vehicle expenses	68,205	74,595
Overseas conference	86,648	58,217
Pension contribution and expenses	-	156,700
Postage	46,160	39,663
Premises repairs and maintenance	381,830	350,816
Printing, stationery and supplies	668,220	591,695
Publicity and promotion	318,360	242,973
Recruitment	5,869	2,578
Registration expenses	131,563	162,603
Salaries	10,009,084	10,263,770
Security	888,233	886,135
Social security contributions	243,227	209,711
Subscriptions	55,096	49,855
Sundries	4,032	1,507
Telephones and cables	599,549	736,596
Training	182,494	161,413
Transfer and other allowances	1,287,863	1,492,224
Traveling and subsistence	<u>750,090</u>	<u>739,153</u>
	<u>\$18,302,276</u>	<u>\$18,771,480</u>

16. ESTABLISHMENT EXPENSES

	<u>2012</u>	<u>2011</u>
Light, power and water	\$ 539,850	\$ 594,048
Depreciation	542,024	461,074
Rent	<u>74,991</u>	<u>75,947</u>
	<u>\$1,156,865</u>	<u>\$1,131,069</u>



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

17. SEGMENT REPORTING

In accordance with IFRS 8 and for management purposes, the Board's activities are organised into three main operating segments prescribed in the Social Security Act, Chapter 44, Revised Edition 2003. These are as follows:

a) Short Term Benefits Branch: Covers

- **Maternity Benefits** which are paid to insured women who are on Maternity leave from work because of their pregnancy and confinement.
- **Sickness Benefit** is paid for up to 26 weeks to an insured person under 65 years who is temporarily unable to work because of an illness and who is employed when he or she becomes ill.

b) Long-term Benefits Branch: Covers

- **Retirement Benefits** paid to insured persons who are 65 years of age (and older) or 60 to 64 and not employed.
- **Invalidity Benefits** paid to insured persons under 60 years who are medically certified by Social Security Medical Board as permanently unable to do any type of work because of an illness.
- **Survivors' Benefits** paid to the widow/widower, children or parents of a deceased insured person whose death was not caused by a work-related injury.

c) *Employment Injury Benefits Branch*: This branch of benefits provides coverage for an insured person who suffers an employment injury, that is a personal injury or death by way of an accident at work or a disease caused by the type of work he or she does.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects is measured differently from operating profit or loss in the financial statements. The result of operations for each Branch is disclosed in pages 45 to 49. Revenues and expenses are allocated based on formula prescribed by law (See note 21 and 2q).



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

18. COMMITMENTS AND CONTINGENCIES

i. Mortgage Securitization – Tranche A

On April 21, 1999, the Board entered into an agreement for the Assignment of Mortgages (Tranche A). The Board, the Development Finance Corporation (DFC), and the Government of Belize (GOB) signed the agreement with the Royal Merchant Bank and Finance Company of Trinidad and Tobago (RMB). Under the agreement, the Board assigned a total of \$18,906,359 worth of mortgages. The Board's commitment under this agreement is for \$293,640 monthly. Under the Administrative Agreement, the monthly commitment is paid to DFC, for further payment to RMB, and shall remain in force until April 30, 2013.

In October 2004, GOB, through a Fixed Rate Non-Callable Bond Issue refinanced the existing agreement with RMB. The Board did not participate in the refinancing agreement, however, under the new arrangement the Board is committed to continue making monthly payments of \$293,640 to GOB. The Board's responsibility under the new agreement will continue until April 30, 2013.

Mortgage Securitization – Tranche B

On December 23, 1999, a second Assignment of Mortgages (Tranche B) agreement was signed between the Board, DFC and RMB. The total value of mortgages assigned by the Board in this transaction is \$15,473,754. The Board's commitment under this agreement is for \$175,200 monthly payable to DFC, for further payment to RMB, and shall remain in force until December 30, 2013.

In October 2004, GOB, through a Fixed Rate Non-Callable Bond Issue refinanced the existing agreement with RMB. The Board did not participate in the refinancing agreement, however, under the new arrangement the Board is committed to continue making monthly payments of \$175,200 to GOB. The Board's responsibility under the new agreement will continue until December 30, 2013.

Mortgage Securitization – Tranche C and D

On March 21, 2000 and August 30, 2000, a third (Tranche C) and fourth (Tranche D) agreement was signed between the Board, DFC and RMB. Under these two agreements, the mortgages assigned by the Board came from the Saint James National Building Society (SJNBS), and totaled \$27,731,240. Under these agreements, the SJNBS pays the Board a total of \$1,221,720 on a quarterly basis. The Board then pays that amount to DFC for further payment to RMB. As signatory to these agreements the Board is responsible to ensure collections from SJNBS, this responsibility remained in force until March 21, 2009 for Tranche C, and August 30, 2010 for Tranche D. Under a default scenario the Board is responsible to effect payment to DFC.



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

18.COMMITMENTS AND CONTINGENCIES (Continued)

Other Securitization

In January 2000, the Board entered into an agreement for the Assignment of Mortgages. The agreement is between the Board, the SJNBS, and the Provident Bank and Trust of Belize Limited (PBT). The amount of mortgages assigned is \$1,778,706 and originated from the SJNBS. Under this agreement, the Board is a facilitator of the process. Payments originate from SJNBS to the Board for further payment to PBT. In a default scenario by SJNBS, the Board is not responsible for payment.

North American Securitization

On April 1, 2002, the Board participated in an issue of Mortgage Loan Collateralized Bonds. Under this agreement, the Board sold a total of \$16,358,586 worth of its mortgages to the DFC. The Board also facilitated the sale of SJNBS mortgages amounting to \$17,500,000 to the DFC. The DFC sold those mortgages to the Belize Mortgage Company 2002-1 (BMC). The BMC issued mortgage Collateralized Bonds to investors in the North American Market. The bonds are collateralized by and payable from the assets of BMC, which include loans secured by mortgage on real property originated by the DFC (including the mortgages bought from the Board and facilitated mortgages from SJNBS). The Board continues to service the mortgages sold to DFC and is responsible for making monthly and quarterly payments on behalf of the Board's mortgages. The Board forwards payments received from SJNBS for facilitated SJNBS's mortgages to DFC. Under a default scenario, the Board is responsible to effect payment to DFC.

Under the issuance of the collateralized Bonds, a pre-funding account, trustee reserve fund, insurance premium reserve fund account, debt service reserve fund account, and a liquidity reserve fund account were established. The Board participates in the reserves for a total of 12.5%. The DFC has signed a promissory note in favor of the Board that at the end of ten years the residual value of the mortgages it sold to DFC and the remainder of the reserve fund will revert to the Board.

By letter dated February 6, 2006, GOB released and discharged the Board from all claims and liabilities which may be made against the Board in relation to mortgages assigned to the Board by SJNBS and which was subsequently securitized with RMB (Tranche C & D) and BMC (North American Securitization).

ii. Claims

The Government of Belize gave notice of its acquisition of Belize Telemedia Limited (BTL) by order of the Belize Telecommunications (Assumption of Control Over Belize Telemedia Limited) Amendment Order, 2009, Statutory Instrument No. 130 of 2009. Subsequently, in a notice dated December 7, 2009, and Gazetted on December 12, 2009, the Government required all those who may have claims to compensation to submit their claims to the Financial Secretary.



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

18. COMMITMENTS AND CONTINGENCIES (Continued)

The Notice of Acquisition specifically included the shares of BTL held by Sunshine Holdings, as well as the outstanding shares of Sunshine Holdings itself.

As a consequence of the acquisition of Sunshine Holdings, and by letter dated October 13, 2009, the Social Security Board filed a claim with the Financial Secretary, Ministry of Finance, indicating that "Pursuant to Belize Gazette Notice 529, dated August 27, 2009, the Social Security Board (SSB) hereby makes a claim for payment of the sums evidence as to SSB by a Loan Note between Sunshine Holdings Ltd and SSB dated 19 September 2005."

The Company has defaulted on interest payments on a new principal sum of \$14.1 million the first interest payment date being October 31, 2010.

iii. Litigations

Pending proceedings before the Court of Appeal

Civil Appeal No. 39 of 2010 Social Security Board vs. Ida Herrera

This is a case for breach of contract. By written contract dated July 1, 2009 the SSB engaged Ida Herrera as an independent contractor to provide cleaning services to the SSB's premises. The contract provided for termination in two ways: either for "no cause" upon the giving of thirty days written notice, or "for cause" in case of poor performance and following a grievance procedure in which the Claimant was to be given an opportunity to remedy any fault. The SSB became dissatisfied with the Claimant's performance and so it terminated the contract. The termination letter specified a reason for termination (poor performance), but instead of following the grievance procedure the SSB opted to terminate the contract under the provisions for "no cause" and the SSB paid the Claimant an amount in lieu of notice.

The Claimant thereafter filed a claim dated April 6, 2010 claiming damages for wrongful termination. The Claimant alleges that because there were allegations of poor performance the SSB could only properly terminate the contract after following the grievance procedure. The SSB filed a defense to the claim and at the same time filed an application for summary judgment or, alternatively, for an order to strike out the claim as an abuse of process. The basis for the application is that there was no breach of contract because the SSB was entitled to terminate the contract in the manner in which it did (by giving notice) and even if there was a breach of contract the damages are limited to the notice period of thirty days.

The application for summary judgment was dismissed by Justice Hafiz in the Supreme Court and the SSB is appealing that dismissal. The appeal was heard on June 10, 2011 and we are yet awaiting the decision of the Court of Appeal.

If, on the other hand, the appeal fails then the matter of the claim is to continue in the Supreme Court.



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) **YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)**

18. COMMITMENTS AND CONTINGENCIES (Continued)

Pending proceedings before the Supreme Court

Supreme Court Claim No. 90 of 2013 Social Security board vs. Mark August

This is a claim made by SSB against Mark August, a police officer who made a claim for Employment Injury Benefit for the period September 23, 2012 to December 30, 2012. SSB considered the claim but disallowed same.

Mr. August appealed to the SSB Tribunal by way of Appeal Case No.1 of 2013. A three member panel, consisting of Tania Moody (Chair), Cynthia Awe and Hortence Humes, heard the appeal and allowed Mr. August's appeal and ordered that SSB reversed its previous decision. After receiving advice from Young's Law Firm, SSB filed an appeal to the Supreme Court.

The matter came up for hearing on March 27, 2013 before Chief Justice Kenneth Benjamin. Though the Appeal was brought within 21 days, the Judge was of the view that permission to file same should have been granted prior to the Appeal being brought. The Appeal was therefore struck out with costs of \$500.00 being granted to Mr. August.

However, the Judge stated that the Social Security Board would need to restart proceedings by seeking the relevant permission, as he had no jurisdiction to hear the Appeal. An Application for Permission to Appeal was therefore filed on March 27, 2013. SSB is awaiting a response from the Court as to whether permission will be granted.

Supreme Court Claim No. 341 of 2001 Social Security Board vs. Sunshine Holdings Ltd

This is a claim for breach of contract. By a written loan note dated September 19, 2005 the SSB extended an unsecured credit facility of \$14,000,000.00 to Sunshine Holdings Ltd. Sunshine Holdings Ltd. has defaulted in the loan note by failing to pay interest as agreed and the SSB commenced a claim dated May 30, 2011 for the full loan balance of \$15,221,766.27 (which it is entitled to do under the terms of the loan note). This figure includes interest and costs. The SSB obtained judgment on admission dated June 9, 2011 and is proceeding to enforce the judgment.

Sunshine Holdings Ltd. owned shares in Belize Telemedia Limited. All shares in Sunshine Holdings Ltd. and all shares that Sunshine Holdings Ltd. owned in Belize Telemedia Limited were acquired by the Government of Belize pursuant to the Belize Telecommunications (Assumption of Control Over Belize Telemedia Limited) Order, Statutory Instrument No. 104 of 2009. The SSB is now seeking to enforce the judgment obtained against Sunshine Holdings Ltd. against the proceeds to be paid to Sunshine Holdings Ltd. as compensation for the acquisition of their share in Belize Telemedia Limited.



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) **YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)**

18.COMMITMENTS AND CONTINGENCIES (Continued)

Pending proceedings before the Magistrate's Court

Social Security Board vs. Hearts International & Emy Ramirez

This claim is for failure to pay Social Security contributions. SSB is claiming the sum of \$22,639.70. Proceedings have commenced in the Magistrate's Court in Corozal Town, Corozal District and the matter has been adjourned to May 29, 2013 pending a statement on calculation of interest to be submitted by SSB by May 15, 2013.

Social Security Board vs. Support Services of Belize Limited

This is a claim for failure to pay Social Security contributions. SSB is claiming the sum of \$23,649.80. The Defendant was represented by Attorney Richard Stuart. The SSB received judgment for the full amount owed and the matter is at the enforcement stage. Chattels were marked and removed by the Court Bailiffs so as to recover funds owing and these are to be auctioned shortly. Youngs Law Firm is monitoring the enforcement stage.

Social Security Board vs. Bel Cruise Limited

This is a claim for failure to pay Social Security contributions. SSB claims the sum of \$26,827.20, and obtained judgment in the full amount. This matter is in the collection/enforcement stage. The Defendant is in receivership and Youngs Law Firm is assisting in negotiation efforts with the Receiver, Kevin Castillo to have the judgment debt paid off in full.

Social Security Board vs. Arlo Bodden

This is a claim for failure to pay Social Security contributions. The Defendant is being represented by Attorney Dean Lindo. The matter was heard on February 17, 2011 and SSB obtained judgment for the full amount. It was ordered that judgment of \$20,304.80 was to be paid in monthly installments of \$4,000. The Defendant has appealed the matter and SSB is currently seeking to have it brought up for hearing.

Social Security Board vs. HL's Limited

This is a claim for failure to pay Social Security contributions. SSB claimed the sum of \$22,154.63. The Defendant is being represented by Attorney Hubert Elrington. SSB obtained judgment for the full amount and HL's Limited was ordered to pay the sum owed in thirty days and in default distress. HL's Limited has not made payment and have filed for bankruptcy and SSB has made representations in the bankruptcy court to ensure payment based on priority. This matter is continuing.

Social Security Board vs. National Transport Services Ltd.

This is a claim for failure to pay Social Security contributions. SSB obtained judgment in the amount of \$47,834.20, \$12,938.00 and \$19,153.60 respectively. The Defendant is in receivership and Youngs Law Firm is assisting in negotiation efforts with the Receiver, Kevin Castillo to have the judgment debt paid off in full.



SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

18. COMMITMENTS AND CONTINGENCIES (Continued)

Social Security Board vs. Sanitation Enterprises Ltd and Rupert Marin

This is a claim for failure to pay Social Security contributions. The matter was heard on May 20, 2008 and SSB obtained judgment in the amount of \$293,644.48. The Defendant has appealed the judgment order obtained and no date has been set for the hearing of the appeal. Youngs Law Firm has recently been retained and we have advised that the payment is to be made notwithstanding the appeal and we are working on collection efforts including distress. Sanitation Enterprises Ltd. is also owed monies from the Belize City Council and others and SSB is investigating prospects of collections.

Social Security Board vs. Richard Hoare

This is a claim for failure to pay Social Security contributions. SSB claims the amount of \$8,673.60. The Defendant is deceased but his estate is being represented by Attorney Robertha Magnus-Usher. The matter is to proceed to court for collections, but inquiries have been made of the estate (through its Attorneys) for payment in full.

Social Security Board vs. Southern Transport Limited

This is a claim for failure to pay Social Security contributions. SSB is claiming the sum of \$7,529.67. Proceedings have commenced in the Magistrates Court in Dangriga. SSB is awaiting a date for trial.

Social Security Board vs. Belize National LPG Limited

This is a claim for failure to pay Social Security contributions. The amount being claimed is \$49,570.78. The matter has been adjourned without a further date and SSB is seeking to get a court date to ensure that this matter is tried and determined.

19. PRIOR PERIOD ADJUSTMENT

SSB restated its financial statements for the fiscal years 2007 through 2011. The restatement related in part to the cumulative understatement of accounts payable for Government of Belize's benefits claims (January 2007 to July 2011) in the amount of \$346,294, which was caused by the improper processing of claims by one branch office. The systematic error caused the finance department in Belmopan to be unaware of the transactions, which led to the under-recording of the liability.

At the end of 2011, the Board of Directors made a resolution to record assessments plus interest on the accrual basis in accordance with the reporting framework. The decision resulted in the retrospective restatement of the financial statements for fiscal years 2009 through 2011 in the amount of \$924,960. The balance of the prior period adjustment amounting to \$(117,747) comprise of individually immaterial errors found in various accounts during the clean-up effort while transitioning to a new accounting software. The net impact of the prior period adjustment and restatement on retained earnings was \$696,413.

In 2012, Belize Electricity Limited, an associate, adopted International Financial Reporting Standards. This resulted in a retrospective adjustment in order to derecognize a liability in accordance with IAS 8, which did not meet the criteria of IAS 37. SSB adjusted its investment in BEL accordingly.



**To the Board of Directors of
SOCIAL SECURITY BOARD:**

SUPPLEMENTARY AUDIT REPORT

Our report on the examinations of the financial statement of the Social Security Board as of December 31, 2012 appears on pages 1 and 2. These examinations were made primarily for the purpose of expressing an opinion on the financial statements taken as whole. The supplementary information accompanying the financial statements is not necessary for fair presentation of the financial statements of the financial position or results of operations in accordance with International Financial Reporting Standards. The supplementary information is presented in accordance with Sections 13 and 21 of S.I. No. 86 of 1980, Social Security (Financial and Accounting) Regulations, 1980. The supplementary information has been subjected to the auditing procedures applied in the examinations of the financial statements and in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

**Chartered Accountants
April 12, 2013**



FINANCIAL STATEMENTS 2012

SOCIAL SECURITY BOARD

STATEMENTS OF INCOME AND EXPENDITURES – SHORT TERM BENEFITS BRANCH YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

	<u>2012</u>	<u>2011</u>
INCOME		
Contributions:		
Employers and employed persons	<u>\$12,421,033</u>	<u>\$11,785,429</u>
Total contributions	<u>12,421,033</u>	<u>11,785,429</u>
Other income:		
Net investment income	<u>167,660</u>	<u>360,739</u>
Others	<u>350,614</u>	<u>308,230</u>
Total other income	<u>518,274</u>	<u>668,969</u>
TOTAL INCOME	<u>\$12,939,307</u>	<u>\$12,454,398</u>
EXPENDITURES		
Benefits:		
Maternity	<u>\$ 3,046,884</u>	<u>\$ 3,334,729</u>
Sickness	<u>6,756,678</u>	<u>6,628,438</u>
Maternity grants	<u>947,481</u>	<u>1,012,026</u>
Total benefits	<u>10,751,043</u>	<u>10,975,193</u>
Operating expenses:		
Administration	<u>3,701,179</u>	<u>3,889,468</u>
Establishment	<u>376,949</u>	<u>367,985</u>
Financial	<u>49,234</u>	<u>47,785</u>
Total operating expenses	<u>4,127,362</u>	<u>4,305,238</u>
TOTAL EXPENDITURE	<u>\$14,878,405</u>	<u>15,280,431</u>
EXCESS OF EXPENDITURES OVER INCOME	<u>\$ (1,939,098)</u>	<u>\$ (2,826,033)</u>

FINANCIAL STATEMENTS 2012



SOCIAL SECURITY BOARD

STATEMENTS OF INCOME AND EXPENDITURES – LONG TERM BENEFITS BRANCH YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

	<u>2012</u>	<u>2011</u>
INCOME		
Contributions:		
Employers and employed persons	<u>\$36,295,228</u>	\$34,437,943
Total contributions	<u>36,295,228</u>	34,437,943
Other income:		
Net investment income	<u>8,850,671</u>	12,630,724
Others	<u>350,614</u>	308,230
Total other income	<u>9,201,285</u>	12,938,954
TOTAL INCOME	<u>\$45,496,513</u>	<u>\$47,376,897</u>
EXPENDITURES		
Benefits:		
Retirement	<u>\$19,097,183</u>	\$16,712,401
Invalidity	<u>2,956,042</u>	2,580,337
Survivors	<u>4,707,175</u>	4,283,823
Funeral	<u>1,022,527</u>	915,325
Non-contributory pension	<u>3,781,061</u>	4,145,900
Total benefits	<u>31,563,988</u>	28,637,786
Operating expenses:		
Administration	<u>10,838,870</u>	10,778,748
Establishment	<u>376,949</u>	367,985
Financial	<u>49,234</u>	47,785
Total operating expenses	<u>11,265,053</u>	11,194,518
TOTAL EXPENDITURES	<u>42,829,041</u>	<u>39,832,304</u>
EXCESS OF INCOME OVER EXPENDITURES	<u>\$ 2,667,472</u>	<u>\$ 7,544,593</u>



FINANCIAL STATEMENTS 2012

SOCIAL SECURITY BOARD

STATEMENTS OF INCOME AND EXPENDITURES – EMPLOYMENT INJURY BENEFITS BRANCH YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

	<u>2012</u>	<u>2011</u>
INCOME		
Contributions:		
Employers and employed persons	<u>\$15,808,588</u>	<u>\$14,999,637</u>
Total contributions	<u>15,808,588</u>	<u>14,999,637</u>
Other income:		
Net investment income	<u>2,243,379</u>	<u>2,896,003</u>
Others	<u>350,615</u>	<u>308,231</u>
Total other income	<u>2,593,994</u>	<u>3,204,234</u>
TOTAL INCOME	<u>\$18,402,582</u>	<u>\$18,203,871</u>
EXPENDITURES		
Benefits:		
Disablement grants	<u>\$ 411,890</u>	<u>\$ 527,155</u>
APV disablement benefits	<u>426,524</u>	<u>858,843</u>
APV death benefits	<u>277,959</u>	<u>475,953</u>
Employment injury	<u>2,160,433</u>	<u>2,159,795</u>
Funeral grants	<u>9,624</u>	<u>4,500</u>
Total benefits	<u>3,286,430</u>	<u>4,026,246</u>
Operating expenses:		
Administration	<u>3,049,968</u>	<u>3,251,253</u>
Establishment	<u>376,949</u>	<u>367,985</u>
Financial	<u>49,233</u>	<u>47,786</u>
Total operating expenses	<u>3,476,150</u>	<u>3,667,024</u>
TOTAL EXPENDITURES	<u>6,762,580</u>	<u>7,693,270</u>
EXCESS OF INCOME OVER EXPENDITURES	<u>\$11,640,002</u>	<u>\$10,510,601</u>



SOCIAL SECURITY BOARD

STATEMENTS OF INCOME AND EXPENDITURES – DISABLEMENT AND DEATH BENEFITS RESERVES YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

	<u>2012</u>	<u>2011</u>
INCOME		
Contributions:		
APV disablement benefits	\$ 426,524	\$ 858,843
APV death benefits	<u>277,959</u>	<u>475,953</u>
Total contributions	704,483	1,334,796
Net investment income	<u>481,127</u>	694,656
TOTAL INCOME	<u>\$1,185,610</u>	<u>\$2,029,452</u>
EXPENDITURES		
Benefits:		
Disablement pension	1,314,974	\$1,194,679
Death benefits	<u>676,573</u>	621,247
TOTAL EXPENDITURES	<u>1,991,547</u>	<u>1,815,926</u>
EXCESS OF (EXPENDITURES OVER INCOME) INCOME OVER EXPENDITURES	<u>\$ (805,937)</u>	<u>\$ 213,526</u>



FINANCIAL STATEMENTS 2012

SOCIAL SECURITY BOARD

STATEMENTS OF INCOME AND EXPENDITURES – NATIONAL HEALTH INSURANCE FUND YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

	<u>2012</u>	<u>2011</u>
INCOME		
Contributions:		
Government of Belize	<u>\$14,000,004</u>	<u>\$14,000,004</u>
Total contributions	<u>14,000,004</u>	<u>14,000,004</u>
EXPENDITURES		
Benefits:		
National health insurance benefits	<u>12,597,805</u>	<u>\$13,426,568</u>
Total benefits	<u>12,597,805</u>	<u>13,426,568</u>
Operating expenses:		
Administration	<u>712,259</u>	<u>852,011</u>
Establishment	<u>26,018</u>	<u>27,114</u>
Financial	<u>594</u>	<u>726</u>
Total operating expenses	<u>738,871</u>	<u>879,851</u>
TOTAL EXPENDITURES	<u>13,336,676</u>	<u>14,306,419</u>
EXCESS OF INCOME OVER EXPENDITURES (EXPENDITURES OVER INCOME)	<u>\$ 663,328</u>	<u>\$ (306,415)</u>



SOCIAL SECURITY BOARD

INVESTMENTS LISTINGS

YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

SHORT TERM INVESTMENTS

2012

2011

TERM DEPOSITS

Heritage Bank Limited

4% Maturing January 8, 2013	\$1,235,757	\$ -
4% Maturing January 8, 2013	1,562,901	-
4% Maturing January 22, 2013	1,000,000	-
5% Maturing January 31, 2013	2,680,370	-
5% Maturing February 9, 2013	1,405,262	-
4% Maturing February 13, 2013	1,825,243	-
3.75% Maturing March 24, 2013	2,163,713	-
3.75% Maturing March 24, 2013	3,759,317	-
4% Maturing March 29, 2013	4,294,067	-
3.5% Maturing June 13, 2013	2,555,778	-
3.5% Maturing June 14, 2013	4,466,125	-
3.5% Maturing June 19, 2013	2,351,045	-
7% Maturing January 4, 2012	-	3,845,136
7% Maturing January 28, 2012	-	1,000,000
5.5% Maturing February 1, 2012	-	2,609,589
5.5% Maturing February 10, 2012	-	1,368,154
7% Maturing March 4, 2012	-	1,765,800
7% Maturing March 12, 2012	-	1,925,977
5.5% Maturing March 18, 2012	-	1,551,781
3.5% Maturing March 26, 2012	-	2,270,220
7% Maturing March 29, 2012	-	1,983,044
7% Maturing March 29, 2012	-	3,445,416
7% Maturing April 12, 2012	-	1,133,733
7% Maturing April 12, 2012	-	1,433,867
6.5% Maturing May 31, 2012	-	3,037,449
6.5% Maturing June 11, 2012	-	2,245,425
6.5% Maturing June 19, 2012	-	2,356,020
5.5% Maturing November 14, 2012	-	1,730,088
3.5% Maturing December 16, 2012	-	4,253,453

Scotiabank (Belize) Ltd.

5.5% Maturing January 10, 2012	-	1,406,213
5.5% Maturing January 30, 2012	-	1,769,850
5.5% Maturing March 15, 2012	-	1,214,065



FINANCIAL STATEMENTS 2012

SOCIAL SECURITY BOARD

INVESTMENTS LISTINGS CONTINUED

YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

	<u>2012</u>	<u>2011</u>
TERM DEPOSITS (CONTINUED)		
Belize Bank Limited		
4.5% Maturing January 15, 2013	\$1,620,658	\$ -
4.5% Maturing January 18, 2013	1,620,000	-
4.75% Maturing March 1, 2013	2,332,521	-
4.75% Maturing March 11, 2013	2,352,978	-
4.75% Maturing March 15, 2013	2,675,000	-
4.75% Maturing March 15, 2013	1,070,000	-
4.75% Maturing March 20, 2013	1,164,138	-
4.75% Maturing March 25, 2013	1,478,603	-
4.75% Maturing March 29, 2013	1,902,527	-
5% Maturing June 20, 2013	2,413,931	-
4.25% Maturing October 1, 2013	5,382,068	-
4.25% Maturing October 22, 2013	2,312,742	-
4.25% Maturing November 6, 2013	4,746,219	-
4.25% Maturing December 10, 2013	2,737,424	-
3% Maturing June 12, 2013	6,197,023	-
8% Maturing January 16, 2012	-	1,500,000
8% Maturing January 19, 2012	-	1,500,000
8% Maturing March 1, 2012	-	2,158,866
7% Maturing March 9, 2012	-	2,199,045
5.5% Maturing March 12, 2012	-	2,583,219
7% Maturing March 15, 2012	-	2,500,000
7% Maturing March 15, 2012	-	1,000,000
7% Maturing March 20, 2012	-	1,087,979
7% Maturing March 23, 2012	-	1,381,872
7% Maturing March 29, 2012	-	1,778,063
7% Maturing June 11, 2012	-	4,339,419
6% Maturing June 20, 2012	-	2,277,294
5.75% Maturing July 24, 2012	-	2,170,932
7.5% Maturing August 14, 2012	-	5,000,000
Atlantic Bank Limited		
5.5% Maturing October 24, 2013	5,000,000	-
5.5% Maturing October 30, 2013	2,194,513	-
5.5% Maturing February 25, 2013	3,277,749	-
5.5% Maturing February 25, 2013	1,372,926	-
5.5% Maturing March 22, 2013	2,504,171	-
5.5% Maturing March 26, 2013	4,452,392	-
5.5% Maturing March 26, 2013	4,807,710	-
5.5% Maturing October 14, 2013	1,628,723	-
5.5% Maturing December 11, 2013	518,624	-
5.25% Maturing June 24, 2013	1,180,700	-
5.5% Maturing February 18, 2013	2,402,918	-



SOCIAL SECURITY BOARD

INVESTMENTS LISTINGS CONTINUED

YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

	<u>2012</u>	<u>2011</u>
TERM DEPOSITS (CONTINUED)		
Atlantic Bank Limited		
7.25% Maturing February 18, 2012	\$ -	\$ 2,402,918
7.25% Maturing February 24, 2012	-	3,277,749
7.25% Maturing February 25, 2012	-	1,372,926
6.00% Maturing March 22, 2012	-	2,504,171
7.25% Maturing March 26, 2012	-	4,452,392
7.25% Maturing March 26, 2012	-	4,807,710
7.25% Maturing April 8, 2012	-	1,628,723
7.25% Maturing April 22, 2012	-	5,000,000
7.25% Maturing April 29, 2012	-	2,194,513
7.25% Maturing December 11, 2012	-	518,624
7.25% Maturing December 24, 2012	-	1,180,700
St. John's Credit Union Ltd.		
4% Maturing December 17, 2013	1,140,192	-
4% Maturing December 2, 2013	1,112,925	-
4.5% Maturing April 22, 2013	2,875,000	-
7.5% Maturing April 22, 2012	-	2,500,000
4.5% Maturing December 2, 2012	-	1,065,000
7.0% Maturing December 17, 2012	-	1,000,000
TOTAL TERM DEPOSITS	<u>103,773,953</u>	<u>107,727,392</u>
Citrus Growers Association Crop loan @ 10% interest	7,306,275	7,613,056
TREASURY NOTES		
Government of Belize		
7.5% Maturing January 31, 2013	<u>9,500,000</u>	-
7% Maturing December 10, 2013	<u>1,000,000</u>	-
7.5% Maturing January 31, 2012	-	9,500,000
7% Maturing December 10, 2013	-	1,000,000
	10,500,000	10,500,000
Total short term investments	<u>\$121,580,228</u>	<u>\$125,840,448</u>
INVESTMENT IN ASSOCIATES		
Belize Electricity Limited		
18,580,028 ordinary shares, BZ\$ 2 par value	\$ 78,014,854	\$ 83,343,955
Belize Telemedia Limited		
10,000,000 ordinary shares, BZ\$ 1 par value	<u>65,735,119</u>	<u>60,317,119</u>
	<u>143,749,973</u>	<u>143,661,074</u>



FINANCIAL STATEMENTS 2012

SOCIAL SECURITY BOARD

INVESTMENTS LISTINGS CONTINUED

YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

	<u>2012</u>	<u>2011</u>
DEBENTURES		
Belize Electricity Limited		
7% debentures maturing December 31, 2024	\$ 5,000,000	\$ -
12% debentures maturing December 31, 2012	500,000	500,000
10% debentures maturing July 31, 2022	<u>200,000</u>	<u>200,000</u>
	<u>5,700,000</u>	<u>700,000</u>
SHARES		
Belize Water Services Limited		
4,000,000 shares, BZ\$1.50 par value	6,000,000	6,000,000
Atlantic Bank Limited		
184 shares, BZ\$100 par value	18,400	18,400
1,014 shares, BZ\$100 par value	<u>198,490</u>	<u>170,890</u>
	<u>6,216,890</u>	<u>6,189,290</u>
TERM DEPOSITS		
Atlantic Bank Limited		
7.25% Maturing November 1, 2014	1,500,000	1,500,000
7.25% Maturing November 1, 2014	1,500,000	1,500,000
7% Maturing November 8, 2014	3,345,505	3,345,505
7% Maturing November 8, 2014	<u>3,345,505</u>	<u>3,345,505</u>
	<u>9,691,010</u>	<u>9,691,010</u>
PRIVATE SECTOR LOANS		
Development Finance Corporation		
5 years loan @7% interest	1,027,675	1,027,675
Belize Odyssey Limited		
12 years loan @ 12% interest	1,910,452	1,872,086
Sunshine Holdings Limited		
15 years loan @ 8.5% interest	14,133,562	14,133,562



SOCIAL SECURITY BOARD
INVESTMENTS LISTINGS CONTINUED

YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

<u>PRIVATE SECTOR LOANS (CONTINUED)</u>	<u>2012</u>	<u>2011</u>
Belize Water Services Limited 17 years loan @ 8.5% interest	\$19,066,672	\$ 20,533,336
Belize Elementary School 15 years loan @ 8.5% interest	581,956	243,533
Urbina Brothers 5 ½ years loan @ 12% interest	29,428	29,428
Banana Growers Association 8 years loan @ 9% interest	4,115,504	5,044,121
Citrus Growers Association 15 years loan @ 8.5% interest	1,612,613	1,612,613
Belize Cane Farmers Association 4 years loan @ 10% interest	449,599	748,030
4 years loan @ 10% interest	-	238,281
Marie Sharp Fine Foods 10 year loan @ 8.5% interest	3,186,547	3,434,873
Royal Mayan Shrimp Farm 8 years loan @ 8.5% interest	3,756,701	3,850,000
Border Management Agency 12 year loan @ 8.5% interest	4,738,696	-
12 year loan @ 8.5% interest	<u>261,543</u>	<u>-</u>
	<u>54,870,948</u>	<u>52,767,538</u>
Less: Provision for loss on investments	<u>(1,028,000)</u>	<u>(1,028,000)</u>
	<u>53,842,948</u>	<u>51,739,538</u>

MORTGAGES AND HOUSING

Fresh Pond Mortgages 20 years loans @ 8% to 8.5% interest	-	546,460
Housing/RECONDEV Mortgages 10 to 20 years mortgages @ 8% to 12% interest	782,979	11,971,855
RECONDEV 30 years loan @ 8% interest	498,824	527,909



FINANCIAL STATEMENTS 2012

SOCIAL SECURITY BOARD INVESTMENTS LISTINGS CONTINUED

YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

	<u>2012</u>	<u>2011</u>
MORTGAGES AND HOUSING (CONTINUED)		
Civil Service Credit Union Limited		
20 years loan @ 9% interest	\$ 124,618	\$ 145,360
15 years loan @ 8.5% interest	1,172,229	1,172,266
St. Martin's Credit Union		
10 years loan @ 8.5% interest	124,988	375,407
20 years loan @ 9% interest	-	172,251
12 years loan @ 8.5% interest	-	943
Belize National Teachers Union		
20 years loans @ 10% interest	182,871	199,011
BNBS Assigned Mortgages		
20 years loans @ 10 – 12% interest	1,482,938	-
Border Management Agency		
10 years loan @ 8.5% interest	2,357,885	6,775,366
Housing Mortgages - BNBS		
District and Secondary, 10 – 20 years loans @ 12% interest	728,932	1,910,121
Vista Del Mar Project:		
Secondary mortgages, 20 years @ 12%	319,577	665,097
Police housing loans, 20 years @ 12%	-	80,122
Belize Defense Force loans, 20 years @ 12%	-	171,277
Teachers' general loans, 20 years @ 12%	-	22,546
P.S.U. Housing Scheme		
Middle income, 20 years loans @ 12%	939,564	1,324,622
Housing, 20 years loans @ 12%	67,026	252,444
St. James National Building Society Ltd.		
Assigned mortgages, 5 – 20 years loan @ 10 – 12% interest	644,551	1,026,187
Staff housing and other mortgage loans		
10 – 20 years @ 8% interest	3,181,881	4,174,956
Previous staff housing loans		
10 – 20 years @ 8% interest	768,647	1,108,189
Vista Del Mar – Other	<u>120,000</u>	-
	13,497,510	32,622,390
Less: provisions for loss on investment	<u>(4,338,248)</u>	<u>(12,759,725)</u>
	<u>9,159,262</u>	<u>19,862,665</u>



SOCIAL SECURITY BOARD

INVESTMENTS LISTINGS CONTINUED

YEARS ENDED DECEMBER 31, 2012 AND 2011 (IN BELIZE DOLLARS)

	<u>2012</u>	<u>2011</u>
REAL ESTATE		
Vista Del Mar Housing Project Remaining lots acquired from Vista Del Mar Development Company Ltd.	\$ 494,000	\$ 539,000
Homeland Development Limited 1,198 plots of land	1,174,800	1,183,200
Rocky Point, Toledo District 8.993 acres land	175,015	175,015
San Pedro, Ambergris Caye 3,491 acres land	<u>10,636,234</u>	<u>10,636,234</u>
	<u>12,480,049</u>	<u>12,533,449</u>
OTHER LOANS		
Government of Belize 9 years loan @ 7.5% interest	2,221,550	3,127,092
Belize City Council – Municipal Bond		
2 years bond @ 3.5% maturing December 24, 2014	238,200	-
5 years bond @ 5.5% maturing December 24, 2017	319,800	-
10 years bond @ 3.5% maturing December 24, 2022	2,882,200	-
	<u>3,440,200</u>	-
	<u>5,661,750</u>	<u>3,127,092</u>
Total Long Term Investment	<u>102,751,909</u>	<u>103,843,044</u>
TOTAL INVESTMENTS	<u>\$368,082,110</u>	<u>\$373,344,566</u>



STATISTICAL ABSTRACT
2012



SOCIAL SECURITY BOARD



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LIST OF ACRONYMS

APV	Actuarial Present Value
BZ	Belize
BZ\$	Belize Dollars
CMS	Contribution Management System
CPI	Consumer Price Index
EI	Employment Injury
GOB	Government of Belize
ILO	International Labour Organization
ISIC	International Standard Industrial Classifications of all Economic Activities
MOH	Ministry of Health
N/A	Not Available or Not Applicable
NC	Natural Causes
NCP	Non-contributory Pension
NCPs	Non-contributory Pensioners
NHI	National Health Insurance
PCP	Primary Care Provider
p	Provisional
r	Revised
SIB	Statistical Institute of Belize
SSB	Social Security Board

Notes:

- Exchange rate: US\$1.00 equals BZ\$2.00.
- \$ refers to the Belize dollar unless otherwise stated
- 2012 figures are provisional and 2011 have been revised
- Totals in the tables are not always equal to the sum of its components due to rounding off.



GLOSSARY OF TERMS

TERM DEFINITION	
Active Business	A business that has made at least one weekly contribution during the year.
Active Employer	An employer who has made at least one weekly contribution during the year.
Active Self Employed	A self employed person who has made at least one weekly contribution during the year.
Active Insured Person	A person who has made at least one weekly contribution during the year.
Appeal	A request from an insured person to have their case be heard by an appeal tribunal since he/she is aggrieved or dissatisfied with a decision made by the SSB regarding a benefit claimed.
Appeal Tribunal	A body that hears appeals arising from the decision of the Social Security Board to disallow a claim for a benefit. The Appeal Tribunal is comprised of an Attorney as Chairman, a representative of employers and a representative of employees. A Tribunal is any person or institution with the authority to judge, adjudicate on, or determine claims or disputes.
Beneficiary	A person entitled to a benefit or a person who is in receipt of a benefit.
Benefit	An advantage, privilege, right, or financial reimbursement (such as that made under an insurance policy, medical plan, or pension plan). For Social Security purposes, a benefit is payable in respect of Sickness, Maternity, Injury, Disablement, Invalidity, Retirement, Death, Funeral Grant and Survivors' Benefits where an insured person has met all the requirements.
Benefit Regulations	The Social Security (Benefit) Regulations, 1980. These are the rules that govern the entitlement to benefit and the sums payable to a beneficiary. A regulation is a principle, rule or law designed to control or govern conduct. In this document, regulations are made by the Minister of Finance under the Social Security Act.
Board	A group of people (Board of Directors) chosen to govern the affairs of the Social Security Board that was established under section 28 of the Social Security Act.
Contributions	A contribution payable under the Social Security Act. The money that employers and persons in insurable employment pay into the Social Security Fund.



STATISTICAL ABSTRACT 2012

TERM DEFINITION	
Death Benefit	Periodical payments in respect of an injured person who dies as a result of work-related injury or disease. This benefit is paid to the survivors of the deceased insured person (i.e. widow, widower, children or parents).
Disablement Benefit	Periodical payments or a lump sum grant to an insured person who as a result of employment injury or disease sustains loss of physical or mental faculty amounting to not less than 1% degree of disability.
Earnings	Amount of money a person in insurable employment makes or the total compensation that an employee receives in exchange for the service they perform for their employer including overtime payments, acting allowances and responsibility allowances.
Employed Person	A person employed in insurable employment as defined by Section 3 (Social Security Act).
Employment Injury (EI)	An Injury arising out of and in the course of insurable employment.
EI Benefit Branch	The benefit branch from which benefits are paid to an insured person who suffers injury from an accident arising out of and in the course of employment. Benefits that are payable from the EI Benefit Branch are: Injury, Disablement Grant, Disablement Pension, Death Benefit, Medical Care, Constant Attendance Allowance and Funeral Grant due to EI.
Fund	The Social Security Fund established under Section 46 of the Social Security Act: contributions are paid into the fund; benefits and administrative costs are paid out of the fund. The excess is invested.
Funeral Grant	A benefit payment made to the person bearing funeral expenses in respect of an insured person who dies as a result of natural causes or work-related injury or disease and also on the death of a spouse or dependent child.
Industry	An organized economic activity or a branch of a commercial enterprise concerned with the output of a specified product or service. The categories of industries utilized by the SSB are aggregated by the International Standard Industrial Classification of all Economic Activities Revision 3.1 (ISIC Rev. 3.1).
Inflation	An increase in the overall price level of goods and services in a country.
Inflation Rate	The percentage change in the price level of goods and services in an economy over a period of time.
Insurable Employment	Any employment specified in Part 1 of the First Schedule. Insurable employment means working in a regular job for not less than 8 hours a week for another person.



TERM DEFINITION	
Insured Person	A person who is registered with Social Security and has/had insurable employment.
Invalidity Benefit	Periodical payments or a lump sum payment to an insured person who is rendered permanently incapable of work otherwise than as a result of employment injury.
Investment	The laying out of money or capital with the expectation of a profit.
Investment Income	The income received in a particular year from investment loans, securities and other investments.
Labour Force	All persons aged 14 years and older who were engaged in any form of economic activity, for at least one hour, during the reference week, or who were willing and able to be engaged in producing goods and services.
Long Term Benefit Branch	The benefit branch or category where benefits are payable for: Retirement Pension, Retirement Grant, Invalidity Pension, Invalidity Grant, Survivors' Pension, Survivors' Grant , Death, Disablement and Funeral Grant due to natural causes.
Maternity Allowance	Periodical payments made to an insured woman in the event of her pregnancy or confinement.
Maternity Grant	A lump sum payment paid to an insured woman or to an insured man on the occasion of his wife's confinement if his wife is not entitled to this grant.
Medical Board	Medical Board consists of two or more Medical Practitioners appointed by the SSB of whom one may be appointed as the Chairman. Medical Board members are appointed to render advice on disablement questions, for the purpose of establishing invalidity, and for advice on any other medical issue.
Medical Certificate	A certificate issued by a registered medical practitioner in Belize.
Medical Practitioner / Medical Referee	A person registered under the Medical Practitioners Registration Act and includes any Government Medical Officer in Belize. Medical Practitioners/ Referees render advice on disablement questions, for the purpose of establishing invalidity, and for advice on any other medical issue.
Nominal Rate	Return on investments that is unadjusted for inflation.



TERM DEFINITION	
Non-contributory Pension	A pension that is awarded to non-insured persons as a social assistance program by the Government of Belize to help alleviate poverty for women 65 years or older and men 67 years and older.
Primary Care Providers	An individual or an institution that provides preventive and curative health care services in a systematic way to individuals, families or communities.
Prescribed	These are the requirements designated by Social Security regulation for providing services and benefits.
Real Rate	Return on investments that is adjusted for inflation.
Retirement Benefit	Periodical payments or a lump sum payment to an eligible insured person who a) has attained the age of sixty and is retired from insurable employment or b) who is at least sixty five years (wether employed or unemployed) and c) has met the contribution requirements.
Self Employed Person	A person gainfully occupied in Belize who is not a person employed under an employer.
Short Term Benefit Branch	The benefit branch or category comprised of Sickness Benefit, Maternity Allowance and Maternity Grant.
Sickness Benefit	Periodical payments or a lump sum payment to an insured person who is temporarily incapable of work otherwise than as a result of employment injury.
Survivors' Benefit	Periodical payments or a lump sum payment on behalf of an insured person who dies, otherwise than as a consequence of an employment injury. This is the money paid to the eligible dependents of a deceased insured person (i.e. spouses, dependents' children or parents dependent on the insured person).
Voluntary Insured Person	An insured person whose insurance under the Social Security Act is considered voluntarily. If an insured person stops working or becomes self-employed, that person can choose to continue making contributions.



**Table 1: Key Indicators for Selected Years,
2008 - 2012**

<i>Key Indicators</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>	<i>2011r</i>	<i>2012p</i>	<i>2011 - 2012 Change</i>	
						<i>Quantity</i>	<i>Percentage</i>
Registration							
Population of Belize	322,100	333,200	323,598	332,084	340,792	8,708	2.6
Population with a Valid SSB Card	210,122	235,395	242,622	262,318	279,732	17,414	6.6
Percentage of SSB Card Holders in the Population	65.2%	70.6%	75.0%	79.0%	82.1%	3.1	3.9
Newly Registered Population	16,432	12,479	12,798	13,873	12,634	(1,239)	(8.9)
Newly Registered Employers	1,538	1,678	1,533	1,341	1,410	69	5.1
Newly Registered Businesses	1,947	1,973	1,779	1,532	1,614	82	5.4
Newly Registered Self Employed	507	517	438	402	441	39	9.7
Contributions							
Contributions (BZ\$)	\$57,582,065	\$59,886,197	\$60,329,075	\$61,223,009	\$64,524,849	\$3,301,840	5.4
GOB Contributions to the NHI Fund (BZ\$)	\$4,885,260	\$12,754,140	\$14,245,864	\$14,000,004	\$14,000,004	\$0	0.0
Total Contributions (BZ\$)	\$62,467,325	\$72,640,337	\$74,574,939	\$75,223,013	\$78,524,853	\$3,301,840	4.4
Active Insured Persons	87,253	86,981	87,767	87,987	89,848	1,861	2.1
New Active Insured Persons	32,125	28,560	29,470	27,615	23,859	(3,756)	(13.6)
Percentage of Employed Persons Actively Insured	76.2%	68.9%	87.3%	N/A*	70.9%	N/A	N/A
Active Employers	9,917	10,044	10,066	9,851	9,835	(16)	(0.2)
Active Businesses	10,605	10,764	10,792	10,555	10,556	1	0.0
Active Self Employed	930	972	934	949	1,043	94	9.9
Benefits							
Benefit Payment Less NHI (BZ\$)	\$41,233,299	\$42,240,695	\$42,819,515	\$45,455,187	\$47,593,008	\$2,137,821	4.7
Benefit Payments for NHI (BZ\$)	\$9,386,111	\$11,085,853	\$13,355,728	\$13,426,568	\$12,597,805	(\$828,763)	(6.2)
Total Benefit Payments (BZ\$)	\$50,619,410	\$53,326,548	\$56,175,243	\$58,881,755	\$60,190,813	\$1,309,058	2.2
Benefit Payment as a % of Total Contribution	81.0%	73.4%	75.3%	78.3%	76.7%	(1.6)	(2.1)
Total Claims Processed	54,440	57,363	54,419	53,791	54,242	451	0.8
Benefit Recipients	38,942	40,535	38,704	38,496	39,951	1,455	3.8
Retired Contributory Pensioners	2,861	3,142	3,463	3,800	4,199	399	10.5
Employment Injury Cases Allowed	2,521	2,243	1,955	1,761	1,782	21	1.2
Non-contributory Pensioners	4,657	4,297	3,992	3,711	3,396	(315)	(8.5)



STATISTICAL ABSTRACT 2012

**Table 1: Key Indicators for Selected Years Continued,
2008 - 2012**

Key Indicators	2008	2009	2010	2011 ^r	2012 ^p	2011 - 2012 Change	
						Quantity	Percentage
Payments in Non-contributory Pensions (BZ\$)	\$4,934,460	\$4,702,520	\$4,201,325	\$4,145,900	\$3,781,061	(\$364,839)	(8.8)
Appeals	41	40	47	45	53	8	17.8
National Health Insurance							
NHI Expenditure (BZ\$)	\$10,279,681	\$11,777,497	\$14,147,733	\$14,306,419	\$13,336,676	(\$969,743)	(6.8)
Total NHI Membership	81,129	87,192	91,041	94,847	96,281	1,434	1.5
NHI Membership in Southside Belize City	42,922	44,686	46,069	47,146	48,580	1,434	3.0
NHI Membership in the Southern Region	38,207	42,506	44,972	47,701	47,701	0	0.0
Investments							
Total Investments as at December 31 (BZ\$)	\$284,984,237	\$310,011,399	\$359,458,403	\$373,344,565	\$368,082,110	(\$5,262,455)	(1.4)
Net Investment Income (BZ\$)	\$18,298,240	\$21,378,171	\$24,784,437	\$16,582,122	\$11,742,837	(\$4,839,285)	(29.2)
Nominal Rate of Return on Investments (%)	6.8	7.5	7.7	4.6	3.2	(1.4)	(30.4)
Real Rate of Return on Investments (%)	0.4	8.6	6.7	2.9	2.0	(2.1)	(30.7)
Other							
Total Assets (BZ\$)	\$358,945,443	\$383,302,249	\$415,793,726	\$436,160,779	\$444,455,563	\$8,294,784	1.9
Total Income (BZ\$)	\$82,355,956	\$94,652,587	\$100,154,148	\$92,729,826	\$91,319,533	(\$1,410,293)	(1.5)
Total Operating Expenses (BZ\$)	\$21,017,328	\$20,193,906	\$19,933,180	\$20,046,631	\$19,607,436	(\$439,195)	(2.2)
Administration Expenses (BZ\$)	\$19,908,941	\$19,059,984	\$18,599,661	\$18,771,480	\$18,302,276	(\$469,204)	(2.5)
Total Expenditure (BZ\$)	\$71,636,738	\$73,520,454	\$76,108,423	\$78,928,350	\$79,798,249	\$869,899	1.1
Excess of Income Over Expenditure (BZ\$)	\$10,719,218	\$21,132,133	\$24,045,725	\$13,801,476	\$11,521,284	(\$2,280,192)	(16.5)
Reserve at End of Year (BZ\$)	\$341,584,158	\$371,858,727	\$396,563,354	\$425,905,627	\$437,319,278	\$11,413,651	2.7
Total Expenditure to Total Income Ratio (Efficiency Ratio)	0.87	0.78	0.76	0.85	0.87	0.02	2.7
Total Expenditure to Contribution Income Ratio	1.24	1.23	1.26	1.29	1.24	(0.05)	(4.1)
Operating Expenses to Contribution Income	0.36	0.34	0.33	0.33	0.30	(0.02)	(7.2)
Operating Expenses to Total Income	0.26	0.21	0.20	0.22	0.21	(0.00)	(0.7)
Administration Expenses to Contribution Income	0.35	0.32	0.31	0.31	0.28	(0.02)	(7.5)
Customer Satisfaction Rate	N/A	80.5%	78.8%	84.0%	82.0%	(2.0)	(2.4)

Source: Social Security Board

* Note: No Labour Force Survey was conducted in 2011.



REGISTRATION

This section presents statistics on registration of all eligible persons in Belize. Indicators include the registration of the general population, businesses, employers and the self-employed. The principal source of the data is the Social Security Board's (SSB) Registration databases. Secondary sources of the data include the Statistical Institute of Belize (SIB) and the Ministry of Health (MOH).

Registration – The Social Security Act, Chapter 44 of the Laws of Belize Revised Edition 2000 – 2003, provides for the mandatory registration of all nationals, registered aliens, holders of work permits and their dependents, regardless of their age. Each person who registers with the SSB is allotted a Social Security number. Minors under the age of 14 years are given a SSB minor card not valid for employment. The eligible working age population 14 to 64 years is given a regular card valid for employment with an expiration date. Senior citizens sixty-five years and over are given a Golden Citizen card without an expiration date. The Social Security Card has become a primary source of identification within the country.

Employer and Business – The term employer is used to indicate that such entity or person is registered and has an account with the SSB for payment of contributions on behalf of employees. An employer may have more than one business. Each business is given a unique business number, which is a sub-account of the existing employer. Therefore, employers can only have one employer number but more than one business number.

Population – The figures used for the Belize population are derived from the census (conducted every 10 years) and mid-year estimates which are sourced from SIB. Data on live births are provided by MOH. These figures are used to compute the number of children registered within the year of birth.



STATISTICAL ABSTRACT 2012

Table 1.1
Percentage of Valid Card Holders in the Population by District,
2008 - 2012

District	Year				
	2008	2009	2010	2011r	2012p
Persons with Valid Cards	210,122	235,395	242,622	262,318	279,732
Corozal	20,169	23,124	24,011	26,705	28,958
Orange Walk	29,928	33,223	34,794	37,481	39,914
Belize	72,181	80,579	82,618	88,435	93,794
Cayo	41,682	47,083	48,554	53,771	58,627
Stann Creek	26,895	30,078	31,141	33,186	34,822
Toledo	19,267	21,308	21,504	22,740	23,617
Population	322,100	333,200	323,598	332,084	340,792
Corozal	36,800	37,300	41,173	42,000	42,849
Orange Walk	48,300	49,500	46,033	46,686	47,354
Belize	96,600	100,100	95,675	98,515	101,430
Cayo	77,000	80,800	75,367	77,740	80,177
Stann Creek	33,300	34,500	34,462	35,488	36,540
Toledo	30,100	31,000	30,888	31,655	32,442
Percentage of Valid Card Holders in the Population	65.2	70.6	75.0	79.0	82.1
Corozal	54.8	62.0	58.3	63.6	67.6
Orange Walk	62.0	67.1	75.6	80.3	84.3
Belize	74.7	80.5	86.4	89.8	92.5
Cayo	54.1	58.3	64.4	69.2	73.1
Stann Creek	80.8	87.2	90.4	93.5	95.3
Toledo	64.0	68.7	69.6	71.8	72.8

Source: Social Security Board and Statistical Institute of Belize

Note: 2010 Population data are from Census 2010 and data for all other years are from mid year estimates based on intercensal growth rates and the Labour Force Surveys.

New methodology was implemented in 2009 to calculate the number of Senior Citizens who are valid card holders (65 years and older).

Table 1.2
Valid Cards by Card Type,
2008 - 2012

Card Type	Year				
	2008	2009	2010	2011r	2012p
Total	<u>210,122</u>	<u>235,395</u>	<u>242,622</u>	<u>262,318</u>	<u>279,732</u>
Minor (< 14 yrs)	51,718	53,265	55,311	60,657	64,795
Adult (14 - 64 yrs)	155,832	165,228	170,731	184,729	197,062
Senior (65+ yrs)	2,572	16,902	16,580	16,932	17,875

Source: Social Security Board

New methodology was implemented in 2009 to calculate the number of Senior Citizen who are valid card holders (65 years and older).



Table 1.3
Newly Registered Persons by Age Group,
2008 - 2012

Age Group	Year				
	2008	2009	2010	2011r	2012p
Total	16,432	12,479	12,798	13,873	12,634
0 - 4	4,361	4,423	5,042	5,836	4,840
5 - 9	2,188	1,220	1,252	1,653	1,583
10 - 14	1,547	1,082	1,282	1,731	1,681
15 - 19	2,272	1,742	1,714	1,801	1,537
20 - 24	1,048	956	857	643	705
25 - 29	740	646	618	463	461
30 - 34	728	552	440	397	415
35 - 39	704	435	327	299	316
40 - 44	639	351	324	225	234
45 - 49	563	291	256	213	216
50 - 54	454	238	194	178	170
55 - 59	350	199	171	149	165
60+	838	344	321	285	311

Source: Social Security Board

Table 1.4
Percentage of Newly Registered Persons in the Population by District,
2008 - 2012

District	Year				
	2008	2009	2010	2011r	2012p
Newly Registered	16,432	12,479	12,798	13,873	12,634
Corozal	1,817	1,187	1,342	1,518	1,421
Orange Walk	3,113	1,676	2,198	1,867	1,649
Belize	4,187	3,616	3,487	3,787	3,792
Cayo	4,004	2,673	2,737	3,239	3,193
Stann Creek	2,160	2,278	2,280	2,465	1,796
Toledo	1,151	1,049	754	997	783
Population	322,100	333,200	323,598	332,084	340,792
Corozal	36,800	37,300	41,173	42,000	42,849
Orange Walk	48,300	49,500	46,033	46,686	47,354
Belize	96,600	100,100	95,675	98,515	101,430
Cayo	77,000	80,800	75,367	77,740	80,177
Stann Creek	33,300	34,500	34,462	35,488	36,540
Toledo	30,100	31,000	30,888	31,655	32,442
Percentage of Newly Registered	5.1	3.7	4.0	4.2	3.7
Corozal	4.9	3.2	3.3	3.6	3.3
Orange Walk	6.4	3.4	4.8	4.0	3.5
Belize	4.3	3.6	3.6	3.8	3.7
Cayo	5.2	3.3	3.6	4.2	4.0
Stann Creek	6.5	6.6	6.6	6.9	4.9
Toledo	3.8	3.4	2.4	3.1	2.4

Source: Social Security Board and Statistical Institute of Belize

Note: 2010 Population data are from Census 2010 and data for all other years are from mid year estimates based on intercensal growth rates and the Labour Force Surveys.



Table 1.5
Social Security Registration Coverage of Live Births,
2008 - 2012

	Year				
	2008	2009	2010	2011r	2012p
Live Births	7,066	7,420	7,230	7,217	7,181
Children Registered in Birth Year	1,426	1,552	1,656	1,952	1,512
Percentage of Live Births Registered	20.2	20.9	22.9	27.0	21.1

Source: Ministry of Health and Social Security Board

Table 1.6
Newly Registered Employers by District,
2008 - 2012

District	Year				
	2008	2009	2010	2011r	2012p
Total	1,538	1,678	1,533	1,341	1,410
Corozal	208	216	231	187	217
Orange Walk	190	200	186	161	172
Belize	503	567	456	422	448
Cayo	324	363	355	325	315
Stann Creek	191	244	214	202	190
Toledo	122	88	91	44	68

Table 1.7
Newly Registered Businesses by District,
2008 - 2012

District	Year				
	2008	2009	2010	2011r	2012p
Total	1,947	1,973	1,779	1,532	1,614
Corozal	284	266	295	219	240
Orange Walk	230	256	233	197	232
Belize	644	645	516	464	481
Cayo	415	425	401	378	372
Stann Creek	238	283	235	227	216
Toledo	136	98	99	47	73



Table 1.8
Newly Registered Self Employed by District,
2008 - 2012

District	Year				
	2008	2009	2010	2011r	2012p
Total	507	517	438	402	441
Corozal	60	54	48	37	48
Orange Walk	55	51	38	38	62
Belize	135	156	130	132	123
Cayo	132	126	89	109	106
Stann Creek	90	107	101	75	72
Toledo	35	23	32	11	30

Source: Social Security Board



CONTRIBUTIONS

This section presents data on Contributions made to the SSB and characteristics of the actively Insured Persons (IPs), as well as the active businesses, employers and the self-employed. The principal source of the contribution data is the SSB's database, captured through the Contributions Management System (CMS).

Schedule of Contributions Based on Weekly Insurable Earnings

Weekly Earnings Group	Average Insurable Earnings (BZ\$)	Employees' Contributions (BZ\$)	Employers' Contributions (BZ\$)	Total Weekly Contributions (BZ\$)
Under \$70.00	55.00	0.83	3.57	4.40
\$70.00 to \$109.99	90.00	1.35	5.85	7.20
\$110.00 to \$139.99	130.00	1.95	8.45	10.40
\$140.00 to \$179.99	160.00	3.15	9.65	12.80
\$180.00 to \$219.99	200.00	4.75	11.25	16.00
\$220.00 to \$259.99	240.00	6.35	12.85	19.20
\$260.00 to \$299.99	280.00	7.95	14.45	22.40
\$300.00 and Over	320.00	9.55	16.05	25.60
**	0.00	0.00	2.60	2.60

Source: Social Security Board

** Applies to persons age 60 - 64 years who have received a retirement benefit and all persons 65 years and older.

Methods of payments - Employers can pay contributions on behalf of their employees in the following ways:

1. Direct – is the most commonly used method and payment can be made by visiting any of the nine SSB Branch Offices located in all district towns and five of the most economically active rural areas. At the SSB's Branch Offices, cashiers receive payments and the completed statement of contribution forms with details of the contributions made.
2. Over-The-Counter – is paid over-the-counter at any of the designated banks countrywide; the completed forms can either be submitted to the Bank or any of the SSB Branch Offices. The bank submits to SSB the contribution payments electronically and sends the hard copies of the corresponding contribution statement forms to the relevant SSB Branch Office. There is a gradual decrease in this practice and a shift to online payments.
3. Online – is the most recently introduced method of paying contributions for customers' convenience and can be initially carried out with two privately owned banks. The information on the statement of contribution form is attached along with the online payment information electronically in a predefined text format. The contribution information can be received in hard-copies at the designated banks.
4. The Government of Belize (GOB) – makes the payments for its employees by direct deposit and sends the statement of contributions electronically through the GOB payment system.

All contributions collected are accrued into the Social Security Fund and is used to pay benefits and administrative expenditures, and invested to earn income for future expenditures and payment of pensions.



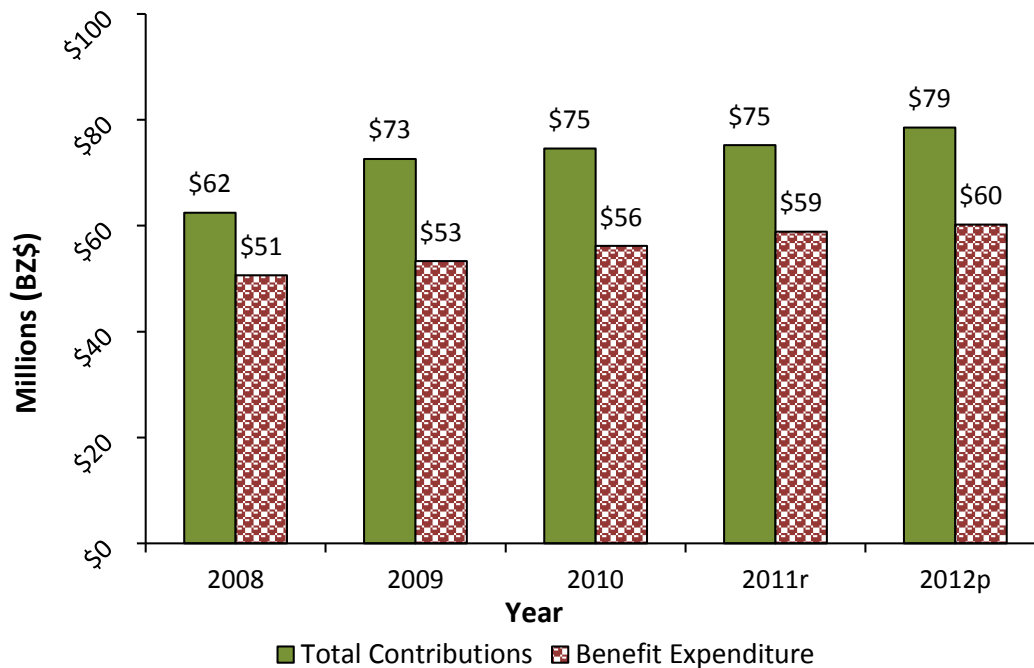
Table 2.1
Total Contributions and Benefit Expenditure,
2008 - 2012
(BZ\$)

	Year				
	2008	2009	2010	2011r	2012p
Total Contributions	\$62,467,325	\$72,640,337	\$74,574,939	\$75,223,013	\$78,524,853
Benefit Expenditure	\$50,619,410	\$53,326,548	\$56,175,243	\$58,881,719	\$60,190,813
Benefit as a % of Contributions	81.0	73.4	75.3	78.3	76.7

Source: Social Security Board

Note: Contributions figures represent GOB contributions to the NHI Fund as well as those collected from employers and employees.

Chart 1
Total Contributions and Benefit Expenditure,
2008 - 2012



Source: Social Security Board



Table 2.2
Contributions Collected and Percentage Distribution by District,
2008 - 2012
(BZ\$)

District	2008		2009		2010		2011r		2012p	
	Quantity	%	Quantity	%	Quantity	%	Quantity	%	Quantity	%
Total	\$57,582,065	100.0	\$59,886,197	100.0	\$60,329,075	100.0	\$61,223,009	100.0	\$64,524,849	100.0
Corozal	\$4,062,295	7.1	\$3,885,053	6.5	\$3,933,594	6.5	\$4,300,664	7.0	\$4,246,454	6.9
Orange Walk	\$3,083,752	5.4	\$3,357,771	5.6	\$3,422,008	5.7	\$3,571,269	5.8	\$3,927,775	6.4
Belize	\$27,888,641	48.4	\$28,148,310	47.0	\$28,223,059	46.8	\$27,857,882	45.5	\$28,459,934	46.5
Cayo	\$15,684,519	27.2	\$17,508,656	29.2	\$17,832,244	29.6	\$18,563,064	30.3	\$20,020,793	32.7
Stann Creek	\$6,002,084	10.4	\$6,028,932	10.1	\$6,019,321	10.0	\$5,953,378	9.7	\$6,832,566	11.2
Toledo	\$860,774	1.5	\$957,475	1.6	\$898,850	1.5	\$976,752	1.6	\$1,037,328	1.7

Source: Social Security Board

Note: Contributions figures reflect those collected from employers and employees only.



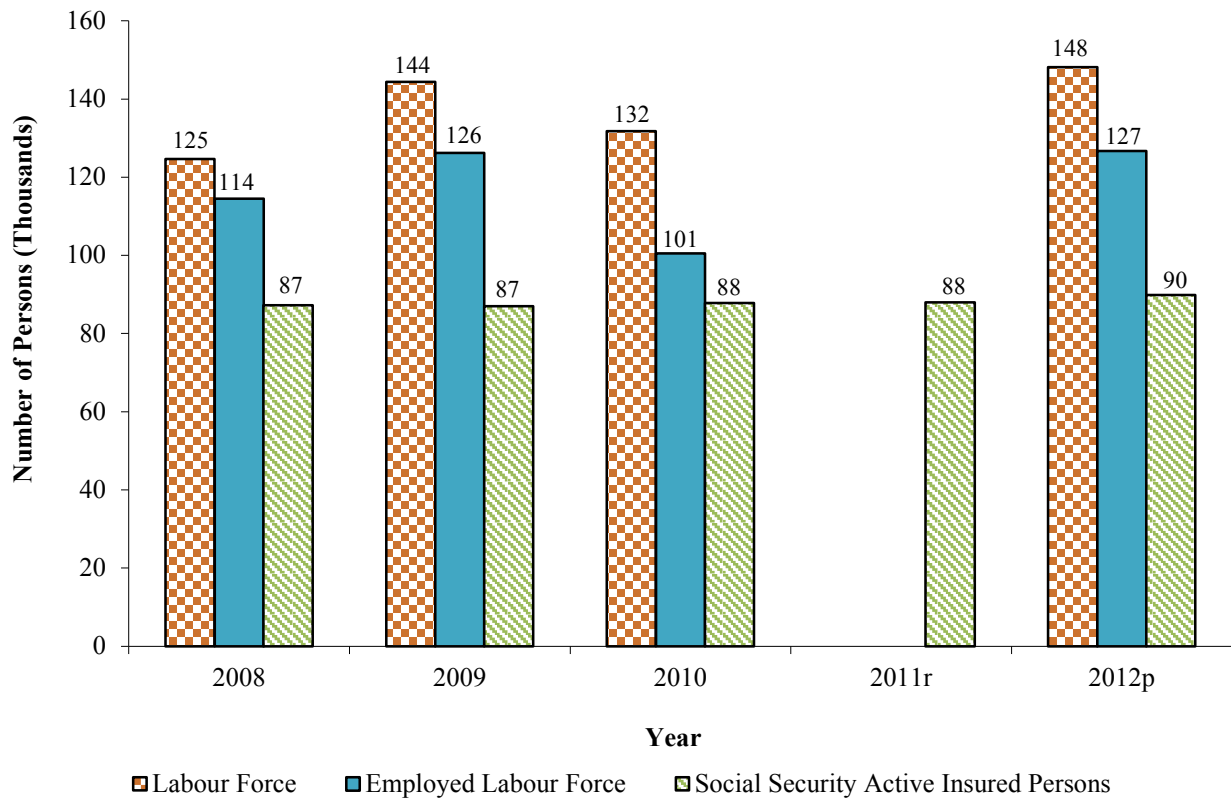
Table 2.3
Active Insured Persons and the Labour Force Participation Rates,
2008 - 2012

	Year				
	2008	2009	2010	2011r	2012p
Number of Persons in the Labour Force	124,637	144,363	131,717	N/A	148,093
Number of Persons Employed in the Labour Force	114,465	126,188	100,537	N/A	126,722
Number of Active Insured Persons	87,253	86,981	87,767	87,987	89,848
% of Active Insured in the Labour Force	70.0	60.3	66.6	N/A	60.7
% of Active Insured in the Employed Force	76.2	68.9	87.3	N/A	70.9

Source: Social Security Board and Statistical Institute of Belize

Note: No Labour Force Survey was conducted in 2011.

Chart 2
Labour Force, Employed Labour Force and Active Insured Persons,
2008 - 2012



Source: Social Security Board and Statistical Institute of Belize



STATISTICAL ABSTRACT 2012

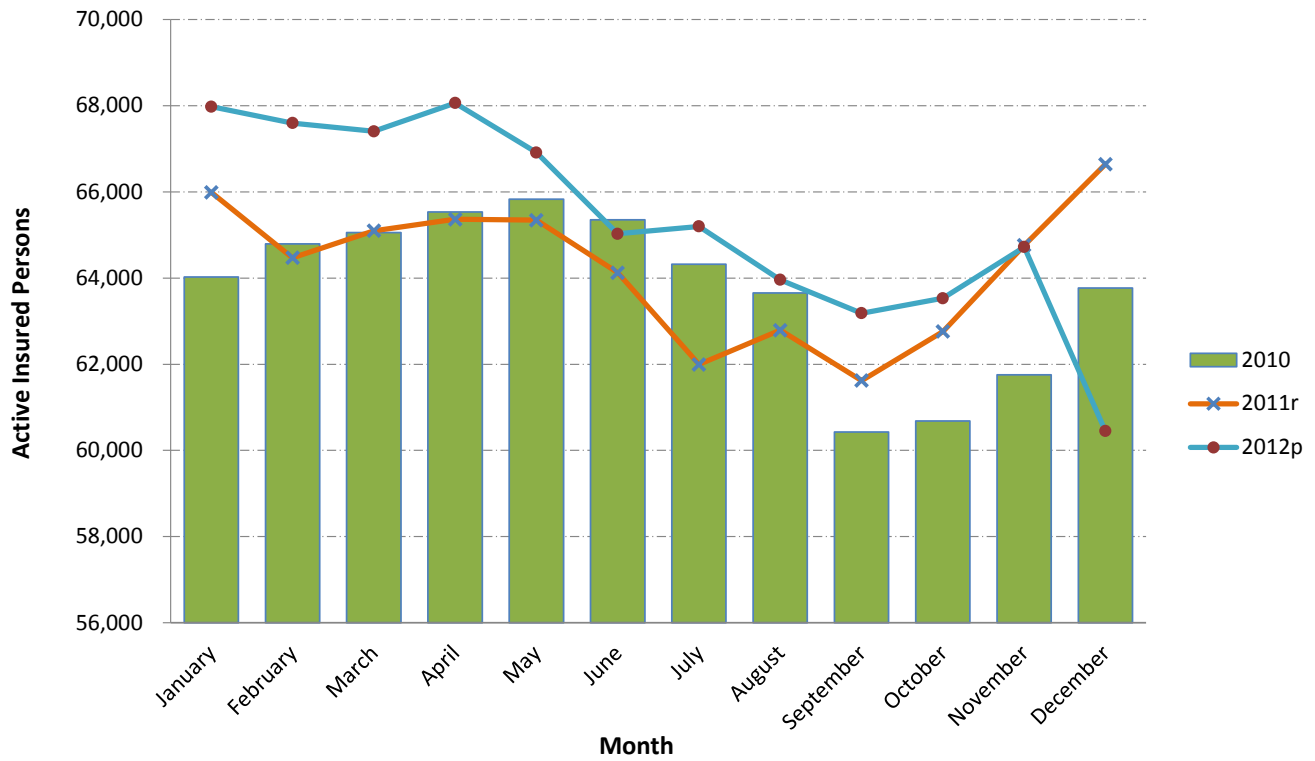
Table 2.4
Active Insured Persons by District, Sex and Age Group,
2008 - 2012

Selected Characteristics	Year				
	2008	2009	2010	2011r	2012p
Total	87,253	86,981	87,767	87,987	89,848
District					
Corozal	9,649	9,792	9,088	9,279	9,088
Orange Walk	7,340	7,711	7,565	7,927	7,877
Belize	35,288	37,113	36,746	36,665	34,491
Cayo	20,426	18,336	19,784	19,808	23,130
Stann Creek	12,595	11,907	12,523	11,746	13,312
Toledo	1,955	2,122	2,061	2,562	1,950
Sex					
Male	55,327	54,969	54,996	54,984	56,036
Female	31,914	32,002	32,772	33,003	33,812
Do Not Know or Not Stated	12	10	0	0	0
Age Group					
14 - 24	25,261	24,195	23,801	22,848	22,845
25 - 34	27,094	27,284	27,742	27,956	28,586
35 - 44	18,590	18,926	19,172	19,469	20,046
45 - 54	10,993	11,209	11,549	11,989	12,490
55+	5,303	5,357	5,503	5,725	5,881
Do Not Know or Not Stated	12	10	0	0	0

Source: Social Security Board



Chart 3
Active Insured Persons by Month,
2010 - 2012



Source: Contributions Database, Social Security Board



Table 2.5
Active Insured Persons and Percentage Distribution by Industry,
2008 - 2012

Industry	2008		2009		2010		2011r		2012p	
	Quantity	%	Quantity	%	Quantity	%	Quantity	%	Quantity	%
Total Active Insured Persons	87,253	100.0	86,981	100.0	87,767	100.0	87,987	100.0	89,848	100.0
Agriculture, Hunting and Forestry	17,646	20.2	16,725	19.2	16,966	19.3	16,407	18.6	17,232	19.2
Public Administration	10,771	12.3	10,096	11.6	11,161	12.7	12,489	14.2	12,570	14.0
Wholesale and Retail Trade, Repair of Motor Vehicles and Motorcycles	12,541	14.4	11,631	13.4	11,727	13.4	12,528	14.2	12,562	14.0
Hotel and Restaurants	10,635	12.2	9,719	11.2	9,354	10.7	9,523	10.8	10,293	11.5
Real Estate, Renting and Business Activities	8,838	10.1	8,195	9.4	8,244	9.4	7,196	8.2	7,225	8.0
Manufacturing	8,030	9.2	7,468	8.6	7,510	8.6	7,240	8.2	7,083	7.9
Construction	10,166	11.7	8,861	10.2	6,956	7.9	6,511	7.4	6,483	7.2
Education	6,160	7.1	6,048	7.0	6,114	7.0	6,134	7.0	6,271	7.0
Transportation, Storage and Communication	5,380	6.2	5,368	6.2	5,657	6.4	5,388	6.1	5,671	6.3
Other Community, Social and Personal Activities	5,744	6.6	5,677	6.5	5,689	6.5	5,451	6.2	5,473	6.1
Health and Social Work	3,090	3.5	3,020	3.5	3,119	3.6	3,202	3.6	3,209	3.6
Financial Intermediation	2,384	2.7	2,445	2.8	2,813	3.2	2,723	3.1	2,862	3.2
Private Households with Employed Persons	2,018	2.3	2,108	2.4	2,084	2.4	2,149	2.4	2,201	2.4
Fishing	2,234	2.6	2,060	2.4	1,962	2.2	1,712	1.9	1,918	2.1
Electricity, Gas, and Water Supply	1,407	1.6	1,542	1.8	1,727	2.0	1,315	1.5	1,049	1.2
Mining and Quarrying	786	0.9	558	0.6	845	1.0	764	0.9	927	1.0
Extra-Territorial Organizations and Bodies	562	0.6	409	0.5	405	0.5	434	0.5	309	0.3
Do Not Know or Not Stated	115	0.1	87	0.1	70	0.1	16	0.0	28	0.0

Source: Social Security Board

Note: The total number of Active Insured Persons shown is not equal to the sum of the Insured Persons in each industry during the respective years due to persons working in different industries during the year.

The sum of the percentages of Insured Persons in each industry does not add up to 100% during the respective years due to persons working in different industries during the year.



Table 2.6
Active Insured Persons and Percentage Distribution by Average Weekly Insurable Earnings Group,
2008 - 2012

Weekly Earnings Group	Year									
	2008		2009		2010		2011r		2012p	
	Quantity	%	Quantity	%	Quantity	%	Quantity	%	Quantity	%
Total	87,253	100.0	86,981	100.0	87,767	100.0	87,987	100.0	89,848	100.0
Under \$70.00	4,911	5.6	7,212	8.3	7,524	8.6	7,021	8.0	6,247	7.0
\$70.00 to \$109.99	8,175	9.4	7,923	9.1	7,793	8.9	7,828	8.9	8,103	9.0
\$110.00 to \$139.99	8,431	9.7	7,777	8.9	7,258	8.3	6,924	7.9	7,045	7.8
\$140.00 to \$179.99	14,131	16.2	13,201	15.2	13,058	14.9	13,108	14.9	12,940	14.4
\$180.00 to \$219.99	11,493	13.2	10,142	11.7	10,451	11.9	10,323	11.7	11,105	12.4
\$220.00 to \$259.99	8,221	9.4	7,495	8.6	7,820	8.9	8,056	9.2	8,452	9.4
\$260.00 to \$299.99	5,622	6.4	4,534	5.2	4,587	5.2	4,693	5.3	4,754	5.3
\$300.00 and Over	25,096	28.8	27,613	31.7	28,076	32.0	28,783	32.7	30,098	33.5
**	1,173	1.3	1,084	1.2	1,200	1.4	1,251	1.4	1,104	1.2

Source: Social Security Board

** Applies to persons age 60 - 64 years who have received a retirement benefit and all persons 65 years and older.



Table 2.7
Number of Active Insured Persons by Industry and Average Weekly Insurable Earnings,
2011r

SSB Industry	Average Weekly Insurable Earnings										Total
	Under \$70.00	\$70.00 to \$109.99	\$110.00 to \$139.99	\$140.00 to \$179.99	\$180.00 to \$219.99	\$220.00 to \$259.99	\$260.00 to \$299.99	\$300.00 and Over	**	Total	
Total	7,021	7,828	6,924	13,108	10,323	8,056	4,693	28,783	1,251	87,987	
Agriculture, Hunting and Forestry	4,370	3,247	2,071	2,157	1,461	857	464	1,307	473	16,407	
Wholesale and Retail Trade, Repair of Motor Vehicles and Motorcycles	620	922	1,369	3,416	2,101	1,334	572	2,083	111	12,528	
Public Administration	309	781	471	1,683	1,386	1,000	673	6,065	121	12,489	
Hotels and Restaurants	513	899	909	1,670	1,281	944	577	2,681	49	9,523	
Manufacturing	439	609	717	1,275	1,017	595	621	1,864	103	7,240	
Real Estate, Renting and Business Activities	580	701	615	1,185	1,043	865	446	1,708	53	7,196	
Construction	362	487	470	1,132	1,044	858	439	1,655	64	6,511	
Education	71	124	109	256	402	413	238	4,477	44	6,134	
Other Community, Social and Personal Activities	222	356	368	703	701	689	374	1,970	68	5,451	
Transport, Storage and Communication	278	455	401	625	633	592	276	2,052	76	5,388	
Health and Social Work	199	81	96	257	305	317	200	1,690	57	3,202	
Financial Intermediation	16	54	67	96	114	217	183	1,964	12	2,723	
Private Households with Employed Persons	267	422	337	520	235	158	37	148	25	2,149	
Fishing	548	256	247	201	157	86	40	167	10	1,712	
Electricity, Gas and Water Supply	73	47	63	101	108	69	64	775	15	1,315	
Mining and Quarrying	35	28	25	62	32	67	36	464	15	764	
Extra-Territorial Organizations and Bodies	3	4	3	10	15	33	21	344	1	434	
Do Not Know or Not Stated	3	2	2	4	1	2	2	0	0	16	

Source: Social Security Board

** Applies to persons age 60 - 64 years who have received a retirement benefit and all persons 65 years and older.
 Note: The total number of Active Insured Persons shown is not equal to the sum of the Insured Persons in each industry during the respective years due to persons working in different industries during the year.



Table 2.8
Percentage Distribution of Active Insured Persons by Industry and Average Weekly Insurable Earnings,
2011r

SSB Industry	Average Weekly Insurable Earnings										Total	
	Under \$70.00	\$70.00 to \$109.99	\$110.00 to \$139.99	\$140.00 to \$179.99	\$180.00 to \$219.99	\$220.00 to \$259.99	\$260.00 to \$299.99	\$300.00 and Over	**	Total		
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Agriculture, Hunting and Forestry, Wholesale and Retail Trade, Repair of Motor Vehicles and Motorcycles	62.2	41.5	29.9	16.5	14.2	10.6	9.9	4.5	37.8	18.6		
Public Administration	8.8	11.8	19.8	26.1	20.4	16.6	12.2	7.2	8.9	14.2		
Hotels and Restaurants	4.4	10.0	6.8	12.8	13.4	12.4	14.3	21.1	9.7	14.2		
Manufacturing	7.3	11.5	13.1	12.7	12.4	11.7	12.3	9.3	3.9	10.8		
Real Estate, Renting and Business Activities	6.3	7.8	10.4	9.7	9.9	7.4	13.2	6.5	8.2	8.2		
Construction	8.3	9.0	8.9	9.0	10.1	10.7	9.5	5.9	4.2	8.2		
Education	5.2	6.2	6.8	8.6	10.1	10.7	9.4	5.7	5.1	7.4		
Other Community, Social and Personal Activities	1.0	1.6	1.6	2.0	3.9	5.1	5.1	15.6	3.5	7.0		
Transport, Storage and Communication	3.2	4.5	5.3	5.4	6.8	8.6	8.0	6.8	5.4	6.2		
Health and Social Work	4.0	5.8	5.8	4.8	6.1	7.3	5.9	7.1	6.1	6.1		
Financial Intermediation	2.8	1.0	1.4	2.0	3.0	3.9	4.3	5.9	4.6	3.6		
Private Households with Employed Persons	0.2	0.7	1.0	0.7	1.1	2.7	3.9	6.8	1.0	3.1		
Fishing	3.8	5.4	4.9	4.0	2.3	2.0	0.8	0.5	2.0	2.4		
Electricity, Gas and Water Supply	7.8	3.3	3.6	1.5	1.5	1.1	0.9	0.6	0.8	1.9		
Mining and Quarrying	1.0	0.6	0.9	0.8	1.0	0.9	1.4	2.7	1.2	1.5		
Extra-Territorial Organizations and Bodies	0.5	0.4	0.4	0.5	0.3	0.8	0.8	1.6	1.2	0.9		
Do Not Know or Not Stated	0.0	0.1	0.0	0.1	0.1	0.4	0.4	1.2	0.1	0.5		
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		

Source: Social Security Board

** Applies to persons age 60 - 64 years who have received a retirement benefit and all persons 65 years and older.

Note: The sum of the percentages of Insured Persons in each industry does not add up to 100% during the respective years due to persons working in different industries during the year.



Table 2.9
Number of Active Insured Persons by Industry and Average Weekly Insurable Earnings,
2012p

SSB Industry	Average Weekly Insurable Earnings										Total
	Under \$70.00	\$70.00 to \$109.99	\$110.00 to \$139.99	\$140.00 to \$179.99	\$180.00 to \$219.99	\$220.00 to \$259.99	\$260.00 to \$299.99	\$300.00 and Over	**	Total	
Total	6,247	8,103	7,045	12,940	11,105	8,452	4,754	30,098	1,104	89,848	
Agriculture, Hunting and Forestry	3,852	3,660	2,274	2,562	1,556	1,064	493	1,336	435	17,232	
Public Administration	263	980	607	1,326	1,670	915	713	5,988	108	12,570	
Wholesale and Retail Trade, Repair of Motor Vehicles and Motorcycles	582	950	1,224	3,309	2,071	1,371	615	2,331	109	12,562	
Hotels and Restaurants	473	818	915	1,780	1,403	1,068	639	3,137	60	10,293	
Real Estate, Renting and Business Activities	535	676	525	1,042	1,046	913	531	1,906	51	7,225	
Manufacturing	366	589	595	1,286	1,175	708	377	1,923	64	7,083	
Construction	276	462	539	1,112	1,089	848	468	1,628	61	6,483	
Education	68	116	121	285	394	458	201	4,574	54	6,271	
Transport, Storage and Communication	246	332	475	691	570	575	382	2,327	73	5,671	
Other Community, Social and Personal Activities	227	335	324	701	862	632	349	1,984	59	5,473	
Health and Social Work	205	82	80	274	303	333	206	1,689	37	3,209	
Financial Intermediation	25	50	60	113	109	216	174	2,101	14	2,862	
Private Households with Employed Persons	264	390	347	518	250	167	45	202	18	2,201	
Fishing	563	242	155	285	211	144	88	219	11	1,918	
Electricity, Gas and Water Supply	75	45	85	67	50	55	30	635	7	1,049	
Mining and Quarrying	32	38	78	48	49	109	43	518	12	927	
Extra-Territorial Organizations and Bodies	1	5	2	8	5	85	14	188	1	309	
Do Not Know or Not Stated	3	2	1	5	6	3	6	2	0	28	

Source: Social Security Board

** Applies to persons age 60 - 64 years who have received a retirement benefit and all persons 65 years and older.

Note: The total number of Active Insured Persons shown is not equal to the sum of the Insured Persons in each industry during the respective years due to persons working in different industries during the year.



Table 2.10
Percentage Distribution of Active Insured Persons by Industry and Average Weekly Insurable Earnings,
2012p

SSB Industry	Average Weekly Insurable Earnings											** Total			
	Under \$70.00	\$70.00 to \$109.99	\$110.00 to \$139.99	\$140.00 to \$179.99	\$180.00 to \$219.99	\$220.00 to \$259.99	\$260.00 to \$299.99	\$300.00 and Over	100.0	100.0	100.0		100.0		
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Agriculture, Hunting and Forestry	61.7	45.2	32.3	19.8	14.0	12.6	10.4	4.4	39.4	19.2					
Public Administration	4.2	12.1	8.6	10.2	15.0	10.8	15.0	19.9	9.8	14.0					
Wholesale and Retail Trade, Repair of Motor Vehicles and Motorcycles	9.3	11.7	17.4	25.6	18.6	16.2	12.9	7.7	9.9	14.0					
Hotels and Restaurants	7.6	10.1	13.0	13.8	12.6	12.6	13.4	10.4	5.4	11.5					
Real Estate, Renting and Business Activities	8.6	8.3	7.5	8.1	9.4	10.8	11.2	6.3	4.6	8.0					
Manufacturing	5.9	7.3	8.4	9.9	10.6	8.4	7.9	6.4	5.8	7.9					
Construction	4.4	5.7	7.7	8.6	9.8	10.0	9.8	5.4	5.5	7.2					
Education	1.1	1.4	1.7	2.2	3.5	5.4	4.2	15.2	4.9	7.0					
Transport, Storage and Communication	3.9	4.1	6.7	5.3	5.1	6.8	8.0	7.7	6.6	6.3					
Other Community, Social and Personal Activities	3.6	4.1	4.6	5.4	7.8	7.5	7.3	6.6	5.3	6.1					
Health and Social Work	3.3	1.0	1.1	2.1	2.7	3.9	4.3	5.6	3.4	3.6					
Financial Intermediation	0.4	0.6	0.9	0.9	1.0	2.6	3.7	7.0	1.3	3.2					
Private Households with Employed Persons	4.2	4.8	4.9	4.0	2.3	2.0	0.9	0.7	1.6	2.4					
Fishing	9.0	3.0	2.2	2.2	1.9	1.7	1.9	0.7	1.0	2.1					
Electricity, Gas and Water Supply	1.2	0.6	1.2	0.5	0.5	0.7	0.6	2.1	0.6	1.2					
Mining and Quarrying	0.5	0.5	1.1	0.4	0.4	1.3	0.9	1.7	1.1	1.0					
Extra-Territorial Organizations and Bodies	0.0	0.1	0.0	0.1	0.0	1.0	0.3	0.6	0.1	0.3					
Do Not Know or Not Stated	0.0	0.0	0.0	0.0	0.1	0.0	0.1	0.0	0.0	0.0					

Source: Social Security Board

** Applies to persons age 60 - 64 years who have received a retirement benefit and all persons 65 years and older.

Note: The sum of the percentages of Insured Persons in each industry does not add up to 100% during the respective years due to persons working in different industries during the year.



STATISTICAL ABSTRACT 2012

Table 2.11
Active Contributing Employers by District,
2008 - 2012

District	Year				
	2008	2009	2010	2011r	2012p
Total	9,917	10,044	10,066	9,851	9,835
Corozal	2,442	2,434	2,558	2,469	2,510
Orange Walk	1,637	1,619	1,586	1,461	1,405
Belize	2,906	2,953	2,862	2,805	2,791
Cayo	1,645	1,717	1,794	1,822	1,839
Stann Creek	1,047	967	928	955	951
Toledo	240	354	338	339	339

Source: Social Security Board

Table 2.12
Active Businesses by Industry,
2008 - 2012

Industry	Year				
	2008	2009	2010	2011r	2012p
Total	10,605	10,764	10,792	10,555	10,556
Agriculture, Hunting and Forestry	3,023	2,942	3,009	2,791	2,780
Wholesale and Retail Trade, Repair of Motor Vehicles and Motorcycles	1,475	1,526	1,534	1,571	1,577
Private Households with Employed Persons	1,339	1,412	1,423	1,414	1,415
Hotels and Restaurants	1,105	1,116	1,149	1,178	1,179
Construction	812	800	706	717	654
Real Estate, Renting and Business Activities	574	591	580	612	634
Manufacturing	539	542	548	525	540
Other Community, Social and Personal Activities	454	531	532	440	447
Transport, Storage and Communication	382	415	405	394	393
Public Administration	239	257	264	283	285
Education	181	184	195	197	199
Health and Social Work	171	151	154	175	180
Financial Intermediation	105	103	102	105	113
Electricity, Gas and Water Supply	72	80	86	62	65
Mining and Quarrying	31	28	32	38	39
Fishing	39	39	33	23	27
Extra-Territorial Organizations and Bodies	16	13	13	17	18
Do Not Know or Not Stated	48	34	27	13	11

Source: Social Security Board



Table 2.13
Active Businesses and Percentage Distribution by District,
2008 - 2012

District	Year									
	2008		2009		2010		2011r		2012p	
	Quantity	%	Quantity	%	Quantity	%	Quantity	%	Quantity	%
Total	10,605	100.0	10,764	100.0	10,792	100.0	10,555	100.0	10,556	100.0
Corozal	2,537	23.9	2,518	23.4	2,645	24.5	2,555	24.2	2,598	24.6
Orange Walk	1,705	16.1	1,704	15.8	1,664	15.4	1,547	14.7	1,503	14.2
Belize	3,051	28.8	3,118	29.0	3,037	28.1	2,964	28.1	2,943	27.9
Cayo	1,949	18.4	2,020	18.8	2,103	19.5	2,109	20.0	2,132	20.2
Stann Creek	1,112	10.5	1,032	9.6	988	9.2	1,020	9.7	1,014	9.6
Toledo	251	2.4	372	3.5	355	3.3	360	3.4	366	3.5

Source: Social Security Board

Table 2.14
Active Self Employed by District and Sex,
2008 - 2012

District	Year				
	2008	2009	2010	2011r	2012p
Total	930	972	934	949	1,043
Corozal	108	94	99	106	116
Orange Walk	112	107	101	102	134
Belize	222	261	237	238	275
Cayo	219	212	229	240	252
Stann Creek	204	229	207	202	196
Toledo	65	69	61	61	70
Male	458	491	446	434	480
Corozal	63	55	57	62	59
Orange Walk	69	63	56	54	75
Belize	88	120	99	90	113
Cayo	116	110	114	118	128
Stann Creek	90	107	94	81	71
Toledo	32	36	26	29	34
Female	472	481	488	515	563
Corozal	45	39	42	44	57
Orange Walk	43	44	45	48	59
Belize	134	141	138	148	162
Cayo	103	102	115	122	124
Stann Creek	114	122	113	121	125
Toledo	33	33	35	32	36
Total Contribution Paid (BZ\$)	\$302,189	\$322,781	\$342,869	\$356,648	\$412,762

Source: Social Security Board



STATISTICAL ABSTRACT 2012

Table 2.15
Active Self Employed by Age Group,
2008 - 2012

Age Group	Year				
	2008	2009	2010	2011r	2012p
Total	930	972	934	949	1,043
18 - 19	5	2	1	1	3
20 - 24	42	41	36	34	40
25 - 29	64	69	71	81	91
30 - 34	136	119	107	106	125
35 - 39	128	137	141	149	159
40 - 44	125	135	131	120	132
45 - 49	146	160	136	133	161
50 - 54	152	162	168	167	156
55 - 59	115	127	130	131	158
60	17	20	13	27	18

Source: Social Security Board



BENEFITS

This section presents information on social security benefits, Non-contributory Pension (NCP), and appeals. The primary source of benefits data is the Social Security Board's (SSB) databases. Data on the Mid-Year Population Estimates are obtained from the SIB.

Social Security coverage – includes employed persons aged 14 to 64 years, including public officers and self-employed persons. Persons aged 65 or older who engage in insurable employment are only covered for work injury benefits as of May 7, 1988 and a reduced contribution of BZ\$2.60 weekly is paid only by the Employer. Not covered are persons engaged in casual labour, persons employed for less than eight (8) hours in a contribution week, and military personnel. Coverage was later expanded to include the Self-Employed and Non-contributory Pensioners.

Unemployed persons who have met the requirements for voluntary coverage are only covered for Retirement, Survivors' benefits and Funeral Grant due to natural causes.

Legal Services, SSB, oversees the logistical arrangement for all appeals to be heard and further manages the process for appellants to be duly informed of decisions of the tribunal hearing.



STATISTICAL ABSTRACT 2012

Table 3.1
Benefits Expenditure by Branch/Benefit,
2008 - 2012
(BZ\$)

Branch/Benefit	Year				
	2008	2009	2010	2011r	2012p
Total	\$50,619,410	\$53,326,548	\$56,175,243	\$58,881,755	\$60,190,813
Short Term	\$10,099,211	\$10,825,484	\$10,427,906	\$10,975,229	\$10,751,043
Sickness	\$5,954,169	\$6,550,537	\$6,355,837	\$6,628,474	\$6,756,678
Maternity Allowance	\$3,085,315	\$3,202,276	\$3,067,662	\$3,334,729	\$3,046,884
Maternity Grant	\$1,059,728	\$1,072,671	\$1,004,407	\$1,012,026	\$947,481
Long Term	\$23,422,911	\$24,414,517	\$26,432,583	\$28,637,786	\$31,563,988
Retirement	\$11,908,989	\$13,065,933	\$14,754,284	\$16,712,401	\$19,097,183
Survivors	\$3,711,728	\$3,661,039	\$4,146,633	\$4,283,823	\$4,707,175
Invalidity	\$2,032,367	\$2,087,560	\$2,310,395	\$2,580,337	\$2,956,042
Funeral Grant (NC)	\$835,367	\$897,465	\$1,019,946	\$915,325	\$1,022,527
Non-contributory Pensions	\$4,934,460	\$4,702,520	\$4,201,325	\$4,145,900	\$3,781,061
Employment Injury	\$5,835,155	\$5,126,269	\$4,024,274	\$4,026,246	\$3,286,430
Injury Benefit	\$3,812,618	\$3,030,517	\$2,656,935	\$2,159,795	\$2,160,433
Disablement Grant	\$493,271	\$543,787	\$395,680	\$527,155	\$411,890
Funeral Grant (EI)	\$9,000	\$10,500	\$1,000	\$4,500	\$9,624
APV Disablement and Death	\$1,520,266	\$1,541,465	\$970,659	\$1,334,796	\$704,483
Disablement and Death Pension	\$1,876,022	\$1,874,425	\$1,934,752	\$1,815,926	\$1,991,547
National Health Insurance	\$9,386,111	\$11,085,853	\$13,355,728	\$13,426,568	\$12,597,805

Source: Social Security Board

Note: National Health Insurance Expenditure refers to all payments made to Primary Care Providers.



Table 3.2
New Claims Allowed by Branch/Benefits,
2008 - 2012

Benefit	Year				
	2008	2009	2010	2011r	2012p
Total	37,646	37,129	33,485	32,787	33,908
Short Term	33,397	33,233	29,830	29,386	29,977
Sickness	28,525	28,272	25,237	24,711	25,569
Maternity Allowance	1,352	1,398	1,264	1,318	1,266
Maternity Grant	3,520	3,563	3,329	3,357	3,142
Long Term	1,544	1,480	1,574	1,419	1,941
Retirement	584	553	516	490	769
Survivors	223	161	216	179	291
Invalidity	77	69	74	52	108
Funeral Grant (NC)	660	697	768	698	773
Employment Injury	2,705	2,416	2,081	1,982	1,990
Injury	2,521	2,243	1,955	1,761	1,782
Disablement	168	157	109	211	193
Death Benefit	10	9	11	7	9
Funeral Grant (EI)	6	7	6	3	6

Source: Social Security Board

Note: Retirement, Survivors', Invalidity, Disablement and Death includes those that have received either a pension or a grant.

Table 3.3
Benefit Recipients by Branch/Benefits,
2008 - 2012

Benefit	Year				
	2008	2009	2010	2011r	2012p
Total	38,942	40,535	38,704	38,496	39,951
Short Term	24,471	26,160	25,029	24,438	25,331
Sickness	19,612	21,206	20,444	19,774	20,927
Maternity Allowance	1,352	1,398	1,264	1,318	1,266
Maternity Grant	3,507	3,556	3,321	3,346	3,138
Long Term	11,291	11,058	10,934	11,256	11,772
Retirement	3,237	3,410	3,654	4,044	4,533
Survivors	2,356	2,282	2,149	2,445	2,662
Invalidity	381	372	371	360	407
Funeral Grant (NC)	660	697	768	696	774
Non-contributory	4,657	4,297	3,992	3,711	3,396
Employment Injury	3,180	3,317	2,741	2,802	2,848
Injury	2,364	2,422	1,859	1,911	1,991
Disablement	483	553	530	545	538
Death Benefit	327	335	346	343	313
Funeral Grant (EI)	6	7	6	3	6

Source: Social Security Board

Note: Retirement, Survivors', Invalidity, Disablement and Death includes those that have received either a pension or a grant.



STATISTICAL ABSTRACT 2012

Table 3.4
Sickness Benefit: Cumulative Days Paid by Number of Days Claimed,
2008 - 2012

Benefit Days	Year				
	2008	2009	2010	2011r	2012p
Total	261,435	277,614	262,098	268,775	278,097
1	3,088	2,487	1,610	1,902	1,862
2	11,450	9,862	8,140	8,652	8,948
3	19,737	17,943	15,951	15,738	16,710
4 - 7	56,870	58,427	53,367	48,663	50,097
8 - 14	33,275	41,528	39,042	34,391	35,304
15 - 21	18,325	20,798	20,472	19,365	21,113
22 - 28	10,154	11,705	12,209	12,054	12,641
29 - 35	15,831	14,307	15,860	15,208	15,384
36 - 42	6,834	8,916	7,766	9,372	8,780
43 - 49	7,804	7,630	7,356	9,170	9,020
50 - 56	4,694	6,347	5,361	7,104	6,813
57 - 63	6,534	7,920	7,919	7,178	7,983
64 - 70	3,606	4,075	4,561	4,006	5,286
71 - 77	2,810	3,434	3,476	4,132	4,508
78 - 84	2,675	3,310	3,708	3,169	3,715
85 - 91	3,558	3,451	3,631	4,062	4,086
92 - 98	3,779	4,060	3,407	4,073	5,694
99 - 105	2,549	3,076	3,269	2,650	2,853
106 - 112	1,316	3,039	2,069	3,067	3,035
113 - 119	2,096	2,081	2,426	1,738	1,757
120 - 126	1,592	2,340	2,572	2,087	2,950
127 - 133	1,289	2,475	1,811	2,082	2,360
134 - 140	1,369	967	820	816	2,047
141 - 147	1,721	1,291	1,287	1,438	1,583
148 - 156	2,282	1,524	1,819	1,368	3,483
157 - 234	36,197	34,621	32,189	45,290	40,085

Source: Social Security Board



Table 3.5
Mean Benefit Payment by Sickness Benefit Days Paid,
2008 - 2012
(BZ\$)

Benefit Days	Year				
	2008	2009	2010	2011r	2012p
1	\$22	\$24	\$26	\$27	\$27
2	\$48	\$51	\$53	\$55	\$55
3	\$71	\$73	\$76	\$78	\$79
4 - 7	\$125	\$139	\$135	\$139	\$138
8 - 14	\$257	\$265	\$274	\$278	\$278
15 - 21	\$424	\$434	\$446	\$455	\$443
22 - 28	\$648	\$643	\$656	\$663	\$649
29 - 35	\$774	\$794	\$782	\$817	\$828
36 - 42	\$1,018	\$1,017	\$1,091	\$1,097	\$1,042
43 - 49	\$1,148	\$1,271	\$1,281	\$1,239	\$1,254
50 - 56	\$1,400	\$1,421	\$1,479	\$1,496	\$1,343
57 - 63	\$1,618	\$1,630	\$1,644	\$1,723	\$1,748
64 - 70	\$1,790	\$1,799	\$1,722	\$1,854	\$1,853
71 - 77	\$1,934	\$2,145	\$2,093	\$2,009	\$2,118
78 - 84	\$2,167	\$2,088	\$2,303	\$2,509	\$2,178
85 - 91	\$2,398	\$2,483	\$2,341	\$2,575	\$2,303
92 - 98	\$2,490	\$2,529	\$2,407	\$2,573	\$2,233
99 - 105	\$2,847	\$2,792	\$2,658	\$2,777	\$2,746
106 - 112	\$2,788	\$2,941	\$3,082	\$2,889	\$2,789
113 - 119	\$3,381	\$2,911	\$3,268	\$3,512	\$3,427
120 - 126	\$2,933	\$3,451	\$3,238	\$3,225	\$3,303
127 - 133	\$2,895	\$3,563	\$3,669	\$4,187	\$3,569
134 - 140	\$4,154	\$3,793	\$4,098	\$4,532	\$3,688
141 - 147	\$3,574	\$3,445	\$4,183	\$4,722	\$3,377
148 - 156	\$4,326	\$2,966	\$4,379	\$5,053	\$3,470
157 - 234	\$5,391	\$5,633	\$5,822	\$6,108	\$5,322
Mean Payment (BZ\$)	\$196	\$225	\$243	\$252	\$253

Source: Social Security Board

Note: Mean payment refers to the average cost per allowed claim.



STATISTICAL ABSTRACT 2012

Table 3.6
Sickness Benefit by Selected Characteristics,
2008 - 2012

Selected Characteristics	Year				
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011r</u>	<u>2012p</u>
Claims Processed	32,780	32,064	28,352	27,447	28,517
Age Group					
14 - 19	1,870	1,793	1,172	859	899
20 - 24	6,184	6,075	5,131	4,789	4,871
25 - 29	6,329	6,476	5,599	5,546	5,863
30 - 34	5,478	5,359	4,836	4,679	4,865
35 - 39	4,216	4,202	3,806	3,743	3,817
40 - 44	3,318	3,142	2,945	2,934	3,070
45 - 49	2,567	2,333	2,244	2,293	2,360
50 - 54	1,599	1,515	1,553	1,618	1,706
55 - 64	1,219	1,169	1,066	986	1,066
Average Days Claimed	8	9	9	10	10
Age Group					
14 - 19	6	6	7	11	7
20 - 24	6	7	7	7	8
25 - 29	7	8	8	9	8
30 - 34	7	8	9	9	10
35 - 39	9	9	10	11	10
40 - 44	9	10	10	11	11
45 - 49	11	12	11	12	12
50 - 54	10	13	14	13	14
55 - 64	15	16	17	16	18
Mean Payment (BZ\$)	\$194	\$223	\$241	\$251	\$251
Age Group					
14 - 19	\$59	\$79	\$100	\$212	\$107
20 - 24	\$123	\$161	\$155	\$162	\$165
25 - 29	\$176	\$200	\$212	\$211	\$215
30 - 34	\$198	\$218	\$244	\$241	\$258
35 - 39	\$230	\$252	\$272	\$276	\$280
40 - 44	\$231	\$275	\$275	\$303	\$293
45 - 49	\$282	\$299	\$323	\$337	\$311
50 - 54	\$249	\$358	\$380	\$349	\$354
55 - 64	\$347	\$395	\$423	\$390	\$472

Source: Social Security Board

Note: Mean payment refers to the average cost per allowed claim.



Table 3.7
Sickness Benefit Claims Paid by Industry,
2008 - 2012

	Year				
	2008	2009	2010	2011r	2012p
Total	28,525	28,272	25,237	24,711	25,569
Industry					
Public Administration	4,776	4,646	4,502	5,129	4,919
Wholesale and Retail Trade, Repair of Motor Vehicles and Motorcycles	3,090	3,350	3,064	2,813	3,030
Agriculture, Hunting and Forestry	2,771	2,603	2,505	2,346	2,290
Health and Social Work	2,703	2,334	2,028	2,056	2,108
Real Estate, Renting and Business Activities	2,877	2,709	2,097	2,007	2,037
Manufacturing	2,491	2,259	2,014	1,826	1,909
Hotels and Restaurants	1,807	1,888	1,603	1,526	1,712
Transport, Storage and Communication	1,617	1,511	1,478	1,409	1,654
Other Community, Social and Personal Activities	1,366	1,422	1,391	1,399	1,493
Education	813	1,066	1,037	1,181	1,256
Financial Intermediation	942	1,164	1,144	1,158	1,105
Construction	1,305	1,447	897	677	824
Electricity, Gas and Water Supply	413	455	423	426	466
Private Households with Employed Persons	367	378	404	358	318
Fishing	649	569	363	189	262
Extra-Territorial Organizations and Bodies	242	258	203	142	99
Mining and Quarrying	270	188	70	50	75
Do Not Know or Not Stated	26	25	14	19	12

Source: Social Security Board



STATISTICAL ABSTRACT 2012

Table 3.8
Maternity Allowance by Selected Characteristics,
2008 - 2012

Selected Characteristics	Year				
	2008	2009	2010	2011r	2012p
Claims Allowed	1,352	1,398	1,264	1,318	1,266
Age Group					
14 - 19	65	59	44	53	38
20 - 24	401	398	360	382	337
25 - 29	440	459	449	438	430
30 - 34	291	295	263	293	275
35 - 39	119	149	122	124	148
40 - 44	36	37	24	27	36
45 - 64	0	1	2	1	2
Weeks Claimed					
< 14 Weeks	149	162	120	106	96
14 Weeks	1,127	1,164	1,101	1,167	1,115
15 Weeks	32	35	12	13	19
16 Weeks	44	37	31	32	36
Mean Payment (BZ\$)	\$2,245	\$2,418	\$2,235	\$2,543	\$2,548
Age Group					
14 - 19	\$1,698	\$1,753	\$1,647	\$1,816	\$1,821
20 - 24	\$2,355	\$2,150	\$2,351	\$2,292	\$2,327
25 - 29	\$2,518	\$2,620	\$2,608	\$2,697	\$2,669
30 - 34	\$2,548	\$2,570	\$2,857	\$2,698	\$2,755
35 - 39	\$2,655	\$2,507	\$2,804	\$2,962	\$2,719
40 - 44	\$2,278	\$2,245	\$2,531	\$2,656	\$2,318
45 - 64	\$0	\$1,792	\$1,337	\$1,241	\$2,450

Source: Social Security Board

Note: Mean payment refers to the average cost per allowed claim.



Table 3.9
Maternity Grants Paid by Age Group and Sex,
2008 - 2012

Age Group	Year				
	2008	2009	2010	2011r	2012p
Total	3,519	3,563	3,329	3,357	3,142
14 - 19	114	109	108	118	85
20 - 24	915	969	866	887	800
25 - 29	1,048	1,054	1,043	993	976
30 - 34	731	755	688	705	669
35 - 39	414	394	364	397	345
40 - 44	188	187	153	151	155
45 - 49	69	51	73	69	62
50 - 54	26	30	21	28	36
55 - 59	11	9	10	7	13
60+	3	5	3	2	1
Male*	2,191	2,190	1,997	2,018	1,858
14 - 19	56	54	66	67	46
20 - 24	523	590	489	514	462
25 - 29	612	602	568	548	543
30 - 34	449	451	414	398	390
35 - 39	287	250	235	269	192
40 - 44	155	149	120	117	116
45 - 49	69	50	71	68	59
50 - 54	26	30	21	28	36
55 - 59	11	9	10	7	13
60+	3	5	3	2	1
Female	1,328	1,373	1,332	1,339	1,284
14 - 19	58	55	42	51	39
20 - 24	392	379	377	373	338
25 - 29	436	452	475	445	433
30 - 34	282	304	274	307	279
35 - 39	127	144	129	128	153
40 - 44	33	38	33	34	39
45 - 49	0	1	2	1	3
50 - 54	0	0	0	0	0
55 - 59	0	0	0	0	0
60+	0	0	0	0	0

Source: Social Security Board

* Maternity grants are payable to male insured persons who present proof of paternity. A grant is not paid to fathers in respect of a child for whom an insured mother has claimed.



Table 3.10
Pensions by Recipients at Year End and Expenditure,
2009 - 2012

	2009		2010		2011r		2012p	
	Recipients	Expenditure (BZ\$)	Recipients	Expenditure (BZ\$)	Recipients	Expenditure (BZ\$)	Recipients	Expenditure (BZ\$)
Total	10,691	\$23,663,285	11,026	\$25,322,145	10,837	\$27,311,007	11,004	\$29,970,880
Retirement	3,142	\$12,149,093	3,463	\$13,822,401	3,800	\$15,550,824	4,199	\$18,051,659
Invalidity	341	\$1,770,802	340	\$1,912,810	334	\$2,014,172	345	\$2,055,441
Survivors'	2,166	\$3,164,573	2,468	\$3,450,857	2,222	\$3,784,185	2,318	\$4,091,174
Disablement	410	\$1,237,289	417	\$1,294,669	429	\$1,194,679	433	\$1,314,972
Death	335	\$639,008	346	\$640,083	341	\$621,427	313	\$676,573
Non-contributory Pensioners	4,297	\$4,702,520	3,992	\$4,201,325	3,711	\$4,145,900	3,396	\$3,781,061

Source: Social Security Board



Table 3.11
Retirement Pensions Awarded by Age, Sex and Mean Monthly Payment,
2008 - 2012

Age	Year				
	2008	2009	2010	2011r	2012p
Total	315	289	417	402	485
60	117	95	246	199	201
61	79	78	41	53	102
62	20	27	28	28	42
63	17	23	19	36	27
64	18	13	45	14	17
65	47	26	26	53	64
66	11	22	5	11	25
67	3	1	1	5	4
68	1	0	1	0	1
69+	2	4	5	3	2
Male	207	205	264	262	300
60	67	57	145	114	115
61	51	53	24	34	55
62	15	21	19	20	30
63	14	22	16	30	16
64	14	11	34	5	14
65	33	21	21	46	47
66	8	15	2	7	18
67	3	1	1	4	3
68	1	0	0	0	1
69+	1	4	2	2	1
Female	108	84	153	140	185
60	50	38	101	85	86
61	28	25	17	19	47
62	5	6	9	8	12
63	3	1	3	6	11
64	4	2	11	9	3
65	14	5	5	7	17
66	3	7	3	4	7
67	0	0	0	1	1
68	0	0	1	0	0
69+	1	0	3	1	1
Mean Monthly Payment (BZ\$)					
Total	\$414	\$421	\$408	\$431	\$463
Male	\$399	\$400	\$394	\$427	\$460
Female	\$442	\$472	\$433	\$439	\$468

Source: Social Security Board

Note: Mean monthly payment refers to the average monthly cost per allowed claim.



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Table 3.12
Retirement Grants Awarded by Age, Sex and Mean Payment,
2008 - 2012

Age	Year				
	2008	2009	2010	2011r	2012p
Total	270	264	307	295	321
60	72	82	100	115	139
61	29	34	38	26	26
62	12	14	28	26	24
63	19	23	30	15	23
64	11	15	24	28	20
65	51	43	35	42	53
66	16	25	13	12	12
67	10	9	8	7	6
68	7	3	5	5	4
69+	43	16	26	19	14
Male	207	187	209	220	203
60	50	52	71	84	81
61	28	28	23	16	16
62	8	9	18	16	18
63	17	14	22	14	13
64	9	10	11	21	12
65	39	34	22	35	37
66	14	18	13	11	7
67	7	7	6	7	3
68	6	1	3	3	4
69+	29	14	20	13	12
Female	63	77	98	75	118
60	22	30	29	31	58
61	1	6	15	10	10
62	4	5	10	10	6
63	2	9	8	1	10
64	2	5	13	7	8
65	12	9	13	7	16
66	2	7	0	1	5
67	3	2	2	0	3
68	1	2	2	2	0
69+	14	2	6	6	2
Mean Payment (BZ\$)					
Total	\$2,861	\$3,277	\$2,957	\$3,120	\$3,230
Male	\$2,890	\$3,457	\$2,893	\$2,362	\$3,355
Female	\$2,766	\$2,844	\$3,095	\$3,379	\$3,013

Source: Social Security Board

Note: Mean payment refers to the average cost per allowed claim.



Table 3.13
¹Invalidity Pensioners at Year End by Age Group and Sex,
2008 - 2012

Age Group	Year				
	2008	2009	2010	2011r	2012p
Total	333	341	340	334	345
< 20	0	0	0	0	0
20 - 24	3	0	0	0	0
25 - 29	6	2	3	1	0
30 - 34	24	7	7	9	7
35 - 39	43	24	29	11	20
40 - 44	48	45	49	48	40
45 - 49	88	55	65	63	70
50 - 54	103	87	97	97	99
55 - 59	18	99	90	105	109
60 - 64	0	22	0	0	0
65+	0	0	0	0	0
Male	171	177	173	177	183
< 20	0	0	0	0	0
20 - 24	3	0	0	0	0
25 - 29	4	2	3	1	0
30 - 34	14	5	5	7	7
35 - 39	28	12	16	4	12
40 - 44	21	30	29	30	22
45 - 49	44	27	33	33	37
50 - 54	48	43	45	52	52
55 - 59	9	45	42	50	53
60 - 64	0	13	0	0	0
65+	0	0	0	0	0
Female	162	164	167	157	162
< 20	0	0	0	0	0
20 - 24	0	0	0	0	0
25 - 29	2	0	0	0	0
30 - 34	10	2	2	2	0
35 - 39	15	12	13	7	8
40 - 44	27	15	20	18	18
45 - 49	44	28	32	30	33
50 - 54	55	44	52	45	47
55 - 59	9	54	48	55	56
60 - 64	0	9	0	0	0
65+	0	0	0	0	0

Source: Social Security Board

¹ - Includes all persons declared by a medical board as permanently “incapable to work” as a result from a specific disease or bodily or mental disablement and are receiving a Social Security Invalidation Pension.



Table 3.14
Invalidity Grants Awarded by Sex, Total Payment and Mean Payment,
2008 - 2012

Selected Characteristics	Year				
	2008	2009	2010	2011r	2012p
Sex					
Total	38	27	31	65	49
Male	25	22	17	46	34
Female	13	5	14	19	15
Total Payment (BZ\$)	\$281,911	\$223,278	\$378,369	\$548,061	\$893,362
Male	\$212,351	\$195,531	\$238,243	\$310,561	\$657,564
Female	\$69,560	\$27,748	\$140,125	\$237,500	\$235,799
Mean Payment (BZ\$)	\$7,619	\$8,270	\$12,205	\$8,432	\$18,232
Male	6,736	8,848	14,014	6,751	19,340
Female	10,045	5,351	10,009	12,500	15,720

Source: Social Security Board

Note: Total Payment may not add up due to rounding.

Mean payment refers to the average cost per allowed claim.

Table 3.15
'Spouses Receiving Survivors' Pension at Year End by Sex and Mean Monthly Payment,
2008 - 2012

Selected Characteristics	Year				
	2008	2009	2010	2011r	2012p
Sex					
Total	855	907	989	1,011	1,116
Male	18	40	23	23	21
Female	837	867	966	988	1,095
Mean Monthly Payment (BZ\$)					
Total	\$179	\$184	\$198	\$205	\$211
Male	\$111	\$150	\$180	\$191	\$194
Female	\$181	\$186	\$198	\$206	\$211

Source: Social Security Board

¹ - Includes all persons classified as spouses in receipt of a Social Security Survivors' Pension.

Note: Mean monthly payment refers to the average monthly cost per allowed claim.



Table 3.16
Children Awarded Survivor's Pension by Age Group, Sex and
Mean Monthly Payment,
2008 - 2012

Age Group	Year				
	2008	2009	2010	2011r	2012p
Total	145	114	181	241	187
00 - 04	27	14	32	13	30
05 - 09	39	32	45	44	38
10 - 14	50	35	63	85	51
15 - 16	12	17	15	42	25
17 - 21	15	16	24	49	39
22+	2	0	2	8	4
Male	72	59	94	129	88
00 - 04	15	8	17	7	15
05 - 09	18	14	25	22	18
10 - 14	31	15	31	49	22
15 - 16	4	11	11	22	14
17 - 21	4	11	9	25	18
22+	0	0	1	4	1
Female	73	55	87	112	99
00 - 04	12	6	15	6	15
05 - 09	21	18	20	22	20
10 - 14	19	20	32	36	29
15 - 16	8	6	4	20	11
17 - 21	11	5	15	24	21
22+	2	0	1	4	3
Mean Monthly Payment (BZS)	\$107	\$106	\$124	\$114	\$118

Source: Social Security Board

Note: Mean monthly payment refers to the average monthly cost per allowed claim.



Table 3.17
¹Children Receiving Survivors' Pension at Year End
by Age Group, Sex and Mean Monthly Payment,
2008 - 2012

Age Group	Year				
	2008	2009	2010	2011r	2012p
Total	1,174	1,259	1,479	1,265	1,402
00 - 04	91	80	64	53	67
05 - 09	261	250	228	236	229
10 - 14	451	456	441	479	462
15 - 16	168	194	200	206	241
17 - 21	189	258	518	211	308
22+	14	21	28	80	95
Male	595	641	750	636	696
00 - 04	50	43	34	29	39
05 - 09	127	124	119	121	117
10 - 14	226	220	215	241	226
15 - 16	84	105	98	102	119
17 - 21	100	136	268	112	154
22+	8	13	16	31	41
Female	579	618	729	629	706
00 - 04	41	37	30	24	28
05 - 09	134	126	109	115	112
10 - 14	225	236	226	238	236
15 - 16	84	89	102	104	122
17 - 21	89	122	250	99	154
22+	6	8	12	49	54
Mean Monthly Payment (BZ\$)	\$88	\$89	\$92	\$103	\$106

Source: Social Security Board

¹ - Includes all persons classified as dependent children as per Act in receipt of a Social Security Survivors' Benefit.

Note: Mean monthly payment refers to the average monthly cost per allowed claim.



Table 3.18
¹DIP by Number of Surviving Orphans by Sex and Year,
2008 - 2012

Number of Orphans	Year				
	2008	2009	2010	2011r	2012p
Total	102	108	123	151	191
1	24	24	27	28	41
2	19	26	30	42	48
3	20	10	30	15	51
4	17	13	16	28	36
5	9	3	2	20	15
6	6	18	18	18	0
7	7	14	0	0	0

Source: Social Security Board

¹ - Dead Insured Persons who met the requirements to receive a Retirement or Invalidation Pension.

Table 3.19
¹DIP by Number of Surviving Spouses by Sex and Year,
2008 - 2012

Sex	Year				
	2008	2009	2010	2011r	2012p
Total	95	88	116	117	124
Male	0	2	0	0	0
Female	95	86	116	117	124

Source: Social Security Board

¹ - Dead Insured Persons who met the requirements to receive a Retirement or Invalidation Pension.

Table 3.20
¹DIP by Number of Surviving Parents by Sex and Year,
2008 - 2012

Number of Parents	Year				
	2008	2009	2010	2011r	2012p
Total	5	5	0	0	0
1	3	5	0	0	0
2	2	0	0	0	0
Male	1	2	0	0	0
1	0	2	0	0	0
2	1	0	0	0	0
Female	4	3	0	0	0
1	3	3	0	0	0
2	1	0	0	0	0

Source: Social Security Board

¹ - Dead Insured Persons who met the requirements to receive a Retirement or Invalidation Pension.



Table 3.21
Survivors' Grant Awarded to Beneficiaries by
Age Group, Sex and Mean Payment,
2008 - 2012

Age Group	Year				
	2008	2009	2010	2011r	2012p
Total	169	204	258	249	325
<20	103	139	192	154	213
20 - 29	12	11	9	20	25
30 - 39	13	16	17	23	27
40 - 49	17	17	15	21	31
50 - 59	12	16	15	27	22
60+	12	5	10	4	7
Male	54	77	79	90	124
<20	50	74	75	75	116
20 - 29	1	3	0	1	3
30 - 39	0	0	0	5	1
40 - 49	1	0	2	2	2
50 - 59	0	0	1	6	2
60+	2	0	1	1	0
Female	115	127	179	159	201
<20	53	65	117	79	97
20 - 29	11	8	9	19	22
30 - 39	13	16	17	18	26
40 - 49	16	17	13	19	29
50 - 59	12	16	14	21	20
60+	10	5	9	3	7
Mean Payment (BZ\$)	\$3,540	\$3,885	\$4,962	\$4,071	\$4,656

Source: Social Security Board

Note: Mean payment refers to the average cost per allowed claim.



Table 3.22
Disablement Pension Awarded to Beneficiaries by Degree of
Disability in Percent, Sex and Mean Monthly Payment,
2008 - 2012

Degree of Disability (%)	Year				
	2008	2009	2010	2011r	2012p
Total	12	16	12	13	9
25.00 - 29.99	2	2	2	3	2
30.00 - 39.99	5	5	4	2	4
40.00 - 49.99	2	2	2	3	1
50.00 - 59.99	0	4	0	0	1
60+	3	3	4	5	1
Male	11	16	11	12	9
25.00 - 29.99	1	2	2	3	2
30.00 - 39.99	5	5	3	2	4
40.00 - 49.99	2	2	2	2	1
50.00 - 59.99	0	4	0	0	1
60+	3	3	4	5	1
Female	1	0	1	1	0
25.00 - 29.99	1	0	0	0	0
30.00 - 39.99	0	0	1	0	0
40.00 - 49.99	0	0	0	1	0
50.00 - 59.99	0	0	0	0	0
60+	0	0	0	0	0
Mean Monthly Payment (BZ\$)					
Total	\$355	\$248	\$242	\$287	\$212
Male	\$370	\$248	\$249	\$294	\$212
Female	\$188	\$0	\$188	\$202	\$0

Source: Social Security Board

Note: Mean monthly payment refers to the average monthly cost per allowed claim.



Table 3.23
¹Disablement Pensions at Year End by Selected Characteristics,
2008 - 2012

Age Group	Year				
	2008	2009	2010	2011r	2012p
Total	401	405	417	426	439
< 20	0	1	0	1	2
20 - 29	22	24	25	26	29
30 - 39	69	73	72	68	62
40 - 49	114	114	120	113	117
50 - 59	107	104	109	112	119
60+	89	89	91	106	110
Male	374	377	392	400	412
< 20	0	0	0	1	2
20 - 29	20	22	23	24	27
30 - 39	67	70	70	65	59
40 - 49	108	109	113	110	113
50 - 59	98	95	102	102	110
60+	81	81	84	98	101
Female	27	28	25	26	27
< 20	0	1	0	0	0
20 - 29	2	2	2	2	2
30 - 39	2	3	2	3	3
40 - 49	6	5	7	3	4
50 - 59	9	9	7	10	9
60+	8	8	7	8	9
Mean Monthly Payment (BZ\$)					
Total	\$219	\$221	\$225	\$225	\$224
Male	\$220	\$222	\$228	\$226	\$225
Female	\$202	\$203	\$192	\$207	\$208

Source: Social Security Board

¹ - Includes all persons classified as having a work disability that are in receipt of a Social Security Income.

Note: Mean monthly payment refers to the average monthly cost per allowed claim.



Table 3.24
Disablement Grants Awarded by Degree of Disability in Percent,
Sex and Mean Payment,
2008 - 2012

Degree of Disability (%)	Year				
	2008	2009	2010	2011r	2012p
Total	82	148	113	113	101
00.00 - 04.99	73	75	60	63	51
05.00 - 09.99	47	39	29	33	26
10.00 - 14.99	19	18	15	12	14
15.00 - 19.99	5	7	7	5	7
20.00 - 24.99	4	9	2	0	3
Male	140	142	104	105	95
00.00 - 04.99	69	71	53	60	48
05.00 - 09.99	44	38	28	30	25
10.00 - 14.99	19	18	14	11	12
15.00 - 19.99	4	7	7	4	7
20.00 - 24.99	4	8	2	0	3
Female	8	6	9	8	6
00.00 - 04.99	4	4	7	3	3
05.00 - 09.99	3	1	1	3	1
10.00 - 14.99	0	0	1	1	2
15.00 - 19.99	1	0	0	1	0
20.00 - 24.99	0	1	0	0	0
Mean Payment (BZ\$)					
Total	\$3,333	\$3,730	\$3,222	\$2,876	\$3,550
Male	\$3,370	\$3,747	\$3,376	\$2,837	\$3,596
Female	\$2,685	\$3,337	\$1,439	\$3,454	\$2,815

Source: Social Security Board

Note: Mean payment refers to the average cost per allowed claim.

Table 3.25
Survivors' Benefit Awarded to Children for Death Benefit
by Sex and Mean Monthly Payment,
(Death due to Employment Injury)
2008 - 2012

Selected Characteristics	Year				
	2008	2009	2010	2011r	2012p
Sex					
Total	14	27	21	18	19
Male	6	12	11	11	10
Female	8	15	10	7	9
Mean Monthly Payment (BZ\$)	\$170	\$161	\$173	\$167	\$169

Source: Social Security Board

Note: Mean monthly payment refers to the average monthly cost per allowed claim.



Table 3.26
'Survivors' Benefit at Year End for Children Receiving Death Benefit
by Age Group, Sex and Mean Monthly Payment,
(Death due to Employment Injury)
2008 - 2012

Age Group	Year				
	2008	2009	2010	2011r	2012p
Total	219	225	239	244	226
00 - 04	12	9	11	12	9
05 - 09	44	48	41	41	25
10 - 14	63	74	76	87	88
15 - 16	31	31	30	30	42
17 - 21	69	63	81	74	62
Male	112	118	130	133	120
00 - 04	4	2	5	6	6
05 - 09	24	27	23	20	11
10 - 14	36	42	45	52	47
15 - 16	13	15	14	15	28
17 - 21	35	32	43	40	28
Female	107	107	109	111	106
00 - 04	8	7	6	6	3
05 - 09	20	21	18	21	14
10 - 14	27	32	31	35	41
15 - 16	18	16	16	15	14
17 - 21	34	31	38	34	34
Mean Monthly Payment (BZ\$)	\$120	\$127	\$126	\$136	\$141

Source: Social Security Board

¹ - Includes all children in receipt of a Social Security Death Benefit.

Note: Mean monthly payment refers to the average monthly cost per allowed claim.

Table 3.27
'Survivors' Benefit at Year End for Spouses Receiving
Death Benefit by Sex and Mean Monthly Payment,
(Death due to Employment Injury)
2008 - 2012

Selected Characteristics	Year				
	2008	2009	2010	2011r	2012p
Sex					
Total	108	110	107	106	112
Male	0	0	0	0	0
Female	108	110	107	106	112
Mean Monthly Payment (BZ\$)	\$283	\$296	\$313	\$328	\$331

Source: Social Security Board

¹ - Includes all persons classified as spouses receiving a Social Security Death Benefit.

Note: Mean monthly payment refers to the average monthly cost per allowed claim.



Table 3.28
Employment Injury by Nature of Injury,
2008 - 2012

Nature of Injury	Year				
	2008	2009	2010	2011r	2012p
Total	2,521	2,243	1,955	1,761	1,782
Open wounds and injury to blood vessels	789	688	682	709	723
Other injuries, early complications of trauma	961	798	618	435	327
Dislocations, sprains and strains	273	291	239	236	320
Fractures	172	157	137	146	161
Foreign bodies entering orifice	145	138	102	80	90
Late effects of injuries, poisoning, toxic effects and other external causes	34	26	50	39	57
Intercranial and internal injuries, including nerves	72	75	83	56	53
Burns	54	46	42	39	42
Poisoning and toxic effects	7	13	0	5	3
Complications of medical and surgical care	0	1	0	0	0
Missing Codes	14	10	2	16	6

Source: Social Security Board



Table 3.29
Employment Injury by Industry and Cause,
2008 - 2012

Selected Characteristics	Year				
	2008	2009	2010	2011r	2012p
Total	2,521	2,243	1,955	1,761	1,782
Industry					
Agriculture, Hunting and Forestry	797	736	745	651	681
Construction	507	406	240	216	225
Manufacturing	271	248	204	198	166
Wholesale and Retail Trade, Repair of Motor Vehicles and Motorcycles	177	177	152	138	134
Hotels and Restaurants	137	128	101	119	127
Public Administration	98	117	114	97	100
Transport, Storage and Communications	104	66	59	57	58
Real Estate, Renting and Business Activities	76	91	71	56	56
Other Community, Social and Personal Activities	75	50	56	38	54
Health and Social Work	61	71	61	53	49
Fishing	54	44	39	23	35
Private Households with Employed Persons	29	22	24	19	28
Education	27	28	26	27	22
Electricity, Gas and Water Supply	21	13	38	33	21
Mining and Quarrying	65	28	15	14	15
Financial Intermediation	12	14	5	9	8
Extra-Territorial Organizations and Bodies	3	0	1	1	0
Do Not Know or Not Stated	7	4	4	12	3
Cause					
Other Accidents Including Late Effects	1,525	1,389	1,343	1,262	1,196
Accidental Falls	692	601	445	361	435
Transport Accidents	139	164	116	83	99
Accidental Poisoning	102	11	10	8	15
Accidents Caused by Fire or Flames	15	28	7	20	14
Other Violence	19	33	23	8	6
Homicide and Injury Purposefully Inflicted by Other Persons	9	8	2	5	6
Misadventures During Medical Care	1	0	0	0	1
Missing Codes	19	9	9	14	10

Source: Social Security Board



Table 3.30
Number of Non-contributory Pensioners at Year End by District and Sex,
2008 - 2012

District	Year				
	2008	2009	2010	2011r	2012p
Total	4,657	4,297	3,992	3,711	3,396
Corozal	742	654	680	587	540
Orange Walk	954	893	771	776	710
Belize City	1,020	981	949	797	673
Cayo	1,041	929	827	813	772
Stann Creek	423	425	362	371	352
Toledo	477	415	403	367	349
Female	2,941	2,790	2,654	2,457	2,236
Corozal	454	403	413	364	333
Orange Walk	522	520	459	464	430
Belize City	759	709	710	589	486
Cayo	629	611	568	550	524
Stann Creek	297	285	246	252	238
Toledo	280	262	258	238	225
Male	1,716	1,507	1,338	1,254	1,160
Corozal	288	251	267	223	207
Orange Walk	432	373	312	312	280
Belize City	261	272	239	208	187
Cayo	412	318	259	263	248
Stann Creek	126	140	116	119	114
Toledo	197	153	145	129	124

Source: Social Security Board and Statistical Institute of Belize

Table 3.31
Total Expenditure, Non-contributory Pensioners by Branch,
2008 - 2012
(BZ\$)

Branch	Year				
	2008	2009	2010	2011r	2012p
Total	\$5,094,100	\$4,702,520	\$4,440,000	\$4,121,100	\$3,752,700
Belize City	\$1,003,500	\$978,300	\$913,800	\$801,400	\$698,300
Belmopan	\$330,900	\$306,520	\$287,400	\$277,000	\$257,500
Corozal	\$769,300	\$744,200	\$712,600	\$667,600	\$611,500
Dangriga	\$362,400	\$312,700	\$295,600	\$276,900	\$252,300
Independence	\$117,800	\$146,900	\$150,300	\$145,700	\$140,800
Orange Walk	\$1,123,800	\$1,009,500	\$937,000	\$864,100	\$778,100
Punta Gorda	\$517,600	\$462,800	\$442,100	\$418,000	\$391,800
San Pedro	\$29,600	\$29,200	\$28,800	\$26,800	\$22,600
Santa Elena	\$839,200	\$712,400	\$672,400	\$643,600	\$599,800

Source: Social Security Board

Note: NCP Expenditure includes total payment made for all approved NCP recipients during January - December in reference year.



STATISTICAL ABSTRACT 2012

Table 3.32
Number of Non-contributory Pensioners by Year by District and Age Group,
2009 - 2012

Age Group	District						Total
	Corozal	Orange Walk	Belize	Cayo	Stann Creek	Toledo	
2009							
Total	654	893	981	929	425	415	4,297
65 - 69	117	160	115	126	48	61	627
70 - 74	176	226	229	226	125	114	1,096
75 - 79	146	212	259	230	114	114	1,075
80 - 84	109	170	178	194	77	76	804
85 - 89	68	88	110	99	42	27	434
90 - 94	26	24	62	40	12	15	179
95 - 99	12	11	20	11	5	6	65
100 & Over	0	2	8	3	2	2	17
2010							
Total	680	771	949	827	362	403	3,992
65 - 69	76	116	76	93	36	43	440
70 - 74	199	210	229	198	95	109	1,040
75 - 79	151	197	258	208	114	109	1,037
80 - 84	129	141	180	183	57	84	774
85 - 89	73	68	108	87	38	33	407
90 - 94	40	29	62	41	17	18	207
95 - 99	10	7	30	14	4	5	70
100 & Over	2	3	6	3	1	2	17
2011r							
Total	587	776	797	813	371	367	3,711
65 - 69	47	81	50	74	27	28	307
70 - 74	183	218	190	184	88	104	967
75 - 79	128	195	198	201	129	100	951
80 - 84	124	154	178	187	64	75	782
85 - 89	66	82	103	111	42	34	438
90 - 94	28	33	53	40	17	18	189
95 - 99	8	9	22	11	3	6	59
100 & Over	3	4	3	5	1	2	18
2012p							
Total	540	710	677	774	349	346	3,396
65 - 69	28	46	34	48	19	19	194
70 - 74	161	215	150	185	84	81	876
75 - 79	133	176	185	186	120	106	906
80 - 84	122	140	149	185	65	83	744
85 - 89	61	90	91	104	35	36	417
90 - 94	28	29	43	48	22	16	186
95 - 99	6	10	23	15	3	3	60
100 & Over	1	4	2	3	1	2	13

Source: Social Security Board



Table 3.33
Appeals Heard by an Appeal Tribunal by Branch Office, Benefit
and Outcome of Appeal,
2008 - 2012

Selected Characteristics	Year				
	2008	2009	2010	2011r	2012p
Branch Office	41	40	47	45	53
Corozal	1	13	3	8	5
Orange Walk	2	5	5	3	6
Belize	16	7	14	12	22
San Pedro	3	0	2	1	3
Belmopan	8	4	7	8	6
Santa Elena	8	7	7	4	5
Dangriga	1	2	6	3	1
Independence	0	0	1	2	2
Punta Gorda	2	2	2	4	3
Benefit	41	40	47	45	53
Short Term	12	10	15	8	18
Sickness	10	6	10	5	14
Maternity Allowance	2	4	5	2	3
Maternity Grant	0	0	0	1	1
Long Term	12	9	11	12	14
Retirement	2	0	3	0	4
Survivors	2	4	4	8	6
Invalidity	7	5	3	2	4
Funeral Grant (NC)	1	0	1	2	0
Employment Injury	17	21	21	25	21
Injury	12	12	10	18	13
Disablement	5	9	11	7	7
Death Benefit	0	0	0	0	1
Funeral Grant (EI)	0	0	0	0	0
Outcome of Appeal	41	40	47	45	53
Ruling for SSB	30	29	31	26	28
Ruling for Appellant	2	1	12	9	15
Cases Pending/adjourned	9	10	4	10	8
Abandoned/Withdrawn	0	0	0	0	2

Source: Social Security Board



NATIONAL HEALTH INSURANCE (NHI)

This section presents data on National Health Insurance (NHI) Membership, Expenditure, Primary Care Providers, Patients Getting Prescription, Patients Getting Lab Referral, Patients Getting Imaging Referral, and Most Common Medication & Laboratory Test. The main source of data is the NHI Services databases.

In August 2001, the Government of Belize implemented the NHI Pilot project in the South Side of Belize City. This was part of the overall Health Sector Reform project which had as one of its primary objectives the delivery of quality primary health care that is accessible to the population in an equitable, sustainable and efficient manner. In 2006, the NHI program was rolled out to the Southern Region of Belize, namely, Stann Creek and Toledo District. Initial financing of the Scheme came from SSB but eventually Government began to take up an ever increasing portion of the budgetary commitment. In 2009, the NHI became fully funded by the Government of Belize.

The evaluation of the Pilot Project and subsequent assessments have provided solid evidence that the NHI Scheme has had significant impact on the quality and accessibility of primary care service delivery for the people of the South Side Belize City and the Southern Region. The Pay for Performance Scheme has been successful in stimulating productivity and quality in both private and public medical care providers.



Table 4.1
NHI Membership by Primary Care Providers,
2008 - 2012

Primary Care Providers	Year				
	2008	2009	2010	2011r	2012p
Total	81,129	87,192	91,041	94,847	96,281
Southside Belize City	42,922	44,686	46,069	47,146	48,580
Belize Family Life Association	8,451	9,270	10,069	11,146	11,880
Belize Health Care Partners	12,000	12,000	12,000	12,000	12,000
Belize Medical Associates	10,471	11,416	12,000	12,000	12,000
Matron Roberts Clinic	12,000	12,000	12,000	12,000	12,000
Mercy Clinic	0	3,000	3,000	3,000	700
Southern Region	38,207	42,506	44,972	47,701	47,701
Dangriga	9,912	11,558	12,642	14,000	14,000
Independence	11,413	12,280	12,631	12,731	12,731
Punta Gorda	8,944	9,995	10,646	11,500	11,500
San Antonio	7,938	8,673	9,053	9,470	9,470

Source: NHI, Social Security Board

Table 4.2
Percent of NHI Patients Receiving Prescription by Primary Care Providers,
2008 - 2012

Primary Care Providers	Year				
	2008	2009	2010	2011r	2012p
Southside Belize City					
Belize Family Life Association	85%	85%	84%	84%	85%
Belize Health Care Partners	83%	87%	89%	87%	85%
Belize Medical Associates	78%	84%	85%	84%	86%
Matron Roberts Health Clinic	80%	80%	82%	60%	49%
Mercy Clinic	0%	93%	98%	98%	96%
Southern Region					
Dangriga	88%	86%	86%	84%	83%
Independence	92%	83%	87%	86%	89%
Punta Gorda	92%	92%	91%	92%	91%
San Antonio	92%	97%	98%	96%	93%

Source: NHI, Social Security Board



Table 4.3
Percent of NHI Patients Receiving Lab Referral by Primary Care Providers,
2008 - 2012

Primary Care Providers	Year				
	2008	2009	2010	2011r	2012p
Southside Belize City					
Belize Family Life Association	45%	53%	70%	62%	55%
Belize Health Care Partners	44%	50%	62%	59%	46%
Belize Medical Associates	55%	59%	71%	61%	58%
Matron Roberts Health Clinic	36%	45%	54%	53%	51%
Mercy Clinic	0%	37%	78%	90%	78%
Southern Region					
Dangriga	15%	9%	17%	21%	18%
Independence	2%	1%	3%	4%	4%
Punta Gorda	28%	26%	32%	27%	29%
San Antonio	10%	14%	17%	15%	15%

Source: NHI, Social Security Board

Table 4.4
Percent of NHI Patients Receiving Imaging Referral by Primary Care Providers,
2008 - 2012

Primary Care Providers	Year				
	2008	2009	2010	2011r	2012p
Southside Belize City					
Belize Family Life Association	29%	34%	40%	37%	27%
Belize Health Care Partners	30%	28%	32%	34%	25%
Belize Medical Associates	36%	34%	41%	40%	27%
Matron Roberts Health Clinic	24%	28%	30%	39%	38%
Mercy Clinic	0%	0%	37%	49%	34%
Southern Region					
Dangriga	8%	5%	12%	13%	12%
Independence	0%	0%	0%	0%	0%
Punta Gorda	9%	12%	16%	13%	10%
San Antonio	5%	12%	13%	10%	8%

Source: NHI, Social Security Board



Table 4.5
Mean Number of Consultations Per Patient by Primary Care Providers,
2008 - 2012

Primary Care Providers	Year				
	2008	2009	2010	2011r	2012p
Grand Mean	3.5	3.5	3.8	3.7	3.6
Southside Belize City	3.9	4.2	4.7	4.6	4.4
Belize Family Life Association	4.3	4.5	5.0	4.9	4.6
Belize Health Care Partners	3.8	4.0	4.5	4.3	4.1
Belize Medical Associates	4.4	4.6	5.0	4.7	4.4
Matron Roberts Health Clinic	3.1	3.4	3.9	3.9	4.0
Mercy Clinic	0.0	1.5	7.3	7.3	8.0
Southern Region	3.2	2.8	3.0	2.9	2.9
Dangriga	2.8	2.5	2.8	2.8	2.8
Independence	4.1	2.7	3.1	2.6	2.8
Punta Gorda	3.1	3.0	3.2	3.2	3.2
San Antonio	2.4	3.2	3.1	2.9	2.7

Source: NHI, Social Security Board

Table 4.6
NHI Ten Most Common Primary Diagnosis by Frequency,
2010 - 2012

Primary Diagnosis	Year					
	2010		2011r		2012p	
	Quantity	%	Quantity	%	Quantity	%
Total	139,893	100.0	132,725	100.0	124,719	100.0
Primary Diagnosis						
Acute Respiratory Infections	23,191	16.6	22,384	16.9	24,293	19.5
Maternal Care	15,935	11.4	15,237	11.5	16,147	12.9
Hypertension	12,844	9.2	12,800	9.6	13,097	10.5
Normal examinations	8,511	6.1	9,526	7.2	12,812	10.3
Diabetes	5,967	4.3	5,703	4.3	5,903	4.7
Immunizations	4,569	3.3	3,848	2.9	4,947	4.0
Urinary Tract Infections	4,442	3.2	3,661	2.8	3,454	2.8
Diarrhoeal Disease	3,972	2.8	3,089	2.3	2,974	2.4
Hypercholesterolemia	2,000	1.4	0	0.0	0	0.0
Scabies	1,626	1.2	0	0.0	0	0.0
Gastritis	0	0.0	1,407	1.1	1,344	1.1
Headache	0	0.0	1,357	1.0	1,482	1.2
Other	56,836	40.6	53,713	40.5	38,266	30.7

Source: NHI, Social Security Board



Table 4.7
NHI Most Common Medication & Laboratory Test by
Expenditure,
2010
(BZ\$)

	Year
Medication & Laboratory Test	2010
Medication	<u>\$1,781,386</u>
Metformin Oral 500mg	<u>\$279,465</u>
Acetylsalicylic Acid Oral 81mg	<u>\$258,212</u>
Glibenclamide Oral 5mg	<u>\$242,891</u>
Hydrochlorothiazide Oral 25 mg	<u>\$135,518</u>
Vitamin B-Complex Oral	<u>\$141,823</u>
Enalapril (Ace Inhibitor) Oral 20mg Tablet	<u>\$101,155</u>
Capsules Nifedipine Oral 10mg Capsule	<u>\$118,875</u>
Captopril 25mg	<u>\$145,647</u>
Paracetamol / Acetaminophen Tablets 500mg	<u>\$191,150</u>
Atorvastatin Oral 10mg	<u>\$166,650</u>
Laboratory Test	<u>\$1,085,964</u>
Lipids	<u>\$231,610</u>
Complete Body Count (CBC) with Differential*	<u>\$149,148</u>
HIV-1 Antibody Screen	<u>\$147,560</u>
Microalbuminuria*	<u>\$119,280</u>
Urinalysis	<u>\$98,376</u>
Glucose Fasting or Random*	<u>\$74,640</u>
Dengue Fever	<u>\$71,560</u>
Hemoglobin A1c	<u>\$68,110</u>
Cyropath, Pap	<u>\$63,580</u>
Prostate, Specific Antigen*	<u>\$62,100</u>

Source: NHI, Social Security Board



Table 4.8

**NHI Most Common Medication & Laboratory Test by Expenditure,
2011
(BZ\$)**

Medication & Laboratory Test	Year 2011r
Medication	\$663,691
Enalapril (Ace Inhibitor) Oral 20mg Tablet	\$102,337
Atorvastatin Oral 20mg	\$87,502
Co-Amoxiclav Oral 500/125 mg/5ml	\$84,231
Metformin Oral 500mg	\$80,722
Atorvastatin Oral 10mg	\$64,939
Losartan oral 50mg tablets	\$58,994
Glibenclamide Oral 5mg	\$52,103
Co-Amoxiclav Oral 250/62.5 mg/5ml	\$46,368
Ciprofloxacin oral 500 mg	\$45,120
Injection 70/30 insulin 100iu/ml vial 10 ml	\$41,376
Laboratory Test	\$819,483
Lipids	\$142,300
Complete Body Count (CBC) with Differential*	\$110,467
Microalbuminuria*	\$106,485
HIV-1 Antibody Screen	\$96,690
Urinalysis	\$76,983
Hemoglobin A1c	\$69,519
Cyropath, Pap	\$59,348
Prostate, Specific Antigen*	\$53,569
Glucose Tolerance Test	\$53,157
Chemistry 6 Pane* 1	\$50,966

Source: NHI, Social Security Board



Table 4.9
NHI Most Common Medication & Laboratory Test by
Expenditure,
2012
(BZ\$)

Medication & Laboratory Test	Year
	2012p
Medication	\$586,155
Enalapril (Ace Inhibitor) Oral 20mg Tablet	\$99,070
Atorvastatin Oral 20mg	\$83,747
Metformin Oral 500mg	\$66,348
Losartan oral 50mg tablets	\$65,557
Co-Amoxiclav Oral 500/125 mg/5ml	\$50,308
Losartan oral 100mg tablets	\$45,364
Atorvastatin Oral 10mg	\$44,640
Amlodipine Oral 10mg (per tablet)	\$44,373
Injection 70/30 insulin 100iu/ml vial 10 ml	\$43,872
Glibenclamide Oral 5mg	\$42,876
Laboratory Test	\$604,294
Microalbuminuria*	\$134,900
Lipids	\$96,635
HIV-1 Antibody Screen	\$62,425
Hemoglobin A1c	\$59,230
Urinalysis	\$52,569
Complete Body Count (CBC) with Differential*	\$43,413
Cyropath, Pap	\$42,355
Glucose Fasting or Random*	\$41,641
Prostate, Specific Antigen*	\$37,790
Creatinine Serum	\$33,336

Source: NHI, Social Security Board



INVESTMENTS

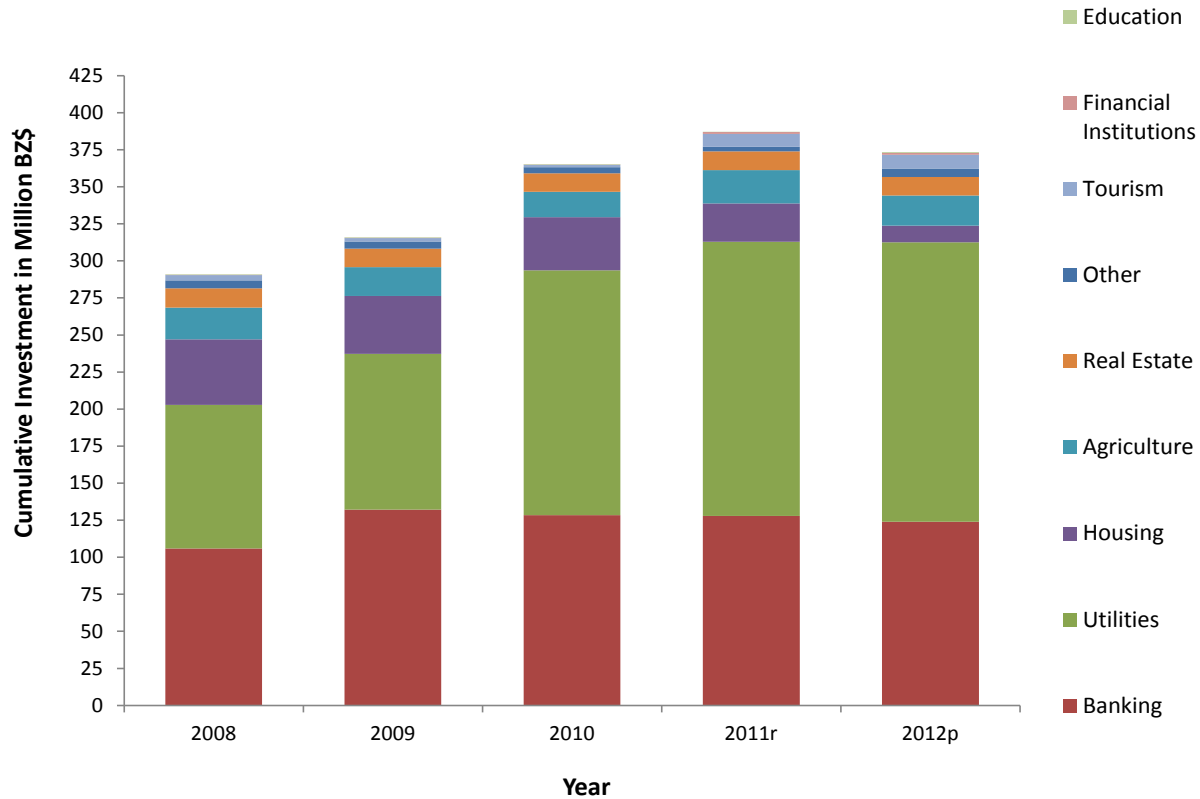
This section presents data on investments, investment income, investment per capita, inflation rate, and rates of return on investments. The main source of data is the Social Security Board's Investment Services databases. The only exceptions are the data on inflation rate and on population which were gotten from the SIB.

Investments made by SSB play a major role in sustaining and developing Belize's economy. SSB investments are made in a wide spectrum of Belize's economic sectors and are based on the type of economic activity carried out by the investment recipient. These economic sectors include: Banking, Agriculture, Education, Housing, Utilities, Tourism, Financial Institutions, Real Estate and Other. SSB generates revenue from contributions made by the insured persons. Contributions collected are used to meet operating expenses and to payout benefits expenditure; any surplus is invested as per stipulation and guidelines of the Act.

In this section, investment data were presented yearly and cumulatively. Investments are the total investments made in a particular year while the total investment as at December 31 is the increase in the investment by successive yearly additions.

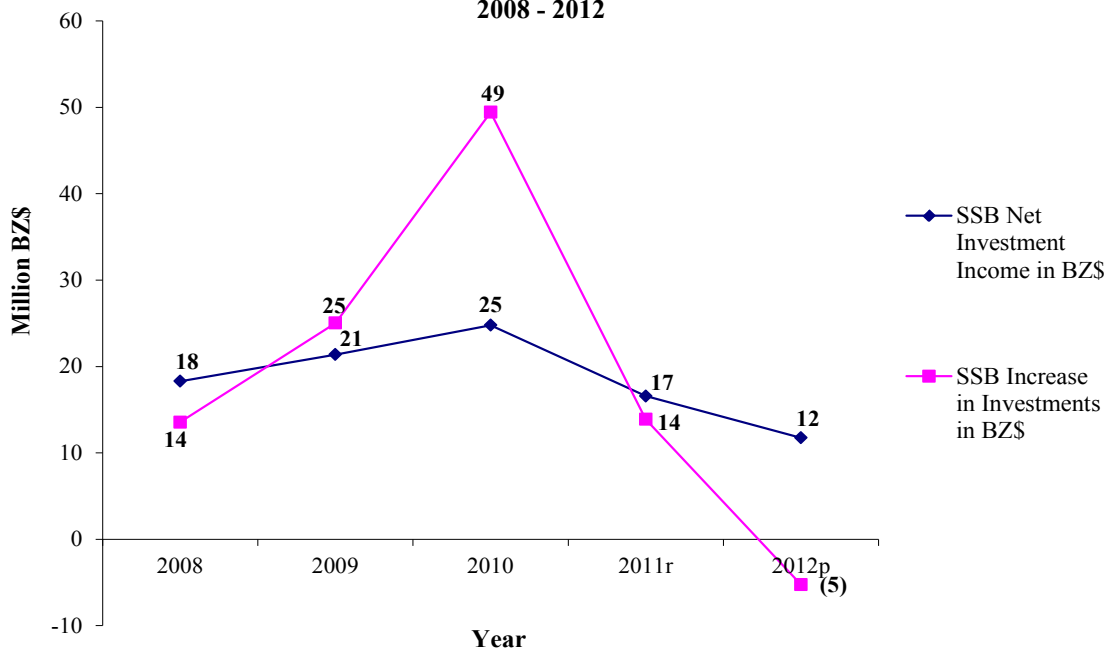


Chart 4
Investment by Sector as at December 31,
2008 - 2012



Source: Social Security Board

Chart 5
SSB Increase in Investments & Net Investment Income,
2008 - 2012



Source: Social Security Board



Table 5.1
Investment Portfolio Allocations by Sector as at December 31,
2008 - 2012
(BZ\$)

SECTOR	2008		2009		2010		2011r		2012p	
	Quantity	%	Quantity	%	Quantity	%	Quantity	%	Quantity	%
Total	\$284,984,237	100.0	\$310,011,399	100.0	\$359,458,403	100.0	\$373,344,565	100.0	\$368,082,110	100.0
Utilities	\$97,055,793	34.1	\$105,124,033	33.9	\$165,277,523	46.0	\$185,027,972	49.6	\$188,650,207	51.3
Banking	\$105,837,546	37.1	\$132,209,411	42.6	\$128,364,024	35.7	\$127,918,402	34.3	\$123,964,963	33.7
Housing	\$44,121,456	15.5	\$38,962,659	12.6	\$35,934,629	10.0	\$25,847,023	6.9	\$11,139,625	3.0
Agriculture	\$21,487,207	7.5	\$19,459,052	6.3	\$17,002,929	4.7	\$22,540,974	6.0	\$20,427,239	5.5
Real Estate	\$12,938,751	4.5	\$12,575,337	4.1	\$12,598,049	3.5	\$12,533,449	3.4	\$12,480,049	3.4
Other	\$5,474,718	1.9	\$4,753,927	1.5	\$3,999,362	1.1	\$3,156,520	0.8	\$5,691,178	1.5
Tourism	\$3,535,576	1.2	\$2,390,877	0.8	\$1,749,478	0.5	\$8,647,452	2.3	\$9,268,576	2.5
Education	\$381,146	0.1	\$339,213	0.1	\$292,519	0.1	\$243,533	0.1	\$581,956	0.2
Financial Institutions	\$152,490	0.1	\$152,490	0.0	\$170,890	0.0	\$1,216,965	0.3	\$1,244,565	0.3
Less Provision for Loss on Investment	(\$6,000,446)	(2.1)	(\$5,955,600)	(1.9)	(\$5,931,000)	(1.6)	(\$13,787,725)	(3.7)	(\$5,366,248)	(1.5)

Source: Social Security Board



Table 5.2
Investment Indicators,
2008 - 2012

Indicators	Year				
	2008	2009	2010	2011r	2012p
Population Estimate	322,100	333,200	312,971	332,084	338,936
Investment (BZ\$)	\$284,984,237	\$310,011,399	\$359,458,403	\$373,344,566	\$368,082,110
Increase in Investments (BZ\$)	\$13,556,988	\$25,027,162	\$49,447,004	\$13,886,163	(\$5,262,456)
Net Investment Income (BZ\$)	\$18,298,240	\$21,378,171	\$24,784,437	\$16,582,122	\$11,742,837
Investment Per Capita (BZ\$)	42.09	75.11	157.99	41.82	(15.53)
Investment Income Per Capita (BZ\$)	56.81	64.16	79.19	49.93	34.65
Inflation Rate	6.4	(1.1)	0.9	1.7	1.2
Nominal Rate of Return on Investments in Percent	6.8	7.5	7.7	4.6	3.2
Real Rate of Return on Investments in Percent	0.4	8.6	6.7	2.9	2.0

Source: Social Security Board and Statistical Institute of Belize



ACTUARIAL REVIEW SUMMARY 2012

Hernando Pérez Montás

Actuarial Consultant

31 July, 2013.



SOCIAL SECURITY BOARD



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Glossary of Terms

Adapted from the ILO/ISSA publication “Actuarial Practice in Social Security”, Plamondon, Drouin, Pérez Montás, etc. (2002)

Assessment of Constituent Capitals

A financial system applied to employment injury benefits under which the annual cost of the scheme is determined as the present value of all future payments relative to pensions awarded during that year. Under that system, a reserve is continuously maintained equal to the present value of pensions in payment. This is sometimes designated as “terminal funding” system of finance.

Defined-benefit scheme

A scheme under which the benefit is a defined amount, which depends on the number of contributions or insurance years and on the amount of insurable earnings.

Defined-contributions scheme

A pension plan under which contributions are paid to an “individual account” for each participant. The retirement pension is “undefined” and is dependent on the capitalized balance and the value of annuities at retirement, usually through for-profit entities (financial institutions or insurance companies).

Financial system

The systematic arrangement for raising the resources necessary to meet the financial obligations of a scheme. This is an expression often used to refer to the selected method of financing long-term pensions under a defined-benefit scheme (pay-as-you-go, partial funding or full funding).

Level or average premium

A financial system based on a theoretical constant contribution rate that can be applied indefinitely or for the projection period. It is calculated by equating the present value of projected future contributions of active insured persons and new entrants, plus the value of existing reserves, to the present value of projected future benefit and administration expenses.

Pay-as-you-go rate (PAYG)

The ratio of the total expenditure of a scheme to the sum of insurable earnings of that scheme. The PAYG financial system is usually applied to short-term benefits.

Period of equilibrium

As stated below in “scaled premium system”, in actuarial valuations of a national pension scheme, the period of equilibrium measures the number of years when reserves will be increasing. At the end of the period of equilibrium income from contributions and investments equal benefit and administrative expenditure, according to the actuarial assumptions. Without an adjustment to the contribution rate, assets will need to be liquidated to pay current expenditure and reserves will begin to decrease.



Scaled premium system

A financial system for pensions under which contribution rates are increased throughout the life-cycle of a pension scheme on a step-by-step basis (where the duration of each individual “step” is called the “**period of equilibrium**”). In a more narrow definition, the contribution rate is calculated for a defined period of years, that is, a “period of equilibrium” (which often ranges from ten to 25 years), with the objective of equating, at the end of the period of equilibrium, the income from contributions and the investment income to the expenditure on benefits and administration.

State Plan

A term used in accounting standards for a pension plan sponsored by a State or Government on a not-for-profit basis, and therefore with indefinite duration, as opposed to pension plans sponsored by an enterprise which can become insolvent if the enterprise fails.

Terminal funding

A financial system under which a premium equal to the present value of a pension is paid at the time the pension starts. The premium is set aside as a reserve as the guarantee of future benefit payments.



B E L I Z E
SOCIAL SECURITY BOARD
Actuarial Review of the Social Security Scheme
(2012)

Introduction

Pursuant to the provisions of Section 45 of the Social Security Act (1979) an actuarial performance analysis of the operations of the scheme was carried as at 31 December 2012.

A summary of the main findings and recommendations is set out in Chapter I of the report, while Chapter II describes the legal bases and the financial operations. Chapters III and IV and V present the actuarial analysis of the short-term benefits branch, the employment injury branch, and updates the 2008 analysis and projections of the long-term branch. Chapter VI assess the NHI project, as required by Part VI of the Act, and Chapter VII evaluates the Investment Performance, as required by the Third Schedule of the Act. Annex A, B, and C deal with the non-contributory pensions and self-employed pensions, and the legal provisions in force, which should be updated on a sequential basis as from 2013.

Attestation

Specific comments and guidelines are shown in the respective sections of the report, to be analyzed in-depth by the Board and the Investment Committee.

The cost, liabilities and other bases utilized in the valuation have been determined using reasonable methods and generally accepted assumptions that, in our opinion, provide a reasonable estimate of the anticipated plan requirements and development. The report has also been formulated to the extent possible, according to preliminary guidelines issued by the International Actuarial Association for actuarial valuations of Social Security Programs.

For Consultores Actuariales, S.A.

Hernando Pérez Montás
Consulting Actuary



I

SUMMARY AND RECOMMENDATIONS

1. Scope of the Analysis and Financial Statements

As a complement to the triennial actuarial valuation carried out as of 31 December 2011 and in accordance with the provisions of Section 45 of the Social Security Act, an actuarial review of the scheme was carried out as of 31 December 2012, to assess the performance of the benefit branches and the adequacy of the statutory contributions to support benefits. The review was based on the legislative provisions in force, including amendments introduced since the last review. The actuarial review required the assessment of the expected cost of each branch of benefits, and an update of the period of financial equilibrium of the long-term branch which could be sustained under the present level of financing.

The financial data as at 31 December 2012 is based on audited statements at that date. The external auditors have proceeded to restate the 2007/2011 financial statements, but the amendments are not material from an actuarial standpoint. Therefore, except for the 2011 reserves, the financial data has not been amended prior to the 2012 fiscal year.

2. Consolidated Performance

The analysis shows an actuarial and financial performance in 2012 more favourable than in the preceding years, with a satisfactory increase in contributions more than offsetting a decline on investment income. Benefit expenditure increased by 4.6%, as compared to 6% increase in contributions, while administrative expenditure experienced a marginal decline, yielding an unaudited net surplus of \$14.6 million in 2012, as compared to \$13.3 million in 2011 and \$23.9 million in 2010. It is recalled that net incomes in 2012 and 2011 have been impacted by accounting provisions for investment losses. Once the provisions for investment losses cease, the net surplus should increase substantially.

At year end the short-term branch reserves have fallen below the statutory minimum and the Board is required to address the imbalance, as shown below. The EI branch continues to be overfunded, with a surplus that amply exceeds the actuarial requirements. The accumulation of reserves of the long-term branch has continued to slow, with a “period of equilibrium” assessed at only five years, when total income would become lower than total expenditure, according to legal provisions in force. An increase in the ceiling and/or the rate of contributions, and a substantial transfer of reserves from the EI branch, would contribute to extend the period of equilibrium, with the latter recommended as from 1 January 2013 and the adjustment to the financing bases postponed until subsequent actuarial valuations, in order to allow for a full recovery of the economic recession originated abroad, which negatively impacted the labour market and the financial sector of Belize.



3. Short-Term Branch

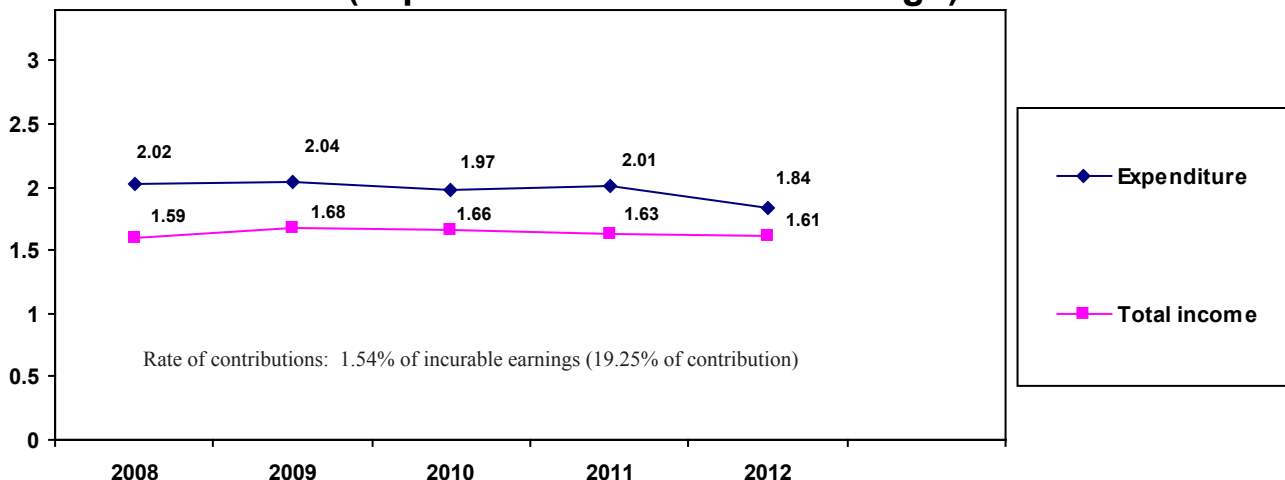
Expenditure continued to exceed total income, and reserves declined below the statutory minimum at the close of the 2012, requiring the Board to implement corrective measures, as recommended in the set of legal amendments. Otherwise, reserves will fall again in 2013, with zero reserves anticipated early in 2014.

The actuarial cost was lower than projected in the 2011 triennial valuation, as a depressed labour market caused a reduction in sickness claims, but still higher than the statutory allocation of 19.25% of contributions. The preliminary deficit of \$1.9 million was lower than the \$2.9 million loss in 2011, due to lower expenditure in all benefit categories (sickness and maternity), as well as administrative expenditure.

Actuarial Trends of the Short-Term Branch

- The ST branch statutory rate of 1.54% of insurable earnings (19.25% of contributions), plus marginal investment income, are below the actuarial requirements, yielding steady deficits.
- Reserves have fallen below the statutory limit at 31 December 2012, and further declines in reserves are anticipated in 2013, with zero reserves projected early in 2014.
- Recommendations for an additional transfer of reserves (\$15M), plus an allocation of 2.20% of insurable earnings (27.5% of contributions), are urgently required to ensure the financial solvency of the scheme, retroactive to 1 January 2013.

Actuarial Trends of the Short-Term Branch (In percent of insurable earnings)





4. Employment Injury Branch

The branch experienced a record surplus of \$11.6 million, augmenting the reserves to \$90.6 million, 24 times higher than the statutory minimum, with total expenditure less than one half the financing provisions. A transfer of \$15 million in reserves to the short-term branch, \$50 million to strengthen the reserve position of the long-term branch, and, more importantly, a reduction as from 1 January 2013 of the share of contributions to 12.5%, increasing the share of the short-term branch to 27.5% and the long-term branch to 60%, are recommended again, as stipulated in the set of legal amendments under consideration by the Board, maintaining for the time being the total rate of contributions at 8% of insurable earnings.

The analysis also shows a steady decline in demand in all categories, yielding a reduction in the actuarial long-term cost to 1.05% of insurable earnings as compared to the 1.20% assessed in the triennial review as at 31 December 2012.

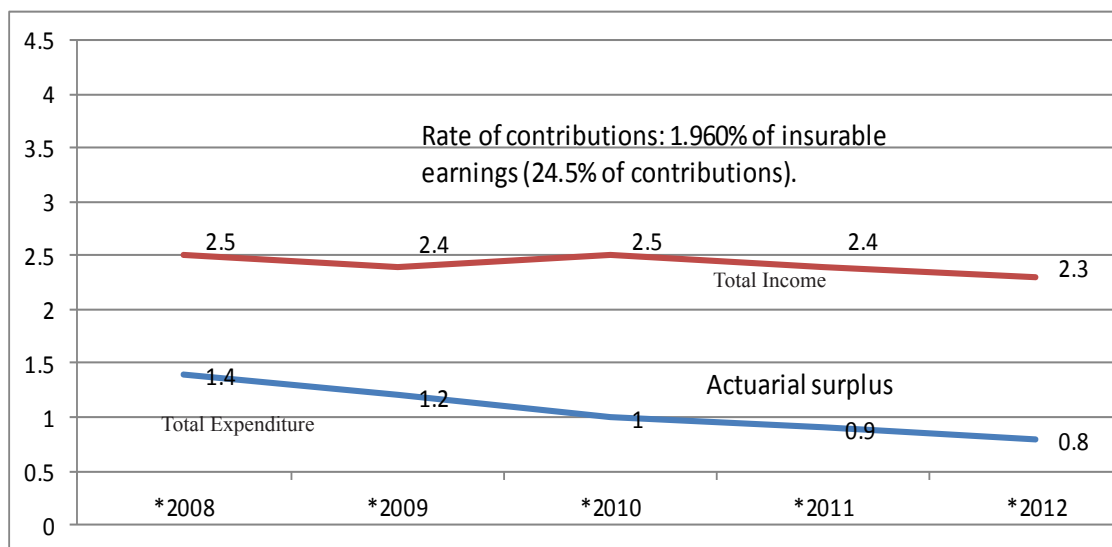
As to the Disablement and Death sub-branch, the reserves cover 91% of the actuarial cost of pensions in payment, which is within acceptable benchmarks.

Actuarial Trend of the Employment Injury Branch

- **The EI branch has continued to accumulate excess reserves and is overfunded.**
- **The EI branch financing base exceeds the actuarial requirements.**
- **A rate of contributions of 1% of insurable earnings (12.5% of contributions) is deemed adequate to cover emerging costs.**
- **A transfer of \$15M in reserves to the short-term branch and \$50M to the long-term branch is also recommended, as reserves of \$88M amply exceed actuarial requirements.**

Actuarial Trend of the Employment Injury Branch

(In percent of insurable earnings)





5. Long-Term Branch

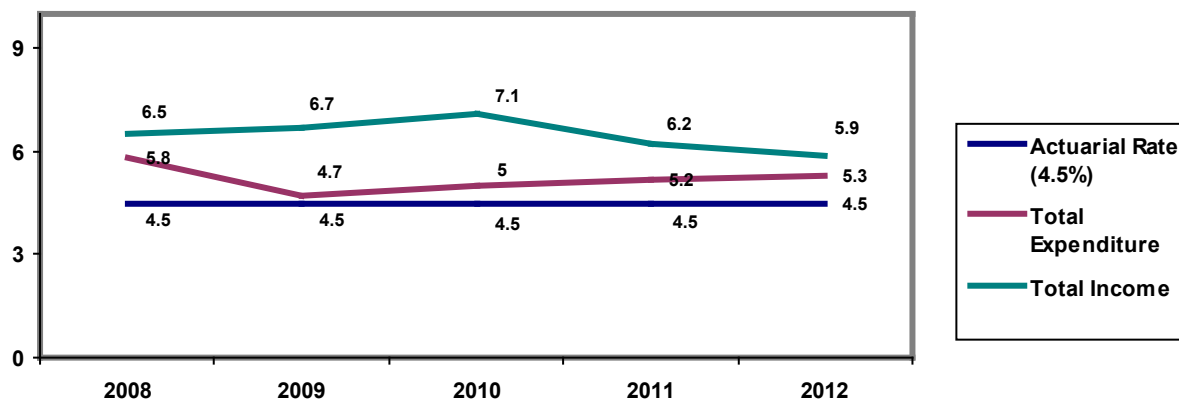
The analysis shows a steady increase in benefit expenditure, with retirement pensions increasing to 60% of total benefits. The actuarial reserve increased by approximately \$5 million, lower than in preceding years, an indicator of the increased maturity of the branch, impacted by the emerging cost of self-employed pensioners. A period of equilibrium of only five years is anticipated, assuming a modest economic recovery, a more satisfactory real rate of return on investments, and lower provisions for non-performing investment.

Extending the period of equilibrium and postponing the increase in the rate of contributions would require a transfer of reserves from the EI branch and an increase in the ceiling by 2014/15. At present, more than one-third of the insured persons have earnings in the top income bracket, an indicator of the need to adjust the ceiling in order for pensions to attain a closer relationship with actuarial earnings.

Actuarial Trends of the Long-Term Branch

- Contributions are lower than expenditures
- But investment income yields a decreasing surplus
- Until a “period of equilibrium” is reached in approximately 5 years, when total income becomes lower the expenditure.
- Causing a decline in reserves unless the rates or the ceiling on contributions are adjusted.
- A transfer of excess reserves from the EI branch would contribute to postpone the “period of equilibrium” by about 2 years.

Actuarial Trends of the Long-Term Branch (in percent of insurable earnings)





6. Non-Contributory Pensions

The actuarial cost of the program continues to decline, as unwarranted pensions have been suspended and more stringent conditions have been put in place before the awarding of new pensions, as shown in Annex A of the report.

The number of non-contributory pensions in payment has continued to decline in 2012, at an estimated 9.7% lower than in 2011 and 23% lower than in the peak year of 2008. The share of NCP decreased to 12% of total benefit expenditure in 2012, as compared to 14% in 2011 and 22% in 2008.

The actuarial cost was assessed at 0.47% of insurable earnings in 2012, close to the long-term average rate of 0.50% assessed in the preceding triennial valuation. Raising the initial retirement age for females to 67 years, the same as for males, would reduce the actuarial cost to 0.45% of insurable earnings. Both rates would decline even further if the actual number of retirees is frozen or declines again in 2013. It is noted that in most legislations the eligibility age for NCP is higher than the normal retirement age. This allows insured persons to continue to work and perhaps qualify for a higher pension, provided the legislative amendments under consideration includes the number of contributions as from age 65 to qualify for retirement pensions, a trend which is closely associated to the increase in longevity of the population. Transferring the cost of **new claims** to the Government would reduce steadily the cost of pensions in force, and extend the long-term branch period of equilibrium by 2 years.

The Board of Directors are advised to act expeditiously with the set of reforms to the NCP, that also includes more stringent conditions regarding residency requirements, non-eligibility if the individual has opted for the retirement grant, and allowing only one spouse in the household to qualify for pension.

7. Self-Employed Scheme

The analysis shows that already a significant proportion of self-employed persons have been able to qualify for pensions, with conclusive evidence that individuals are taking advantage of the faulty plan design. Most of the retirement pensioners have opted to claim pensions before the statutory age of 65 years, and therefore the SSB is unable to verify whether the individuals continue to work, in the absence of an employer. Substantial actuarial deficits are emerging, to be borne by the employers and employees in the standard scheme, impacting negatively on the already mature situation of the long-term branch. The actuarial assessment shows that the self-employed scheme has begun to experience financial deficits since 2012, with total expenditure lower than the contributions of 7% of insurable earnings. The recommended set of amendments should be enhanced by additional provisions eliminating the window for early retirement. The actuary considers the proposed amendments to the self-employed scheme a top priority, as shown in Annex B of the report.



8. National Health Insurance Project

The actuarial cost of the project, funded in its entirety by GOB's transfers, experienced a slight reduction in benefit and operational expenditure. Reserves increased to \$2.5 million, equivalent to only 2.3 months of expenditure, as compared to 1.6 months the preceding year, but still below standard benchmarks.

9. Investment Return

Unaudited statements show another decline in investment income to \$14.7 million, as compared to \$16.2 million in 2011 and \$24.8 million in 2010, the latter fiscal years unaffected by investment losses. The nominal rate of return on assets also declined to 3.52% (3.96% in 2011 and 6.45% in 2010), in a low inflation environment of 1.3% to 1.5% in 2011/12.

The execution of an investment plan to maximize income without undue risk is a key task of the Board for 2013 and 2014, taking into consideration the advancing maturity of the scheme. Although the long-term branch might face liquidity constraints in 2014/16, the consolidated statements show operational surpluses for at least a decade, due to the excess reserves of the EI branch. However, new asset allocations should be vested with higher liquidity, as total contributions are lower than total expenditure, requiring a portion of investment income to cover the deficit, a gap that should widen steadily on the basis of the legal provisions in force.

10. Administrative Expenditure

Administrative and related expenditure declined by 2% according to unaudited data, and the rate of administrative expenditure declined from 2.83% of insurable earnings to 2.53% in 2012. No significant further declines are expected until the ceiling on insurable earnings is updated, as a frozen ceiling restricts the increase in contributions while expenditure evolves in accordance with inflation trends.

