



BAKER TILLY
HULSE

Cor. 12 Baymen Avenue & Calle Al Mar
Belize City
Belize
Central America
Tel: +501-223-2953/2954
Fax: +501-223-2989
Web: www.bakertillyhulse.com

Page 1

REPORT OF THE AUDITOR
TO THE BOARD OF DIRECTORS AND MEMBERS OF
ST. MARTIN'S CREDIT UNION LIMITED

We have audited the accompanying statements of financial position of St. Martin's Credit Union Limited as at 31st March 2011 and 2010, and the related statements of comprehensive income, changes in equity and cash flows for the years then ended. These financial statements are the responsibility of the Union's management. Our responsibility is to express an opinion on the financial statements based on our audits.

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

The Credit Union's policy is to prepare its' financial statements on a modified cash basis as detailed in Note 2 to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position – modified cash basis – of St. Martin's Credit Union Limited as of 31st March 2011 and 2010 and the results of its operations – modified cash basis – and its cash flows for the years then ended in conformity with International Financial Reporting Standards and the Credit Union Act Chapter 34 of the Laws of Belize (revised 2003), modified by Act No. 34 of 2005 and Act No. 18 of 2007.

CHARTERED ACCOUNTANT
17th May 2011

Belize City,

Belize, C.A.

STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED 31ST MARCH 2011 AND 2010

All amounts expressed in Belize dollars.

	Notes	2011	2010
INCOME:			
Interest on loan - regular		1,077,246	941,930
Housing project net income	13	189,960	185,364
Micro enterprise project net income		45	1,004
Investment income - net	14	64,613	93,340
Service Charge		72,754	70,331
Other income		52,561	34,290
		<u>1,457,178</u>	<u>1,326,259</u>
EXPENSES:			
Advertising and promotion	2	-	13,926
Annual general meeting	2	-	17,926
ATM expenses		12,056	-
Bad debt		88,810	64,920
Committee and cafeteria		11,752	12,448
Computer network		5,743	13,118
Conference and credit union week		14,157	11,585
CUNA/BCUL insurance		110,485	90,286
Depreciation expense		64,256	33,989
Donations	2	-	7,012
Insurance expense		9,816	6,579
Interest and bank charges		1,006	529
Miscellaneous expense		2,025	791
Office expense/stationery and printing		28,571	26,286
Other allowance		10,613	18,390
Postage		1,315	794
Property tax		853	853
Professional fees		14,000	14,772
Repairs and maintenance		11,772	10,837
Salaries and wages		316,236	248,249
Scholarship expense	2	-	6,831
Security		52,725	41,564
Social security expense		9,816	8,729
Staff benefit		62,311	22,965
Training		547	11,437
Travelling		4,701	7,865
Utilities		51,988	44,292
Vehicle expense		6,032	6,361
		<u>891,588</u>	<u>743,332</u>
Operating income		<u>565,590</u>	<u>582,927</u>

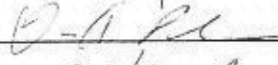
The notes on pages 7 to 15 form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION
31ST MARCH 2011 AND 2010All amounts expressed in Belize Dollars

	Notes	2011	2010
Current assets:			
Cash and bank balances	2	556,575	593,215
Investment	2, 3	1,695,602	1,640,785
Loans receivable	2, 4	11,549,285	10,537,496
Less: loan loss provision	2,4	(214,493)	(125,683)
Other receivables and prepayments	2, 5	95,937	38,763
Inventories	2, 6	8,267	11,729
		<u>13,691,172</u>	<u>12,696,305</u>
Long-term asset:			
Property, furniture and equipment	2, 7	<u>620,365</u>	<u>661,653</u>
<u>Total assets</u>		<u>14,311,537</u>	<u>13,357,958</u>
Current liabilities:			
Deposits - members	2, 8	1,121,341	1,204,279
Shares - non-mandatory	2, 9	10,986,583	9,733,670
Short-term debt	2, 10	287,435	281,668
Accounts payable and accruals	2, 11	28,335	44,084
		<u>12,423,694</u>	<u>11,263,701</u>
Long-term liabilities:			
Long-term debt	2, 12	<u>703,566</u>	<u>1,004,776</u>
<u>Total liabilities</u>		<u>13,127,260</u>	<u>12,268,477</u>
NET ASSETS		<u>1,184,276</u>	<u>1,089,481</u>
Members' interest:			
Shares - mandatory		164,600	116,660
Undivided earnings		520,519	514,625
Guaranty funds		420,009	351,543
Education fund		54,148	81,653
Development fund		25,000	25,000
MEMBERS' INTEREST		<u>1,184,276</u>	<u>1,089,481</u>

Approved on behalf of the board


 _____ Director


 _____ Director
Dated: 24th May 2011

Auditor's report page 1.

The notes on pages 7 to 15 form an integral part of these financial statements.