

OFFICE OF THE AUDITOR GENERAL OF BELIZE



SPECIAL AUDIT - STAMP DUTY ON AIRLINE TICKETS



APRIL 2007 - JULY 2012

OFFICE OF THE AUDITOR GENERAL OF BELIZE



SPECIAL AUDIT – STAMP DUTY (Ticket Tax) ON AIRLINE TICKETS for period April 2007 – July 2012



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May 31, 2016

Honourable Dean O. Barrow
Prime Minister
Minister of Finance
Office of the Prime Minister
Sir Edney Cain Building
Belmopan

Dear Prime Minister:

In Accordance with Section 120 (4) of the Belize Constitution 1981, and Section 16(3) of the Finance and Audit (Reform) Act No 12 of 2005, I hereby present a Special Audit – Stamp Duty (Ticket Tax) On Airline Tickets for period April 2007 – July 2012.

I shall be grateful if you would cause the report to be laid before the House of Representatives and the Senate in due course.

Respectfully submitted,

DOROTHY A. BRADLEY (MRS)
Auditor General

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Acronyms

BSP	Bank Settlement Plan
BZ	Belize Currency
CITO	Central Information Technology Office
CURR	Currency
E-Tkt	Electronic Ticket
FARA 2005	Finance and Audit Reform Act 2005
F.O	Financial Orders
F.O 1	Finance Officer 1
GL	General Ledger
IATA	International Air Transport Association
MIAR	Maya Island Air Region

Summary of Findings

The Office of the Auditor General conducted a Performance Audit also known as (Value for Money Audit) at the Treasury Department which took into account the collection of Stamp Duty (Ticket Tax) on Airline tickets covering the period 1st April 2007 to 31st July 2012.

Our main Findings:

Treasury management of the Stamp Duty (Ticket Tax) Collection

- i. The Treasury Department did not have a fixed date for the collection of Stamp Duty (Ticket Tax) on airline tickets. It was noted that some Airlines and Travel Agencies would make Ticket Tax payments around the 15th of the month and in other cases at various times in the month for previous months. We also observed that some payments were bundled and paid for past months. There was no penalty for late payment or non payment.
- ii. The Ticket Tax account maintained at the Treasury Department was not reconciled for the period April 2007 to July 2012. We observed that payment schedules were prepared from original documents maintained by the Airlines and Travel Agencies. These original documents were not shared with the Treasury Department and as such they were unable to properly reconcile tax collected on the airline tickets with what was paid into the Treasury.
- iii. The Treasury is not knowledgeable about the operations of the Airline Industry regarding collection of ticket tax and therefore they were unable to enforce existing regulations, budget planning and effective monitoring. This lack of knowledge creates opportunities for none and late payments as well as any changes in the industry that would affect the collection process. This includes application of exchange rates, exemptions, entrance and exit of businesses and the treatment of buddy passes offered by the airlines.

Monitoring of Airlines Ticket Tax

- i. The Treasury Department did not ensure that Airlines and Travel Agents comply with the Laws of Belize Chapter 64 section 40. They did not have procedures that would identify non compliance with the laws and were not able to readily determine who pays the tax. We noted that the Airlines and Travel agents were employing standards that

were not consistent with the prevailing laws. It was also noted that local airlines were not paying the ticket tax.

- ii. The Treasury had not carried out any checks on the Airlines and Travel Agents during the period under review. As a result, these entities determined the level of compliance with regards to payments and how much they would pay in. Also, there was no way the Treasury could determine the accuracy of the payments and their supporting documents.
- iii. The Treasury have a system in place to collect payment information. We noted that they were unable to properly analyse the information they received from both the Airlines and the Travel Agencies. This is due to the fact that the Airlines and Travel Agencies did not submit their original reports but instead submitted summaries of those reports. This hindered the Treasury from performing any analysis and substantiation of payments. We noted that there were huge losses to the Government of Belize in the amount of **\$261,386.20** due to the unavailability of proper records and monitoring mechanisms.
- iv. During the period under review, the Accountant General did not exercise supervision over her staff with regards to the management of the ticket tax collection and monitoring strategies. Internal policies were not available to assist the Treasury Department in monitoring the Ticket Tax. Lack of industry knowledge as mentioned before reduced the ability of the Treasury to properly monitor and analyse payments and supporting reports.

Introduction

1. The Office of the Auditor General had embarked on a Performance/Value for Money Audit to assess Government's Stamp Duty collection (Ticket Tax) on Airline Tickets maintained by the Accountant General covering the period April 2007 to July 2012.
2. The Airline industry in Belize has grown over the years and has facilitated the smooth flow of passengers to and from Belize. The Government of Belize in its responsibility to provide programs and services has instituted a stamp duty in 1993 on all tickets issued in Belize for air transportation travels to and from Belize or any place outside Belize. The Treasury Department is the arm of the Ministry of Finance that is responsible for the collection and safeguarding of all monies, stamps, securities and valuable documents.
3. The collection of revenues is an important activity of the Treasury Department as it forms the basis for Government spending. Any neglect in collection or unauthorized

withholding of revenue would result in the reduction of goods and services provided by the Government. Among its collection responsibilities, the Treasury Department is tasked with the collection of Stamp duties on Airline tickets which is also known as “Ticket Tax”.

Audit Mandate

(3) The Auditor General may at any time, if it appears to him to be desirable, send a special report on any matter incidental to his powers and duties under the provisions of this Act to the Minister for presentation to the National Assembly.
(fara 16 (3))

Reasons for Undertaking the Audit

4. As part of our Strategic Plan, Performance Audits form part of the Office’s core service that is designed to deliver reports to Parliament on the economy, efficiency and effectiveness of departmental services.
5. The Auditor General determines through risk assessments and other techniques which audits are chosen. Regarding the Stamp Duty Audit, we believe there was insufficient knowledge of the industry. The Treasury’s Account for the collection of the Stamp DutyTax had not been audited for many years. Between the periods April 2007 to July 2012 the Treasury had collected \$1,997,217.03.

Audit Objectives

6. The audit examined whether:
 - a) The Accountant General had adequately managed the collection of the Stamp Duty (Ticket Tax) on Airline tickets and has a monitoring system in place for the Airline Industry.
 - b) Adequately managed is defined as collecting, recording, validating collection, monitoring, developing industry knowledge and supervision at the Treasury Department.

Scope and Approach

7. In order to assess the collection of the Ticket Tax at the Treasury Department covering the period April 2007 to July 2012, we focused on the following lines of enquiry:
 - Treasury’s management of the Stamp Duty (ticket tax) Collection

➤ Monitoring of Airlines Ticket Tax

8. This audit was designed to examine whether rules, regulations and standards were implemented and followed, and if there was monitoring of the activities of the Airline Line industry by the Treasury.

We conducted interviews with the Accountant General and her staff. We also reviewed relevant documents, and literature, and analyzed data collected to arrive at our conclusion.

Scope Limitations

- i. The auditors did not have access to all the Ticket Tax files which contains payment information for the Airlines and Travel Agents. These files were not made available since they could not be found. FARA 13(2) refers

- *In the exercise of his duties under this Act, the Auditor General or any person duly authorized thereto by him shall have access to all books, vouchers, documents, cash, stamps, securities, stores or other Government property of any kind whatsoever, including in electronic form, in the possession of any public officer.*

Audit Criteria and Sources

9. *The audit criterion and sources used to conduct this audit can be found at the end of the report. Criterion and relevant sources were communicated to the Accountant General, with a view to obtaining confirmation, however the Office of the Auditor General to date has not received any response.*

Focus of the Audit

10. The focus of the audit was to assess the collection of the Stamp Duty on airline tickets to determine whether the Airlines and their agents were remitting Government's taxes in accordance with the regulations/laws.

Report Structure

11. This report consists of two chapters, which will cover the lines of enquiries:

12. Chapter 1 examines whether adequate management of the Ticket Tax was maintained at the Treasury Department which includes: collecting, recording, validating collection and storing of information.
13. Chapter 2 examines whether the Treasury Department had been Monitoring and supervising its staff in the collection of the Airlines Ticket Tax from both the airlines and agents as well as developing a sound knowledge of the industry and Supervision.

1. Treasury Management of the Stamp Duty (ticket tax) Collection

Objective: The Accountant General had adequately managed the collection of the Stamp Duty on Airline tickets.

The Treasury Department is headed by the Accountant General who is responsible for the collecting, recording, validating of stamp duty on airline tickets. He/she is also responsible to provide staff supervision as well as the development of knowledge of the Airline industry. It is important that a robust process exist at the Treasury Department to ensure that all monies received are properly accounted for and paid on time and the entities are being monitored for compliance with prevailing laws.

Criteria:

1.1 The Accountant General ensures punctual collection of the Stamp Duty. Financial Order 7 (d) stipulates one of the Accountant General's duties as follows:

(d) "To exercise general supervision over the receipt of public revenue and as far as possible to ensure its punctual collection; and to exercise general supervision over expenditure and other disbursements of government".

What we examined:

1.2 In order to reach our objective, we examined the Ticket Tax General Files, Ticket Tax Ledger and Value Book maintained at the Treasury Department. We also reviewed Smart Stream reports and held interviews with Treasury officials and staff to determine whether punctual payments were made to the Treasury Department by the Airlines and Travel Agencies.¹

What we found:

1.3 The following observations were noted:

- a) There was no specific due date in the month assigned for the collection of the Airline Ticket Tax. It was confirmed through discussion with the Accountant General and senior staff on 19th April 2013 that there was no definite due date for the Airlines and Travel Agents to pay in Ticket Tax to the Treasury. Also mentioned was that there were neither grace periods nor penalties imposed for none or late payments. According to the Accountant General, initiatives were used for the collection of Stamp Duty, for example when making a payment in April they would ensure that the payment was applied to the period owing.

¹ Punctual in this report means a specific due date in the month

- b) Examination of the Ticket Tax General Files revealed that there was no specified due date. We noted where the Airlines and Travel Agents would make payments around the 15th of the following month for the tax collected in the previous month. Scrutiny of Smart Stream payment receipts found in the files also revealed that some payments were made many months after the entities collected the tax. Please refer to my [Appendix “A”](#) for ease of reference.

1.4 We also reviewed the Value Book which is used to record cheques received through the mail and over the counter from the Travel Agents. We noted that payments received were not for the previous month’s collection. Instead, taxes collected and paid in by the travel agents represented taxes collected over several months. Listed below at table 1.1 are a few examples:

Table 1.1

DATE RECEIVED	CHEQUE #	CHEQUE DATE	MONTH	AMOUNT	FROM WHOM	RCR #	RCR DATE
06.11.09		28.09.09	Jun-09	\$1,020.00	Jal’s	212153	06/11/2009
29.12.09	540	-	Jul-09	\$840.00	Jal’s	243369	13/01/2010
29.12.09		09.12.09	05/08/2009 - 29/8/09	\$2,720.00	Global	243341	13/01/2010
12.04.10	97	07.04.10	Feb-10	\$1,280.00	Caribbean Travel	290224	12/04/2010
16.07.10	116	15.07.10	May-10	\$1,140.00	Caribbean Travel	344539	19/07/2010
16.07.10	792	30.06.10	Jan & Feb 2010	\$835.00	Jal’s	344769	19/07/2010
07.01.11	1569	13.08.10	Jul-10	\$330.00	Travel & Tour	435840	07/01/2001

Recommendation:

The Accountant General should ensure:

- That a system be placed for punctual collection of ticket tax.
- That due date within the month should be set for Stamp Duty collection.
- Penalties and Interest should be instituted to address punctuality of payments

Criteria:

- 1.5 The Accountant General should promptly post all monies to the relevant cost centers. As referred in the Financial Orders of 1965 section 7 (d) (i) which states that the duties of the Accountant General is “To bring promptly to account, under the proper accounting distribution of accounts, all money, whether revenue or other receipts, paid into the Treasury or accounted for to him”.

What we examined:

- 1.6 We examined the ticket tax ledger, smart stream report and Treasury general files to determine whether the Accountant General had promptly brought all receipts to account in Smart Stream System. Also, we conducted interviews with the Assistant Accountant General and the Finance Officer I to obtain a better understanding of the collection process and the posting of amounts to the relevant accounts.

What we found

- 1.7 Examination of the Smart Stream system revealed that it took more than two days before payments were posted to the relevant accounts. According to the interview held on the 19th April 2013, with the Accountant General and the Finance Officer 1, it was stated that it takes two days for the Treasury to post up payments to the relevant accounts. This was contrary to what was found in the Smart Stream reports. Please refer to [Appendix “B”](#) that is showing payments which does not comply with the Departments’ stated policy.
- 1.8 It was also observed from the records received that the Ticket Taxes were paid into two different cost centers namely Treasury Personnel 18071 maintained by the Treasury Department and 18017 General Administration maintained by Ministry of Finance. Our understanding was that all Ticket Tax payments should be posted to the Treasury Personnel cost center only.

Recommendation:

The Accountant General should ensure:

- i. That posting is done daily to the relevant cost centers.
- ii. That the relevant information is posted to the correct cost center to provide clarity.

Criteria:

- 1.9 The Accountant General had proper arrangement for the safe keeping of valuable documents

- Financial Order #7 (b) states; The Accountant General is the responsible officer of the Ministry of Finance for the accounting arrangement in all ministries and departments. His general duties are to see that proper arrangements are made for the *safe keeping* of all public monies, stamps, securities and *valuable documents*.

1.10 The management of records is an important event in the Treasury Department. It allows the entity to receive cost saving benefits in terms of increasing efficiencies in research and assets protection which includes current and past records, stores, cash/payment, receipts and other Government property. Time is lost when files cannot be found and thus reduces productivity. It also allows the Department to reduce the risks of damage and loss of records and thus having them available for audit purposes. A good records management program provides for timely, accurate, complete and useable records.

What we examined:

1.11 In order to reach our objective we examine the Smart Stream reports maintained by the Central Information and Technology Office (CITO) for completeness in the recording process. Manual records of payments made by Airlines/ Agents were also examined. We also conducted a physical inspection of the records room which is situated in the Finance Officer's 1 Office, to determine the conditions and safety of the manual records. We also interviewed senior management and staff regarding records keeping.

What we found:

1.12 During our interview with the Assistant Accountant General and Finance Officer I on the 19th April 2013, it was noted that the Treasury Department does have a secure location for the safe keeping of its stamp duty records. These records were kept in cabinets in Ms. Emily Guy, Finance Officer's I Office which is located on the second floor of the Central Bank Building in Belize City.

1.13 It was also noted that filing of records was haphazard and thus it became time consuming to locate specific records. We also noted the cabinets were overflowing and as such records were stored on top the cabinets. According to the Finance Officer 1, when the cabinets are filled, the records are relocated to their store room at the Charles Hyde Complex on Mahogany street Belize City.

1.14 During the reconciliation of the records received regarding the Ticket Tax, we noted that the records presented were incomplete with respect to the period 1/4/07 - 31/7/12, the following periods were not presented for audit purposes:

- 01/04/07 – 16/04/08
- 19/10/10 – 08/11/10
- 26/07/11 – 15/08/11
- 01/04/07 – 29/06/09 (Value Book)

- 1.15 It was mentioned in the interview that management believed the safe keeping arrangements for the ticket tax records were secure. Audit is of the view that the arrangements in place are not secured as it was observed on numerous occasions that the cabinets were left open. On several visits made to the Department, we noticed that this office was left open even though the officer in charge was on vacation leave. Also, it was noted that other staff members had access to the room. The above observation underscores the fact that without proper safe keeping records could be misplaced or lost.

Recommendation:

The Accountant General should ensure:

1. That records are kept in an orderly fashion for timely retrieval.
2. All the missing records are located and maintained pending future audits
3. That a log be maintained for records leaving the office for another location.
- 4 That proper description is provided in the Smart Stream system to allow for a better understanding of payment transactions

Criteria:

- 1.16 The Accountant General should ensure that a Value Book is maintained for cheques received through the post. F.O #196
- *Government Financial Orders # 196 "states that the officer opening mail containing cash or otherwise receiving cash other than over the counter as a cashier shall record at the time of opening in a value book the following:-*
 - *date received;*
 - *from whom received;*
 - *description of remittance – e.g. postal order or money order number, cheque number, etc.....;*
 - *on what account where cash is received for more than one purpose;*
 - *amount*
 - *After having initialled the entry made, the officer shall hand over the register, together with the cash recorded therein, to the receiving cashier who, in turn, shall record the disposal of the cash (e.g. receipts issued) in a column provided for that purpose. It is important that receipts in acknowledgement of cash received through the post or otherwise than over the counter shall be posted to payers within twenty-four hours of the cash being received.*

What we examined:

1.17 In order to reach our objectives and satisfy the criteria, we reviewed the ticket tax ledgers, ticket tax files, Value Book maintained by the Accountant General's Department during the past five years and three months (April 2007 – July 2012). We also interviewed the Assistant Accountant General Miss Veronica Smith, Finance Officer Mrs. Emily Guy and Miss Beverly Tasher Registry Supervisor.

What we found:

1.18 The Accountant General did not provide any Value Books covering the period 1st April 2007 to 28th April 2009. Therefore, we could not determine whether all monies paid in by the Airlines and Travel Agents by mail were recorded in those ledgers.

1.19 According to the interview held on the 19th April 2013, the Assistant Accountant General and Finance Officer 1 said that they maintained Value Books to record the receipt of cash. According to Financial Orders # 151, cash receipts includes currency, money orders, cheques and any other negotiable assets

1.20 We noted that numerous cheques received from the Airlines and Travel Agents were not entered in the Value Book. Attached at Table 1.2 is a list of those payments received that were not written up in the Value Book.

Table 1.2

DATE	AIRLINES	CHEQUE #	AMOUNT	PARTICULARS
10/11/11	Belize Global Travel Services	002423	\$7980.00	Ticket tax for Jul, Aug, Sept 2011
26/06/11	Belize Global Travel Services	003031	\$3900.00	Ticket tax for Oct & Dec 2011
28/06/12	Taca International	004795	\$6800.38	Ticket tax for Sept 2011
26/06/12	Delta Airlines	000481	\$776.34	Ticket tax for May 2012
22/07/11	Travel & Tours	02045	\$270.00	Ticket tax for June 2011
15/07/11	Delta Airlines	000189	\$2669.20	Ticket tax for June 2011
13/07/11	Continental	12442	\$7350.00	Ticket tax for June 2011

14/03/11	Continental	12217	\$4100.00	Ticket tax for Feb 2011
18/03/11	US Airways	308	\$55.00	Ticket tax for 12-27.12.2010 & 28.1.11
21/02/11	Delta Airlines	000047	\$1195.90	Ticket tax for Jan 2011
21/03/11	Delta Airlines	000050	\$1194.00	Ticket tax for Feb 2011
28/06/12	Taca International	004795	\$6320.28	Ticket tax for April 2012

- 1.21 On the 10th January 2014 we were told by the supervisor of the Registry Section at the Treasury via phone call that all mails were received either by the cashier or other personnel who then sends them to the registry clerk. The registry clerk then opens the mails and records them in the registry ledger except for those mails containing cheques. The mails containing the cheques were written up in the Value Book.
- 1.22 The lack of not recording the cheques received through the post in the registry ledger hinders the Accountant General from having a reference that can be used to cross check that all cheques received from the Airlines and Travel Agencies were dutifully logged in the Value Book.

Recommendation:

- The Accountant General ensure that all cheques received through the post and over the counter are first recorded by the Registry clerk in the registry register to provide a basis for reconciliation.
- The Accountant General should ensure that the Value book is written up in a timely manner.

Criteria:

- 1.23 We expected to find that the Treasury Department had reconcile the ticket tax account on a monthly basis

What we examined:

- 1.24 The Ticket Tax File and Ticket Tax Ledger were examined. We also conducted interview with the Assistant Accountant General and the Finance Officer I. It should be

noted that we could not review the reconciliation reports as these were not prepared for the period under review.

What we found:

- 1.25 During the interview with Treasury Officials on the 19th April 2013, we were informed that the Ticket Tax Account was not reconciled for the period April 2007 to July 2012.
- 1.26 The lack of conducting reconciliation of the ticket tax account caused us to encounter the following issues:

Examination of the ticket tax ledger and ticket tax file for the financial years 1st April 2007 to 31st July 2012 revealed that receipts for payments of the ticket tax, made by airlines and agencies, were not presented for verification purposes. These payments had to be verified through smart stream system. Below in Table 4 are a few payments that could not be verified to smart stream. Financial Orders #51 refers.

Table 1.3

Date	RCR#	AGENCY	PERIOD	AMOUNT
15.08.12	763048	Exodus	July 2012	\$7,870.00
18.09.09		American	August 2009	\$21,400.00
14.07.10		American	May 2010	\$1,292.50
21.09.10		American	August 2010	\$19,945.00
30.09.11	AJ230092011	American	September 2011	\$18,225.00
23.08.10	364038	US Airways	July 2010	\$8,280.00
02.12.11	619937	US Airways	November 2011	\$20.00

- 1.27 We also noted other problems which includes;

a) Lack of contents:

Payments posted to Smart Stream without proper description such as lack of period for which payments were being made. [Appendix “C”](#) refers

b) Lack of Airlines name:

Several SmartStream entries of payments on stamp duties on airlines tickets did not identify which airlines made the payments as seen in [Appendix “D”](#)

c) Duplication:

Several smart stream entries of payments on stamp duties on airlines tickets were duplicated as seen in [Appendix “E”](#)

- d) There were receipts that were presented in the ticket tax file but the relevant information on those receipts were not recorded in ticket tax ledger; examples of these are shown below:

Table 1.4

AIRLINE/AGENCY	RECEIPT NO.	MONTH	AMOUNT
Global	607129	July, Aug., Sept. 2011	\$7,980.00
US Airways	501939	March 2011	\$55.00
Taca	489467	February 2011	\$4,173.42
Delta	479772	February 2011	\$1,194.00
Continental	426336	November 2010	\$4,635.00
Taca	426463	September 2010	\$13,185.46

Recommendation:

The Accountant General should:

- Ensure that the Ticket Tax account is reconciled on a monthly basis
- Ensure that proper descriptions, period of payment and name of entity making the payment be recorded in the posted journal for clarity of information.
- Ensure that all receipts are filed and accounted for

Criteria:

- 1.28 The Treasury Department should possess knowledge of Airline Industry in regards to entrance and exit of an Airline or Travel Agency.

- The knowledge of an entity's business is very important to regulators as it allows for proper planning of events, enforcement of pertinent regulations and effective monitoring of operations.

What we examined:

- 1.29 We examined the Ticket Tax File, The Ticket Tax Ledger and conducted an interview with the Assistant Accountant General and Finance Officer I to determine whether they had an reasonable understanding of the Airline Industry.

What we found:

- 1.30 Review of the Ticket Tax Files revealed that no documented evidence was found to substantiate that the Treasury have knowledge of the industry. The Ticket Tax File is showing only Airlines/Agents receipts for payments.
- 1.31 During the interview conducted on 19th April 2013, it was revealed that one of the greatest challenges management face is that they have no knowledge of the Airline Industry. They lack the knowledge of who had entered the industry and those that had exited. This weakness put the Department at a disadvantage as there is the risk of loss revenue.
- 1.32 There was no documentation maintained at the Treasury that established the entrance and exiting of any Airline or Travel Agent. No evidence was found of field visits or spot checks to show that efforts were made to safeguard the government revenue as well as developing knowledge of the industry.
- 1.33 We found no correspondences from other relevant authority (Department of Civil Aviation) to the Treasury Department notifying them of the entrance and exit of Airlines/Travel Agents. This information is very vital in keeping track of the Airlines and Agencies activities to ensure the collection of government revenue.
- 1.34 Discussions with Civil Aviation Official on the 29th October 2012 revealed that:
- Civil Aviation does not manage Stamp duty on Airline Tickets;
- The Air Transport Board no longer exist
 - The license for Airlines to operate in the industry does not specify the collection of the ticket tax. The application only makes reference to what the base price of the ticket should be. Therefore Civil Aviation Department has no knowledge of the events of the industry where the collection of tax is concerned.
- 1.35 We noted from reviews of files maintained at the Treasury that there were no documented evidence of the number of all Airlines and Travel Agencies in the industry.

Knowledge only exists for those Airlines and Travel Agents that make payments. The following table identifies those Airlines and Travel Agents that were active and those that are non-active in the Airline Industry during the period under review.

Table 1.5

International Airlines	1. Continental Airlines 2. American Airlines 3. Delta Airlines 4. US Airways 5. . Grupo Taca	Active Active Active Active Active
Travel Agents	1. Belize International Travel Services 2. Travel and Tour Belize 3. Jal's Services 4. G. Ayuso and Sons Travel Services 5. Exodus International Travel Agencies 6. Elisa's Travel 7. Belize Global Travel Services 8. Maya Travel Services 9. Caribbean Travel Ltd 10. Phoenix	Non-active Non-active Active Non-active Active Active Active Non-active Non-active Non -Active
Local Airlines	1. Maya Island Air regional Limited	Non – active (not in Treasury Files)
	2. Tropic Air	Active (not in Treasury Files)
	3. Maya Island Air Limited	Active (not in Treasury Files)

Recommendation;

The Accountant General:

- a) Should ensure that the department possesses the knowledge of Airlines and Agencies Industry for ticket tax purposes.
- b) Should ensure that a process is implemented to identify new entrant and exit of Airlines and Agencies.
- c) Should conduct field visits and spot checks to keep inform about the industry.
- d) Should ensure that the department works closely with the relevant authorities such as Civil Aviation, Belize Airport Concession and the Airlines in order to get notification to keep track of the International Airlines, Local Airlines and Agencies activities.
- e) Implement a process to identify International Airlines and Agencies as well as local Airlines who should be paying the Stamp Duty (Ticket Tax.)

Conclusion

The Accountant General did not ensure prompt collection of the Stamp Duty on airline tickets as outlined in Financial Orders (7d). There was neither written policy nor Law to support a payment date. There were also no penalties for none and late payment. The Airlines and Agenst would make payments at different times in the month and at times bundle the payments for multiple months.

Prompt postings to relevant accounts were not done. As a result, travel agents and airlines accounts were not updated at time of payment as it took more than the required two days to post amounts to the relevant accounts. We noted that the Accountant General did not properly maintain all records relating to the Ticket Tax Audit. There were records missing for period under review as well as poor filing of records which caused some delays in retrieving.

Not all value books covering the period under review (April 2007 to April 2009) were presented to the audit team. Those that were presented were not properly maintained as we could not trace some of the payments made by the various entities. Also of note was that there were cheques received through the mail which were not brought to account in the registry book but rather logged in the value book. This process robs the entity from properly tracking all incoming cheques.

There were no reconciliations of the Ticket Tax files for the period under review. Payment schedules received by the Treasury along with accompanying payments were developed by the Airlines and Travel Agents from their original source data. No original source documents were provided to the Treasury to substantiate payments. The Treasury Department lacks the knowledge of entities entering or leaving the air transport industry and as a result was unable to effectively and efficiently discharge its duty.

2 Monitoring of Airlines Ticket Tax

An important aspect of management is Monitoring. It allows for the checking, reviewing and providing of essential feedback of ongoing activities at the Treasury Department and the airlines industry. Therefore, the Treasury must have proper controls in place to monitor and supervise activities and to ensure proper accountability.

Criteria:

- 2.1 Treasury ensures that Agents and Airlines comply with Laws of Belize Chapter 64 section 40 which states that:

“A duty shall be paid on every ticket issued in Belize for transportation by air to and from Belize or any place outside Belize, where the fare:

- (a) does not exceed \$250.00 - \$25.00
- (b) Exceeds \$250.00 - \$30.00

Provided that no duty shall be payable on tickets issued to any person exempt from the payment of departure tax under the Departure Tax Act.”

What we examined:

- 2.2 In order to reach our objective the Ticket Tax File was examined to gather evidence/ information on whether the various Airlines and Agencies were operating within the confines of applicable laws. Also, an interview was conducted with the Assistant Accountant General and Finance Officer I. We also conducted visits to various airlines and travel agencies to gain an understanding of the industry and operations.

What we found:

- 2.3 No documented procedures were found in the Ticket Tax File to ensure that Airlines and Agencies are complying with the Laws of Belize Chapter 64 Section 40. The Accountant General declared in the interview that they do not have any procedures in place to ensure that Airlines and Agencies are applying the law that governs the ticket tax consistently and cannot determine who pays the ticket tax.

The activities of the following airlines were inconsistent with the Laws of Belize Chapter 64 Section 40.

American Airlines

- 2.4 A review of the American Airlines ticket sales report revealed that a number of non-revenue tickets (free tickets) were issued to employee, family members and other persons. We noted that employees were not charged the ticket tax on non-revenue tickets.
- 2.5 Discussion with the American Airlines Manager Mr. Luis Alpuche on the 29th August 2012 revealed that the Airline had two types of passes, that is, D2 pass which is a standard pass for unlimited use by employees. Employees using the D2 pass do not pay the ticket tax. According to our research, we noted that there were D2 passes that attracted the tax as shown at Table 2.1

Table 2.1 D-2 Passes with tax

Employee Names	Invoice #	Invoice Date	Passenger Names	Date	Ticket #	Tax Paid
Sumita Obrai	0014267412123	2/7/12	Rohit Obrai	1/24/12	96547268	\$ 30.00
Sumita Obrai	0014267381559	6/7/11	Rohit Obrai	5/19/11	94061866	\$ 30.00
Nicole Lozano	0014267403230	12/7/11	Brittni Lozano	11/17/11	95924782	\$ 30.00
Sumita Obrai	0014267298487	4/9/10	Rohit Obrai	3/8/10	89985392	\$ 30.00
Jermaine Sanchez	0014267299256	4/9/10	Glenn Baptist	3/9/10	89993306	\$ 30.00
Zoila Hendy	0014267362667	11/8/10	Mark Bynoe	10/31/10	92304088	\$ 30.00
Orlando Rodriquez	-	-	Lucelli Cal	5/6/09	87442792	\$ 30.00

- 2.6 Also, noted was that the Airlines offer a D3 pass (Registered Guest Travel Pass) also known as “Buddy Pass” to limited number of registered friends and family of the employee or retiree who do not qualify for a D2 pass. According to Mr. Alpuche the ticket tax is being paid on the D3 passes by employee dependents, parents and guest.² Tables 2.2 highlight passes without taxes.

Table 2.2 (D- 3 Passes without tax)

²[http://flyerguide.com/index.php/Non-Revenue_Travel_\(AA\)](http://flyerguide.com/index.php/Non-Revenue_Travel_(AA))

Employee Names	Invoice #	Invoice Date	Passenger Names	Date	Ticket #	Comments
Juanita Nicholson	014426743209	7/10/12	John Nicholson	6/30/12	98047223	No Tax
Keagan Moore	014267433674	7/10/12	Raul Guerra	6/2/12	97755500	No Tax
Pamela Cardona	0014267428684	6/7/12	Ricardo Cardona	5/6/12	97485653	No Tax
Renee Woods	014267377533	5/5/11	Mirna Willcox	4/20/11	93786946	No Tax
Janille Weatherburne	0014267378341	5/5/11	Alyssa Lodge	4/21/11	93796313	No Tax

2.7 Further research revealed that American Airlines also offer D1 pass, which is a priority pass to employees, retirees, and their immediate families which include spouse recognized domestic partner, dependent children. We noted that no Belize ticket tax was charged as shown in table 2.3 below.

Table 2.3 D1 Pass

Employee Names	Invoice #	Invoice Date	Passenger Names	Date	Ticket #	Comments
Luis Alpuche	0014267402044	12/7/11	Luis Alpuche	11/9/11 11/12/11	95855593 95857994 95886503 95886735	No Tax
Kimberly Charley	0014267432099	7/10/12	Raymond Charley	6/23/12	97991773	No Tax
Kevin Humphreys	0014267433338	7/10/12	Kevin Humphreys	6/18/12	97917431	No Tax
Lenny Joh Lopez	0014267298130	04/09/10	Lenny Joh Lopez	03/19/10	9080086	No Tax
Zoila Hendy	0014267362667	11/8/10	Zoila Hendy	10/31/10	92304087	No tax
Shari Somerville	001426298264	4/8/10	Mark somerville	3/17/10	90060354	No tax

2.8 According to Mr Alpuche, He had discussions on the 19th December 2005 with the then Accountant General Mrs Anita Eck who provided him with a Treasury memo No. 303/6/2006(36) dated 13th January 2006 which ***“confirmed that a waiver of revenue collections, on non- revenue ticket tax for employee travel has been authorized, as stipulated in Section 40 of the Stamp Duties Act, Chapter 64 of the Revised Laws of Belize 2000.”*** This Office was unable to establish where the Accountant General got the authority to waive the ticket tax revenue for American Airlines employees.

- 2.9 Audit contacted representatives from the different Airlines to see if a similar letter was sent to them, no other Airlines received the waiver of revenue collected on non-revenue ticket tax for employees.
- 2.10 The Office of the Auditor General had written the Solicitor General on September 1st 2013 to clarify the Laws of Belize Chapter 64 Section 40 along with some observations made while reviewing the airlines data, According to the Solicitor General's response on the 27th March 2014 that, ***“tickets issued to children under two years, children under 12 years, free tickets and buddy passes will attract taxes once issued in Belize provided the Act does not specifically exempt them from the payment of taxes”***. Below are some instances that violate this ruling.

Continental Airlines

- 2.11 We were unable to identify employee tickets in Continental Airline records, which were presented, to determine if taxes were paid on employee tickets. As a result Continental Airlines auditor was unable to quantify the amount of tax lost. The Accountant was also unable to identify tickets issued to employees in the records presented. In discussion with the Accountant, it was revealed that employee tickets are a benefit to employees and their families and they pay “ZERO” for the fare except for the departure tax; therefore the ticket does not have a value in their system and did not attract any ticket tax. Continental Airline never received an exemption for the Accountant General to not pay ticket tax on employee's ticket. The Treasury Department was never aware that employees do not pay tax on their tickets.

Taca Airlines

- 2.12 Examination of the Taca Airline ticket sales report revealed that there was no non revenue or zero dollar value tickets and that all tickets attracted the ticket tax. We were unable to identify Taca Airline employee tickets.
- 2.13 Taca Airline Accountant Mrs. Victoria Carr wrote via email on 2nd September 2013, that Taca did not administer the ticket tax on their non revenue tickets because of the way the ticketing system works. She added that the ticketing system needs a fare-value in order to determine the tax to be collected. Therefore, the system does not recognize tickets with a fare-value of zero dollars and no taxes were deducted.
- 2.14 Taca later provided us with the authority document that was given to them by the Accountant General. On this authority document it was found out that other people were exempted from paying the ticket tax as follows:

- (i) Infants under 2 years
- (ii) Children under 12 years,
- (iii) Diplomatic passport holders and
- (iv) ID Tickets (Buddy Pass).

2.15 With regards to Diplomatic passport holder, they are exempt from paying the ticket tax under the Departure Tax Act Chapter 50 Revised Edition 2000, Schedule (section 6).

Delta Airlines

2.16 A few zero dollar value tickets were found in the monthly reports for 2011 and 2012. It was noted that these tickets were not charged the tax. The tickets were free of cost and the customer did not pay the base fare. According to Delta Airlines in an email addressed to the auditor on the 2nd October 2013, they said that:

“The reason why we don’t pay the tax on employee’s tickets is because employee’s tickets don’t have a fare since on the tickets we are only charging other taxes that are applicable and according to the rule to charge the Stamp Duty Tax says the following “Paid on every ticket issued in Belize for transportation by air to and/or from Belize, or for transportation involving any place outside Belize. Once per itinerary: Tickets fare valued up to USD125.00 or BZD250.00 will pay USD12.50 or BZD25.00 and Tickets fare valued USD126.00 or BZD 252.00 or more will pay USD15.00 or BZD30.00”.

2.17 This is contrary to the ticket tax law as it stated, if a fee is below \$ 250.00 Bz a tax of \$25.00 should be charged. This is reflecting a loss to the Government of Belize. Please find my table 2.1 listed below, with a few examples of zero dollar value tickets found with and without notation.

Table 2.1

Date	Ticket Number	Currency Used	Base Fare	Ticket tax	Notation
10/11/2011	0060991772498	USD	-	-	Free
05/18/12	62117143157	USD	-	-	Free
24/11/11	00060871524117	USD	-	-	Free
28/06/2012	60150669975	-	-	-	-
11/11/2011	0062116081352	-	-	-	-
June 2012	62117495141	-	-	-	-

- 2.18 Internet sales for Delta Airlines could not be identified within the data they provided, so we could not determine if taxes were paid. We had spoken to their local agent Castillo Sanchez and Burrell LLC (CSB) to get a better understanding of the service they provide on behalf of Delta Airlines.
- 2.19 We were told by CSB on the 12 September 2012 that they received monthly reports on Airline sales from Delta regional headquarters in Guatemala City. CSB would summarize and prepare tax reports identifying the local taxes that should be paid into the Treasury Department. The Stamp Duty was computed from only the tickets that attracted the tax. Also, CSB could not identify internet sales in the reports. CSB also claimed they were not tasked to conduct any verification on those reports sent from Guatemala since there was not sufficient information available. As a consequence, CSB could not distinguish internet sales in the report.
- 2.20 A few of tickets were found which stated that the flights originated from Belize City, Belize but did not attract the Ticket Tax. No notations of explanation were found to justify the reason/s why the ticket sales did not attract the tax. It was not possible to verify the unknown dates for the below tickets without tax. Please see my table 2.2 for a list of examples of tickets that did not attract the ticket tax.

Table 2.2 (Tickets without ticket tax)

Date	Ticket No.	Fare \$ Bz
09/05/2008	0062153261375	\$ 2,056.60
01/11/11	0060724822677	\$ 1,200.00
Unknown	62117663614	\$ 1,024.00
Unknown	62117734417	\$991.00
Unknown	68271191947	\$557.00
Unknown	62145914518	\$728.00

Local Airlines

- 2.21 There are two (2) local airlines operating in Belize that offers international flights as a service. These airline companies are Tropic Air and Maya Island Air Regional Ltd. A review of the Treasury Ticket Tax Files revealed that these companies were not charging their customers the tax on the tickets purchased.

Tropic Air Limited

- 2.22 The Office of the Auditor General had sent an email to the Tropic Air Management seeking an understanding of the company's activities in the airline industry with regards to the ticket tax. In reply to our enquiry, Ms. Sarah Delsin, the Financial Controller of Tropic Air, said that Tropic Air has never received any information from the Treasury Department regarding the duty on tickets sold in Belize for international flights.
- 2.23 Ms. Dalsin explained that Tropic Air conducts international round trip flights to Guatemala and Honduras. No tax was added to the international flight tickets and as such no payments were made to the Treasury.
- 2.24 The Office of the Auditor General had asked the Accountant General to get the relevant records from Tropic that detailed their international operations regarding flights from Belize. These records would have been used to identify the extent to which the tax was not collected and establishing a cost of outstanding payments.
- 2.25 On the 15th February 2013, the Office of the Auditor General received a letter from Treasury which was sent by Tropic Air dated January 25, 2013 which stated that Tropic Air had appealed to the Prime Minister of Belize to take a look at the matter of Stamp Duty on international airline tickets. According to Tropic Air letter, "Prime Minister

had agreed to amend the law so that this tax shall not be collected on airlines holding Belize Air Operators Certificate, flying international flights, from Belize.”

- 2.26 Tropic Air further stated that paying the Stamp Duty would put the Belizean operators at a disadvantage to foreign airlines. Tropic Air also said they were informed that the Stamp Duty Act had been waived for all domestic airlines. It is based upon these statements that Tropic Air had refused to turn over their international flight records.
- 2.27 The Office of the Auditor General is of the view that without concrete evidence of the amended Law and documents stating waiver of this ticket tax all domestic airlines that conducts international flights should comply with the law which includes making records available to the relevant authorities.
- 2.28 It is a requirement of every airline to submit a manifest of all passengers on each flight to the Department of Civil Aviation before departure to their destination. The Office of the Auditor General visited the Department of Civil Aviation where we were able to access flight records for all airlines operating in Belize covering the period under review.
- 2.29 An analysis of the data maintained by Civil Aviation revealed that between the periods April 2007 to July 2012, Tropic Air had flown 7,425 individuals to foreign destinations. While we were not provided with the fee structure over the period under review, the Office of the Auditor General decided to compute an average cost of the tax that should have been paid, which amounts to **\$ 204,187.50** as shown in Table 2.3. We arrive at the figure by calculating both the maximum and minimum tax payments multiplied by the number of passengers and divide by 2 to find its average.

Table 2.3

TROPIC AIR						
YEAR	PASSENGERS	TAX	TOTAL	TAX	TOTAL	AVERAGE
2007	1,316	\$30.00	\$39,480.00	\$25.00	\$32,900.00	\$ 36,190.00
2008	413	\$30.00	\$12,390.00	\$25.00	\$10,325.00	\$ 11,357.50
2009	1,101	\$30.00	\$33,030.00	\$25.00	\$27,525.00	\$ 30,277.50
2010	1,435	\$30.00	\$43,050.00	\$25.00	\$35,875.00	\$ 39,462.50
2011	1,834	\$30.00	\$55,020.00	\$25.00	\$45,850.00	\$ 50,435.00
Jan - July 2012	1,326	\$30.00	\$39,780.00	\$25.00	\$33,150.00	\$ 36,465.00
TOTAL	7,425		\$222,750.00		\$185,625.00	\$ 204,187.50

Maya Island Air Regional Limited

- 2.30 On July 8th 2009, Maya Island Air Regional (MIAR) Ltd began offering international flights to Cancun - Mexico, Guatemala City and San Pedro Sula (Honduras). As part of its responsibility, MIAR should have incorporated in its business a process to collect the tax on all international flights as stipulated in chapter 64 sections 40 of the Laws of Belize.
- 2.31 During a discussion with one of the Company's directors Mr Eugene Zabaneh on the 29th October 2013, he revealed that the company known as Maya Island Air Regional was defunct and all records and supporting documentation of the company's activities were not available.
- 2.32 To get a better understanding of the company's structure and activities, we conducted a search at the Belize Companies and Corporate Affairs Registry which revealed that Maya Island Air Regional Limited was registered and incorporated as a Limited Liability Company on the 22nd May 2009 and had filed its annual returns as at 20th June 2012 which suggests that the company was in good standing.
- 2.33 Through phone discussion with the Registrar of the Belize Companies and Corporate Affairs Registry, we were told that a company could file their annual returns even though they are not operational. This mean the company will be held accountable for any future activities it may conduct. Audit is of the Opinion that a company maintaining such standings would have kept its records for future reference.
- 2.34 A review of the Treasury Ticket Tax Files from the Treasury Department revealed that Maya Island Air Regional Ltd had not paid in the required taxes as stipulated by the law during the period of its operation.
- 2.35 Assistance was obtained from the Department of Civil Aviation, where all international flights lodge their flight plan and manifest that identifies all passengers. The flight revealed that Maya Island Air Regional Ltd had flown 12,511 passengers during the period July 2009 to May 2011. That would have yielded an average of \$344,052.50 in taxes as shown in the table below. We arrive at the figure by calculating both the maximum and minimum tax payments multiplied by the number of passengers and divide by 2 to find its average.

Table 2.4

YEAR	PASSENGERS	COMPANY NAME	TAX	TOTAL	TAX	TOTAL	AVERAGE
2009	4126	Maya Island Air Regional	\$30.00	\$123,780.00	\$25.00	\$103,150.00	\$113,465.00
2010	6060	Maya Island Air Regional	\$30.00	\$181,800.00	\$25.00	\$151,500.00	\$166,650.00
2011	2325	Maya Island Air Regional	\$30.00	\$ 69,750.00	\$25.00	\$ 58,125.00	\$ 63,937.50
Jan - July 2012	0	Maya Island Air Regional	\$30.00	\$ -	\$25.00	\$ -	\$ -
TOTAL	12511			\$375,330.00		\$312,775.00	\$344,052.50

Recommendation

The Accountant General should:

- a) Immediately implement documented procedures to review and ensure that all Airlines and Travel Agencies are complying with the law.
- b) Immediately implement internal policies to assist with planning and decision making with regards to monitoring the ticket tax collection.
- c) Ensure that discussions be held with these entities to regularize their activities in relation to the prevailing law

Criteria:

- 2.36 Treasury had maintained efficient checks, including surprise inspections against the occurrence of fraud, embezzlement, or carelessness F.O 7d (II) refers.

What we examined

- 2.37 To establish whether or not Airlines and Travel Agents were being monitored by the Accountant General's Department. We examined the ticket tax ledgers and the ticket tax files maintained by the Accountant General's Department, for the past five (5) years (2007 – 2012), to see if those records contained reports on any field checks carried out on the various Airlines and Travel Agents. Discussions were also held with individuals from the various airlines and Treasury Officials..

What we found:

- 2.38 There was no record indicating that surprise inspections or any inspection was conducted at any Airlines/Agents for the period under review. It was mentioned to us in our interview with the Assistant Accountant General and Finance Officer I that the Treasury Department did not conduct any type of inspection on Airlines and Agencies in regards to tax collection.
- 2.39 The importance of consistent monitoring and onsite visits cannot be over emphasized as this builds rapport that can foster greater accountability. The lack of supervision exposed the Department to various risks which includes but not limited to operational changes in the industry, reporting changes, non-payment, late payment, errors etc.

Continental Airlines

- 2.40 A sample of three months per

year was used on the Airlines original and supporting records for the period under review. We did not find any evidence to indicate that the Treasury Department conducted efficient supervision. This included surprise inspections at Continental Airlines to guard against the occurrence of fraud embezzlement or carelessness. Examination of Continental Airline records revealed many inconsistencies where the ticket taxes paid on electronic ticket sales were different from the ticket taxes paid or shown on original and supporting documents.

- 2.41 This review shows that the sales analysis reports that were sent to the Treasury were short of forty one (41) payments of \$ 30.00 for the below listed months. Our verification process involved the matching of the payments made at Treasury with the payments reflected on Continental monthly reports. We found that Continental owed the Government of Belize a total \$ 1,230.00.

Table 2.5

Months	Type of Sale	Monthly Sales shd be paid in BZ Dollars	Monthly Sales stated on the analysis report in BZ Dollars	Tax in BZ Dollars	Tax in BZ Dollars	Difference in BZ Dollars
May 2012	E-Tkt	\$ 6,550.00	\$ 6,520.00	\$ 870.00	\$ 840.00	\$ 30.00

April 2011	E-Tkt	\$ 5,100.00	\$ 5,010.00	\$ 930.00	\$ 840.00	\$ 90.00
December 2008	E-Tkt	\$ 5,425.00	\$ 5,215.00	\$ 510.00	\$ 300150.00	\$ 210.00
01-07 April 2007	Cash	?????	??????	\$ 660.00	\$ 90.00	\$ 570.00
April 2007	E-Tkt	\$ 7,250.00	\$ 6,650.00	\$ 1410.00	\$ 1380.00	\$ 30.00
November 2007	E-Tkt	\$ 7,470.00	\$ 7,170.00	\$ 0	\$ 300.00	\$ 300.00
						\$1,230.00

Different exchange rates

- 2.42 The exchange rate used by the Airlines contravenes Section 20 (1) of the Central Bank of Belize Act. Section 20 (1) of the Central Bank of Belize Act specifies that the par value of the Belize Dollar is equivalent to fifty cents of a United States of America dollar, and this can be restated that two Belize dollars are equivalent to one United States of America Dollar.
- 2.43 Exchange Control Regulations from Central Bank of Belize dated 20th February 2010, states " only the following Authorized Dealers are permitted to engage in the buying and selling foreign currency and are permitted to use the selling rate for one United States (US) dollars to remains fixed at a maximum of BZ\$ 2.0175, which includes the maximum commission of the authorized dealers:
- * Heritage Bank Limited
 - * Atlantic Bank Limited
 - * First Caribbean International (Barbados) Bank
 - * Scotia bank (Belize) Limited
 - * Belize Bank Limited
 - * Post Master General
 - * Accountant General
 - * Belize Global Travel Services
- 2.44 Any unauthorized person or entity who engages in the buying or selling foreign currency contravenes the Exchange Control Regulations and is liable, upon summary conviction, to a fine not exceeding ten thousand dollars (\$ 10,000.00) or to imprisonment for a term not exceeding twelve months or to both such fine and imprisonment on a first offence.
- 2.45 In accordance with the Central Bank of Belize Act and Exchange Control Regulations from Central Bank of Belize dated 20th February 2010; the Airlines are not authorized

dealers to make a commission when selling tickets. Examination of Continental Airlines records for the period 1st April 2007 to July 2012 revealed that customers were being charged at a conversion rate of 2.0175 when purchasing a ticket that attracts the tax. This means that the customers were charged \$30.26 instead of \$30.00 which is not in compliance with the law.

Continental Airlines

2.46 A check of the payments on SmartStream made by Continental Airline revealed that all payments were made at a conversion rate of 2.00 instead of the 2.0175 which was charged per customer. This is showing that Continental is paying only 2.00 to the Treasury Department and is withholding \$0.26 for each ticket sold that attracted the tax. The Treasury Department was never aware of these circumstances as it only collects taxes paid in without doing any verification.

2.47 In discussion on 19th April 2013 with Continental Airline Accountant it was stated that the airline uses the exchange rate of 2.0175 because it is the rate used at the bank when doing transactions. Therefore the same rate was applied to the ticket tax. A total of \$ 972.86 was considered an overcharge of tax to the customers who paid stamp duty on tickets. shown at [Appendix "F "](#).

Delta Airlines

2.48 Samples of three months per year were used on the Airlines original supporting records for the period under review. Examination of Delta Airline records revealed inconsistencies as follows:

2.49 A few monthly records were missing. We also, noted all the different exchange rates used by Delta. We notified Delta about the different exchange rates and missing records. Delta responded that efforts were made to honour our request but the computer was crashed and therefore all records were lost.

2.50 After we notified them about the wrong rates used for ticket tax, a new set of records were provided to us with the corrections of the rates which should have been paid. Also, the format was changed to reflect the tickets that only attract the tax. Of the eighteen sample months, five months contained taxes which were overcharged to customers and the balances of thirteen months were undercharged to customers.

2.51 Verification of the payments made at Treasury revealed that payments made were matched with the monthly reports. Therefore, Delta owed the Government of Belize a

total \$1,418.80. Listed below at my table 2.6 is a list of instances where the ticket tax rates charged were incorrect.

Table 2.6 (Delta Airline ticket tax shortages)

Month/year	Amount_ Paid	Amount should have been Paid	Amount Owed
Jan-12	\$ 1,161.80	\$ 2,100.00	\$ (938.20)
May-12	\$ 4,243.00	\$ 4,320.00	\$ (77.00)
Jun-12	\$ 4,362.60	\$ 4,410.00	\$ (47.40)
Apr-11	\$ 1,448.50	\$ 1,470.00	\$ (21.50)
May-11	\$ 1,828.70	\$ 1,920.00	\$ (91.30)
Nov-11	\$ 2,012.40	\$ 2,070.00	\$ (57.60)
Mar-10	\$ 1,045.20	\$ 1,140.00	\$ (94.80)
Oct-10	\$ 147.00	\$ 150.00	\$ (3.00)
Jun-09	\$ 121.00	\$ 122.20	\$ (1.20)
Aug-09	\$ 181.00	\$ 182.80	\$ (1.80)
Dec-09	\$ 643.10	\$ 660.00	\$ (16.90)
May-08	\$ 116.20	\$ 150.90	\$ (34.70)
Oct-08	\$ 121.20	\$ 122.40	\$ (1.20)
Dec-08	\$ 424.20	\$ 428.40	\$ (4.20)
Apr-07	\$ 434.50	\$ 453.30	\$ (18.80)
Jul-07	\$ 1,090.50	\$ 1,095.00	\$ (4.50)
Nov-07	\$ 25.30	\$ 30.00	\$ (4.70)
TOTALS	\$ 20,246.20	\$ 21,665.00	\$ (1,418.80)

TACA Airlines

Exchange rates

2.52 Scrutiny of Grupo Taca Airlines' records revealed that the ticket tax charged was inconsistent with the Laws of Belize Chapter 64 Section 40 which states: "A duty shall be paid on every ticket issued in Belize for transportation by air to and from Belize or any place outside Belize, where the fare":

- (a) does not exceed \$250.00 - \$25.00
- (b) Exceeds \$250.00 - \$30.00

Listed below at Table 2.7 are twenty different exchange rates that were charged in United States of America dollars on tickets sold in Belize.

Table 2.7

\$ 30.62	\$ 15.67	\$ 15.32	\$ 15.17	\$ 15.08
\$ 30.00	\$ 15.62	\$ 15.31	\$ 15.12	\$ 15.05
\$ 21.00	\$ 15.38	\$ 15.30	\$ 15.11	\$ 15.00
\$ 15.68	\$ 15.33	\$ 15.19	\$ 15.09	\$ 10.88

2.53 The ticket tax was fixed in US dollars on tickets sold in Belize. Of the twenty different exchange rates used only one was the correct rate. The other nineteen exchange rates were contrary to the Section 20 (1) of the Central Bank of Belize Act. Also, it was noted that even though these exchange rates were used, the conversion rate used to Belize dollars was 2.00 and 2.0175 when making ticket tax payments to Treasury. ["Appendix G"](#) refers.

US Airways

2.54 The Treasury Department did not conducted efficient checks including surprise inspections on US Airways Airlines to guard against the occurrence of fraud embezzlement or carelessness. It was noted that some of US Airways Airline records were kept at the Belize Station office at the Philip Goldson International Airport. Other

records are housed outside the country therefore, surprise checks would be a challenge to the Treasury Department.

Recommendation

The Accountant General should ensure that:

- Staff Communicates with all entities in the airline industry about the responsibilities of having records available for subsequent examination
- Checks are made so as to keep the entities of the industry current with the prevailing laws and regulations
- Where losses have been suffered by the Government of Belize, entities should be notified of intent to recover

Criteria:

2.55 Treasury had a system in place to collect and analyze payment information on the airlines and travel agent's industry.

- In order for the Treasury to collect and analyze payment information, it must have access to independent reports which are vital to the collection process. This allows for the verification of the accuracy of payments being made. Without independent verification done by the Treasury, it would be difficult to determine whether amounts paid in by Airlines and Agents are accurate. Lacking independent reports opens the door to fraud and embezzlement. It also reduces Government's ability to understand the processes used to generate reliable reports which would assist them in making informed decisions about an entity's activities.

What we examined

2.56 In order to determine whether the Accountant General had collected and analyzed payment information from the Airlines and Agents, we examined the ticket tax ledgers, the Airlines /Agents reports, and the ticket tax files for the period under review.

What we found:

2.57 We expected to see independent reports developed by International Air Transport Association (IATA) for the Agents and sales representative reports from the Airlines. This is to verify payments of stamp duty on airlines tickets sold by the Airlines and Travel Agents. Those records were not seen nor presented by the Treasury Department. We were provided with files which showed summary reports prepared by the different

airlines and travel agents from the original IATA and Airline reports. These summary reports were used by the Treasury Department to verify payments from the different Airlines and Travel Agents.

- 2.58 In a discussion on the 19th April 2013 with the Assistant Accountant General and Finance Officer I, it was revealed that Treasury does not verify payment to an independent report; they use the summary reports that were presented to them by the Airlines and Agents upon payment.
- 2.59 We noted that the Airlines would submit payment summaries of the Ticket Tax collected along with the payments to the Treasury Department. These summaries were developed from reports submitted by the Airline sales representatives. The Treasury Department was unable to verify whether these payments were accurate. The source documents which were used to prepare the summaries were not provided to the Treasury to allow them to substantiate payments. Table 2.8 refers.

Table 2.8 (Airlines that submit Summaries)

Airlines	Original Report	Schedule Report
American Airlines	no	Yes
Taca Airlines	no	yes
Delta Airlines	no	yes
Continental Airlines	no	yes
US Airways	no	yes

- 2.60 Discussion with the Travel Agents during the period August to December 2012 revealed that they are members of an organization called International Air Transport Association (IATA) that represents the Airlines. The Travel Agents sell airline tickets on behalf of the Airlines and submit payments on a weekly basis through a Billing Settlement Plan (BSP).
- 2.61 The Billing Settlement Plan (BSP) is a central point through which data and funds flow between Travel Agents and the Airlines. Therefore, instead of every agent having an

individual relationship with each airline, all of the information is consolidated through the BSP³.

- 2.62 “Agents make one single payment to the BSP (remittance), covering sales on all BSP Airlines. The BSP makes one consolidated payment to each Airline, covering sales made by all the Travel Agents in the country”.⁴
- 2.63 IATA, through the BSP, would provide the Agents with weekly reports showing sales they made on behalf of the Airlines and taxes due to the Government of Belize. It is from these reports that the Travel Agents develop their schedule for the payment of the ticket taxes. Treasury is unable to make any verification of their payments because the agents did not provide them with the IATA reports.

Review of the Airlines records revealed that:

American Airlines

- 2.64 American Airlines did not present all the requested sample schedule of records. July and November 2007 records were missing as the Airline stated that these records were no longer available because they do not keep records for more than five years.
- 2.65 In regards to the sample schedule of records, presented by American Airlines, treasury receipts were found only for 2008 in the Treasury ticket tax general files. Therefore, the remaining receipts were missing from the files. Please see my [Appendix “H”](#). Also noted was that some smartstream payments were not found for American Airlines and therefore they were not available for verification.

Continental Airlines

- 2.66 For the sample schedule of records presented by Continental Airlines, only eleven (11) treasury receipts were found in the Treasury ticket tax general files. Therefore, the remaining receipts were missing from the files. Also noted were payments posted to SmartStream which had no treasury receipt numbers in the description column. Please see [Appendix “I”](#) for ease of reference.
- 2.67 We also noted that there were four payments made by Continental Airlines that could not be traced to SmartStream as shown in Table 2.9

³ http://www.iata.org/ps/financial_services/bsp/pages/how_bspworks.aspx

⁴ http://www.iata.org/ps/financial_services/bsp/pages/how_bspworks.aspx

Table 2.9

Month	Amount	Treasury payment from Ledger	Date	Smart Stream Entry
November 2007	Bz \$ 7,470.00	# 26420	18/12/2007	Not seen
June 2009	Bz \$8,190.00	# 158239	15/7/2009	Not seen
August 2009	Bz \$6,060.00	# 188796	16/9/2009	Not seen
October 2010	\$5,540.00	# 408855	18/11/2010	Not seen

Delta Airline

- 2.68 From the sample schedule of records presented by Delta Airlines, only ten (10) treasury receipts were found in the treasury ticket tax general files. We noted five (5) payments made by Delta Airlines could not be identified in the Smart Stream System maintained by the Treasury Department. This could have been due to the description contained in the invoices. Listed at my [Appendix “J”](#) is a list of receipts and payments which were identified for verification.

Taca Airline

- 2.69 For the sample schedule of records, presented by TACA Airlines, only ten (10) treasury receipts were found in the Treasury ticket tax general files. Therefore, the remaining months were missing from the files. Please see my [Appendix “K”](#) for ease of reference.

US Airways

- 2.70 Only seven (7) treasury receipts were found in the Treasury ticket tax general files for the selected sample schedule of records. Therefore, the remaining months were missing from the files. Three smartstream payments were not found for US Airways. Listed at my [Appendix “L”](#) is a list of payments which were not found for verification.

Internet sales

- 2.71 During the audit we noted that US Airways internet sales did not attract the Ticket Tax. We queried US Airways regarding their internet sales and they responded through their Director, Revenue Accounting on the 29th April 2013 saying that “ All sales recorded via usairways.com are determined to be sold and issued in the U.S. therefore it is deemed to be a U.S. Sale.
- 2.72 The Office of the Auditor General had written the Solicitor General to clarify the Laws of Belize Chapter 64 Section 40 along with some other observations made while reviewing the airlines data. In the Solicitor General’s response dated the 27th March 2014 which stated that:

*“A duty shall be paid on every ticket **issued in Belize** for transportation by air to and from Belize or any place outside Belize, where the Fare –*

- a) Does not exceed \$250.00..... \$25.00*
- b) Exceeds \$250.00..... \$30.00*

Provided that no duty shall be payable on tickets issued to any person exempt from the payment of departure tax under the Departure Tax Act.

The response went on to say that applying the literal rule of interpretation and the linguistic canon / principle / maxim – redendo singular singularis (render each to each), it is our respectful opinion that the provision has to be interpreted as follows:

- (a) Stamp Duty will apply where the ticket was **issued in Belize** (not where issued outside Belize); and*
- (b) Once issued in Belize, the Stamp Duty will be apply in respect of transportation both (a) **to Belize** or any other place outside Belize; and (b) **from Belize** to any other place outside.*

*However, given that some airline tickets are issued by electronic transaction, the next question would be consider what is meant by **issued in Belize in those transaction**.*

Section 22 of the electronic Transactions Act, No. 8 of 2003 (commenced by Statutory Instrument No. 119 of 2005) provides some assistance in this regard.

22.- (1) An electronic communication is sent when it enters an information system outside the sender’s control or, if the sender and Addressee use the same information system, when it becomes capable of being retrieved and processed by the addressee...

*(4) However an electronic communication is **deemed to be sent from the sender's place of business** and received at the Addressee place of business.*

*(5) If the sender or the addressee has more than one place of business, the place of business for the purposes of subsection (4) of this section, **is the one with the closest relationship to the underlying transaction to which the electronic communication relates** or, if there is no underlying transaction, the person principal place of business.*

(6) If the sender or addressee does not have a place of business, the person's habitual residence is deemed to be the place of business for the purposes of subsection (4) of this section.

Further, it is worthy to note that with respect to extra-territorial effect of the legislation, the general rule is that Acts (enactment) are presumed not to be extra-territorial effect. However like all presumptions this may be rebutted where the enactment expressly provides for such application or otherwise clearly indicated such intention.

It is clear that once the ticket is issued in Belize whether it is an electronic transaction or not, the stamp duties or taxes will apply once the transportation is to and from Belize. Airline tickets issued outside Belize of Belize cannot be extra – territorial effect”.

Review of the Travel Agents records

2.73 The Treasury Department had sent out request for records that identify the sales of airline tickets and the tax that had been paid to ten (10) Travel Agent. Four agents made their records available being Belize Global Travel Services, Exodus International, Jal's Travel Services and Elisa's Travel Services. We noted JAL's and Elisa's payment records were incomplete for the period January 2009 to July 2012.

2.74 The following six Travel Agencies did not respond to the request as they had stop operating their businesses. As a result of lack of information regarding payments by the agencies, the Office of the Auditor General turned to the international airlines for which the agents sold tickets, to get their records. These records were sent to the airlines by IATA to provide sales information. We were able to receive all travel agencies records from the airlines for the period under review with the exception of Taca who had not produced the periods April 2007 to December 2008.

- Travel & tours
- Ayuso and sons
- Caribbean Holidays
- Phoenix Travel Services
- Belize International Travel Services

- Maya Travel Services

2.75 From the data provided, we were able to build a table of payments made by the travel agencies for each airline on a weekly basis for the period January 2009 to July 2012. We were also able to develop spreadsheet of monthly payments made to the Treasury that allowed us to identify those agencies which were delinquent in their payments.

Total Collection of Ticket Tax for Period January 2009 – July 2012

2.76 When we reviewed the tables built from the data received from the Airlines regarding IATA deducted tax from the travel agents sales, it was noted that during January 2009 to July 2012, a total of **\$583,887.30** was remitted to the travel agents by IATA for eventual payment into the Treasury Department. Audit noted that the Travel Agents during that same period paid into Treasury Department **\$322,501.10** Therefore the Government of Belize had suffered a loss of **\$ 261,386.20** as shown at Table 2.11

Table 2.11

AGENT NAME	AMOUNT OUTSTANDING
Travel & Tours	\$ 56,715.00
Ayuso & Sons	\$ 68,978.10
Exodus Int'l Travel	Over payment \$ (1,024.80)
Caribbean Holidays	\$ 26,080.00
Belize Global Travel	\$ 2279.90
Jal's Travel Agency	\$ 62755.00
Phoenix Travel Services	\$ 18,635.00
Elisa's Travel	\$ 25978.00
Belize International	\$ 990.00
	\$ 261,386.20

Non payment of Ticket Tax

2.77 Listed at [Appendix “M”](#) are three Travel Agencies who made no payment during the period January 2009 to July 2012. These Agencies are Ayuso and Sons, Jal’s Travel Agency and Phoenix Travel Services with outstanding balances of **\$44,798.10**, **\$12,620.00** and **\$18,635.00** respectively. This resulted in a lost to the Government of Belize to the tune of **\$75,578.10**. The data was cross referenced to the Treasury records where we confirmed that these entities were delinquent in remitting the collected tax to the Government of Belize.

Partial payment of Ticket Tax

2.78 [Appendix “N”](#) reflects travel agents who had collected Ticket Tax on behalf of the Government of Belize and had only paid in a portion of the tax. As a result the Government of Belize suffered a loss of **\$185,333.10**. The partial payments were verified with the Treasury Department.

Apparent Overpayment by Agent

Exodus International Travel Agency

2.79 A review of the tables revealed that Exodus seemed to have over paid their ticket tax by \$ (1024.80) for the period January 2009 to July 2012. This apparent overpayment arises as a result of sales of tickets made by Exodus International for another IATA approved platform called HANH’S Air 169. We noted that those payments from HANH’S Air 169 were combined with the IATA payments for the airlines to make up the monthly payment. Our analysis revealed that IATA remitted \$ **152,964.20** of taxes to Exodus that in turn paid the Government of Belize \$ **153,989.00** which resulted in excess of **\$1024.80**.

Recommendation:

The Accountant General should ensure that:

- Stamp duty payments are verified to an independent report to prevent the occurrence of fraud embezzlement, or carelessness.
- Airlines and Travel Agents present original reports along with their payment.
- Staff receives adequate training in understanding the process the Airlines and Travel Agents used to account for their sales
- Copies of all receipts are retained for future audit purposes
- Tax assessment is conducted for those entities that did not comply with a view to litigation
- Reconciliation of overpayment.

Criteria:

2.80 The Accountant General should exercise supervision over staff activities

F.O 7d (ii)

What we examined

2.81 In order to reach our objective, the Ticket Tax Ledger, SmartStream System, Value Book and Ticket Tax File were examined. Also an interview was conducted with Assistant Accountant General, Ms Veronica Smith and Finance Officer I, Ms Emily Guy.

What we found:

- 2.82 Internal policies at the Treasury Department were lacking with regards to the monitoring of the Ticket Tax as stated in the interview with management. It is our opinion that with proper supervision, the Treasury can review on monthly basis outstanding payments owed by the Airlines and Travel Agents. The Department can also institute strategies and measures to collect outstanding and pending payments..
- 2.83 Review of the Ticket Tax ledger disclosed that it was not properly kept. Payments were not brought to account promptly. We also observed many instances where entities did not paid the tax for a particular month and there was no evidence to indicate that the Accountant General requested any follow-up with these entities.
- 2.84 The lack of knowledge of the industry prohibits the Treasury from making decisions regarding collection, monitoring and analysis of payments. Also weak internal controls, the lack of monthly reconciliations and the lack of spot checks impacts Government revenue stream and as such entities would begin to evade the process as discussed in this report.

RECOMMENDATION:

The Accountant General should:

- Immediately take precautions and strengthen its internal control on the collection of the ticket tax to improve the performance of the Government of Belize revenue.
- Establish policies for the collection of the Stamp Duty on Airline Tickets

- Sensitize supervisors of their roles and responsibilities to effectively monitor the Air transport industry

Conclusion

The Treasury Department did not have procedures in place to monitor compliance with Laws of Belize Chapter 64 section 40. Monitoring is an important aspect of managing an organization as it allows management to identify departures from governing criteria. We noted that the international airlines employed a system of providing free/non revenue tickets as well as buddy passes to their staff, family and friends. While some of these tickets attract the stamp duty we noted others does not and as a result Government had suffered loss of taxes.

There was also the issue of provisions made with some of the airlines that gave the authority to waive tax on tickets sold to infants, children less than 12 years and the above mentioned buddy passes. This authority provided by the Treasury was not in accordance with the Stamp Duty Act. We also noted that the local Airlines, that provided international services, had not applied the tax to tickets which contravenes the laws of Belize.

During the period under review, the Treasury Department did not carry out any inspections of activities for the airlines and travel agents, to safe guard against fraud, embezzlement and carelessness. We noted that a system existed to collect payment information, there was no analysis of data to identify trends and delinquencies in the payment of taxes.

It was observed from both records kept at the Treasury and our analysis of the data that there were instances of non payment and partial payments. We did not observe any written communications to those entities that had defaulted on their remittance of the tax to the Government of Belize. One of our criteria was designed to measure whether there was adequate supervision of staff that was responsible for monitoring and developing an understanding of the air transport industry. We conclude that this process was not functioning properly as many of the issues raised could have been addressed and as such reduce the losses incurred. It is expected that the Accountant General will place emphasis on recovering taxes collected that was not remitted to the Treasury immediately.

Response from Entities

Belize Global Travel Services Ltd

On the 8th October 2014 Belize Global Travel Services Ltd had responded to a query made by the Office of the Auditor General regarding outstanding taxes on airline tickets owed to the Government of Belize. The Accountant had agreed with the Auditor's reconciliation which showed outstanding taxes for Global in the amount of \$2,279.90. At the time of writing this report, The Belize Global Services Ltd had paid into the Government Treasury the sum of \$2,279.90 vide receipt number 1256034 dated the 10th November 2014.

Objectives and Sources of Criteria

<p>Overall objective: To determine whether the Accountant General had adequately managed the collection of the Stamp duty on Airline tickets and has a monitoring system in place for the airline industry.</p> <ul style="list-style-type: none"> Adequately managed is defined as collecting, recording, validating, monitoring, developing industry knowledge, supervision 	
<p>Line of enquiry 1: Treasury management of the Stamp Duty (Ticket Tax) Collection</p>	
CRITERIA	SOURCES
1. The accountant General ensures punctual collection of the Stamp Duty. F.O # 7d	<ul style="list-style-type: none"> Financial Orders Finance and Audit Reform Act 2005
2. The Accountant General should promptly post all monies to relevant cost centers. F.O 7d (i)	<ul style="list-style-type: none"> Financial Orders
3. The Accountant General had proper arrangement for the safe keeping of valuable documents F.O. 7b	<ul style="list-style-type: none"> Financial Orders
4. The Accountant General should ensure that a Value Book is maintained for cheques received through the post and over the counter. F.O #196	<ul style="list-style-type: none"> Financial Orders
5. The Treasury Department had reconcile the ticket tax account on a monthly basis	<ul style="list-style-type: none"> Financial Orders
6. The Treasury Department should possess the knowledge of airline industry in the entrance and exit of the airline and its agency	<ul style="list-style-type: none"> Best Practice IATA web page Belize Company's Registry
<p>Line of Enquiry 2: Monitoring of Airline Ticket Tax</p>	

CRITERIA	SOURCES
1. Treasury ensures that Agents and Airlines comply with Laws Of Belize Chapter 64 section 40.	<ul style="list-style-type: none"> • Laws of Belize Chapter 64 section 40.
2. Treasury had maintained efficient checks, including surprise inspections against the occurrence of fraud, embezzlement, or carelessness F.O 7d(II) F.A.R.A (14)	<ul style="list-style-type: none"> • Financial Orders • Finance and Audit Reform Act 2005 • Central Bank Act
3. Treasury had a system in place to collect and analyze payment information on the airlines and travel agent's industry. F.A.R.A 23-1(a)	<ul style="list-style-type: none"> • Finance and Audit Reform Act 2005
4. The Accountant General should exercise supervision over staff activities F.O 7d(ii)	<ul style="list-style-type: none"> • Financial Orders • Internal Policy

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Appendices

APPENDIX "A"

Reference paragraph 1.3b is a list of non punctual payments

AGENCY	MONTH	YEAR	RECEIPT DATE	AMOUNT
Belize Global	Jan. to Sept.	2008	01-Oct-08	\$17,455.69
Delta	August	2008	25-Sep-08	\$328.30
Travel & Tours Belize	August	2008	26-Sep-08	\$450.00
TACA Int'l	July	2008	09-Sep-08	\$11,620.46
G. Ayuso & Sons	June	2008	05-Sep-08	\$3,090.00

G. Ayuso & Sons	May	2008	25-Aug-08	\$2,280.00
Elisa's Travel	March	2008	26-Jun-08	\$3,255.00
Maya Travel Services	February	2008	17-Jul-08	\$1,920.00
Jal's Travel & Tour	August	2007	17-Jul-08	\$1,050.00
Jal's Travel & Tour	April	2008	17-Jul-08	\$1,020.00
TACA Int'l	May	2008	04-Jul-08	\$10,044.56
G. Ayuso & Sons	April	2008	26-Jun-08	\$6,000.00
Belize Global Travel Services	April	2008	25-Jun-08	\$5,340.00
Travel & Tours Belize	May	2008	23-Jun-08	\$660.00
Jal's Travel & Tour	May	2007	20-Jun-08	\$1,290.00
Jal's Travel & Tour	June	2007	20-Jun-08	\$2,010.00
Jal's Travel & Tour	July	2007	20-Jun-08	\$2,460.00
G. Ayuso & Sons	February	2008	12-May-08	\$2,820.00
Belize Global	March	2008	13-May-08	\$5,160.00
Jal's Travel	March	2008	07-May-08	\$1,440.00
Bze Int'l Travel	March	2008	07-May-08	\$240.00
Travel & Tour Belize	March	2008	06-May-08	\$330.00
G. Ayuso & Sons	January	2008	06-May-08	\$1,740.00
Maya Travel & Tour	January	2008	17-Apr-08	\$840.00
Jal's Travel & Tour	March	2009	28-Jul-09	\$720.00
Jal's Travel & Tour	April	2009	28-Jul-09	\$1,140.00
Jal's Travel & Tour	January	2009	29-Jun-09	\$1,320.00
Jal's Travel & Tour	February	2009	29-Jun-09	\$690.00
Jal's Travel & Tour	November	2008	06-Jul-09	\$930.00
Jal's Travel & Tour	December	2008	06-Jul-09	\$570.00
Jal's Travel & Tour	October	2008	29-Jun-09	\$900.00
Jal's Travel & Tour	August	2008	09-Jun-09	\$1,260.00
Jal's Travel & Tour	September	2008	09-Jun-09	\$810.00
Taca Int'l Airlines	April	2009	03-Jun-09	\$7,655.72
American Airlines	April	2009	03-Jun-09	\$19,620.00
Maya Travel Services	May	2008	05-Jun-09	\$1,380.00
Maya Travel Services	June	2008	05-Jun-09	\$870.00
Maya Travel Services	July	2008	05-Jun-09	\$960.00
Delta airlines	March	2009	15-May-09	\$323.30
Belize Global Services	January	2009	11-May-09	\$1,525.00
Belize Global Services	February	2009	11-May-09	\$1,405.00
Jal's Travel & Tour	July	2008	13-May-09	\$2,430.00

Taca Int'l Airlines	February	2009	30-Apr-09	\$8,734.48
American Airlines	October	2008	15-Apr-09	\$17,640.00
American Airlines	November	2008	15-Apr-09	\$18,810.00
American Airlines	December	2008	15-Apr-09	\$15,390.00
American Airlines	January	2009	15-Apr-09	\$14,070.00
American Airlines	February	2009	15-Apr-09	\$13,950.00
U.S. Airways	February	2009	08-Apr-09	\$320.00
TACA Int'l Airlines	February	2009	03-Apr-09	\$7,708.06
U.S. Airways	January	2009	12-Mar-09	\$300.00
TACA Int'l Airlines	January	2009	10-Mar-09	\$11,449.06
Bze Int'l Travel Services	January	2009	12-Mar-09	\$90.00
Belize Global	November	2008	04-Mar-09	\$5,010.00
TACA Int'l Airlines	December	2008	09-Feb-09	\$6,407.26
Jal's Travel & Tour	May	2008	09-Feb-09	\$810.00
Jal's Travel & Tour	June	2008	09-Feb-09	\$1,470.00
U.S. Airways	December	2008	09-Feb-09	\$170.00
Caribbean Travel	December	2008	02-Feb-09	\$1,880.00
Caribbean Travel	January	2009	02-Mar-09	\$1,530.00
Belize Global Travel	October	2008	17-Feb-09	\$2,610.00
Travel & Tours Belize	October	2008	12-Dec-08	\$390.00
Belize Int'l Travel Services	November	2008	08-Jan-09	\$210.00
Belize Global Travel Services	July	2008	03-Dec-08	\$5,760.00
TACA International Airlines	September	2008	31-Oct-08	\$7,697.74
Belize Int'l Travel Services	August	2008	20-Oct-08	\$180.00
Belize Global Travel Services	August	2008	09-Oct-08	\$5,130.00
TACA Int'l Airlines	August	2008	09-Oct-08	\$6,312.78
TACA Int'l Airlines	May	2011	25-Jul-11	\$9,166.48
Travel & Tour Belize	April	2011	16-Jun-11	\$330.00
TACA Int'l Airlines	April	2011	14-Jun-11	\$5,772.14
TACA Int'l Airlines	March	2011	13-May-11	\$5,318.62
TACA Int'l Airlines	February	2011	05-Apr-11	\$4,173.42
TACA Int'l Airlines	September	2010	21-Dec-10	\$13,185.46
Delta Airlines	July	2010	18-Nov-10	\$1,621.60
Delta Airlines	August	2010	18-Nov-10	\$836.40
Delta Airlines	September	2010	18-Nov-10	\$522.60

Belize Global Travel Services	July, August & September	2011	10-Nov-12	\$7,980.00
Belize Global Travel Services	July	2012	29-Oct-12	\$3,680.00
US Airways	July	2012	29-Oct-12	\$250.00
US Airways	June	2012	29-Oct-12	\$245.00
TACA Int'l Airlines	June	2012	25-Sep-12	\$7,616.28
TACA Int'l Airlines	July	2012	25-Sep-12	\$8,578.52
Belize Global Travel Services	October	2011	26-Jun-12	\$2,700.00
Belize Global Travel Services	December	2011	26-Jun-12	\$1,200.00
TACA Int'l Airlines	September	2011	28-Jun-12	\$6,800.38
TACA Int'l Airlines	April	2012	28-Jun-12	\$6,320.28
TACA Int'l Airlines	February	2012	11-May-12	\$7,581.00
TACA Int'l Airlines	March	2012	11-May-12	\$5,785.38
Belize Global Travel Services	January	2012	03-May-12	\$2,005.00
Belize Global Travel Services	February	2012	03-May-12	\$1,980.00
Belize Global Travel Services	March	2012	03-May-12	\$3,300.00
TACA Int'l Airlines	January	2012	05-Apr-12	\$10,524.30
TACA Int'l Airlines	December	2011	15-Feb-12	\$5,515.78
TACA Int'l Airlines	June	2011	28-Oct-11	\$7,403.60
TACA Int'l Airlines	July	2011	28-Oct-11	\$7,082.16
TACA Int'l Airlines	August	2011	28-Oct-11	\$5,591.92
TACA Int'l Airlines	November	2011	07-Feb-12	\$8,415.04
Belize Global Travel Services	April	2011	02-Aug-11	\$3,565.00
Belize Global Travel Services	May	2011	02-Aug-11	\$3,240.00
Belize Global Travel Services	June	2011	02-Aug-11	\$2,700.00

APPENDIX "B"

Reference paragraph 1.7 where posting time does not comply with policy

EFFECTIVE DATE	POSTING DATE	TRANSACTION AMOUNT	NAME	DIFFERENCE INCLUSIVE OF WEEKENDS
31/08/2010	28/04/2011	193.50	American airline	241
31/08/2010	28/04/2011	193.50	American airline	241
30/06/2009	28/01/2010	-27075.00	American airlines	212
31/07/2011	24/01/2012	-23450.00		178
31/08/2009	23/02/2010	-22020.00	American airlines	176
31/08/2011	26/01/2012	-26505.00	American airlines	149
01/11/2010	08/03/2011	-210.00		128
10/12/2010	17/03/2011	-75.00		98
29/12/2010	28/03/2011	-270.00		90
20/12/2010	17/03/2011	-145.00		88
20/12/2010	17/03/2011	-4635.00		88
20/12/2010	17/03/2011	-13185.46		88
30/06/2010	22/09/2010	-19630.00	American airlines	85
21/02/2011	03/05/2011	-1195.90	Delta airlines	72
31/10/2009	08/01/2010	-15215.00	American airlines	70
18/01/2011	28/03/2011	-210.00	Travel & tours Belize Ltd	70
24/01/2011	28/03/2011	-3465.00	Continental airlines	64
15/07/2011	15/09/2011	-147.00	Delta airlines	63
15/07/2011	15/09/2011	-2669.20	Delta airlines	63
27/01/2011	28/03/2011	-7849.46	Taca international	61
31/01/2011	28/03/2011	-1010.90	Delta airlines	57
30/11/2009	22/01/2010	-16415.00	American airlines	54
30/11/2009	22/01/2010	-16415.00	American airlines	54
29/01/2010	15/03/2010	-13145.00	American airlines	46
07/01/2008	20/02/2008	-24210.00	American airlines	45

16/03/2009	29/04/2009	-4860.00	Continental airlines	45
15/02/2011	29/03/2011	-4680.00	Continental airlines	43
15/02/2011	29/03/2011	-25.00	U.s airways	43
27/11/2008	07/01/2009	-90.00	Belize international travel service ltd	42
20/05/2010	30/06/2010	-4200.00	Continental airlines	42
20/05/2010	30/06/2010	-1440.00	Belize global travel services ltd	42
20/05/2010	30/06/2010	-300.00	Travel & tours Belize Ltd	42
17/02/2011	30/03/2011	-300.00	Travel & tours Belize Ltd	42
30/04/2010	08/06/2010	-14130.00	American airline	40
30/04/2010	08/06/2010	-14130.00	American airline	40
03/12/2008	09/01/2009	-5760.00	Belize global travel services ltd	38
02/03/2009	06/04/2009	-1530.00		36
14/01/2008	15/02/2008	-3810.00	G. Ayuso & sons travel agency ltd	33
14/01/2008	15/02/2008	-750.00	Maya travel service ltd	33
12/12/2008	13/01/2009	-7930.00	Continental airlines	33
12/12/2008	13/01/2009	-390.00	Travel & tours Belize Ltd	33
12/12/2008	13/01/2009	-480.00	Travel & tours Belize Ltd	33
15/01/2008	15/02/2008	-723.60	Delta airlines	32
15/01/2008	15/02/2008	-5825.00	Continental airlines	32
09/09/2008	09/10/2008	-11620.46	Taca International	31

APPENDIX “C”

Reference paragraph 1.27 (a) is a sample list of payments found which does not state the period being paid in the description column of SmartStream system.

<i>No</i>	<i>Posting Date</i>	<i>Journal Id</i>	<i>Effective Date</i>	<i>Transaction Amount</i>	<i>Description</i>	<i>Journal Origin</i>
1	7/11/2012	GS0129062012	6/29/2012	(\$2,715.00)	2 736422-being amount received from Belize Global Travel services ltd. for stamp	UL
2	7/10/2012	GS0128062012	6/28/2012	(\$6,800.38)	2 735359-being amount received from Taca International Airlines for local ticket	UL
3	7/9/2012	GS0126062012	6/26/2012	(\$3,900.00)	2 733785-being amount received from Belize Global Travel Services ltd. For stamp	UL
4	7/9/2012	GS0126062012	6/26/2012	(\$776.34)	2 733935-being amount received from Delta Airlines for stamp duty collected on stamp	UL
5	6/22/2012	GS0114062012	6/14/2012	(\$6,520.00)	2 727683-being amount received from Continental Airlines for sale of ticket tax	UL
8	5/18/2012	GS0111052012	5/11/2012	(\$13,366.35)	2 710277-being amount received from Taca International Airlines for sale of tick	UL
9	5/17/2012	GS0114052012	5/14/2012	(\$4,140.00)	2 711169-being amount received from Continental Airlines for sale of tickets tax	UL
10	5/11/2012	GS013 052012	5/3/2012	(\$7,285.00)	2 705978-being amount received from Belize Global Travel Services Ltd. for stamp	UL
11	5/8/2012	GS027 052012	5/7/2012	(\$20.00)	2 706873-being stamp duty payment	UL
12	5/7/2012	GS022 052012	5/2/2012	(\$20.00)	2 704761-being payment for stamp	UL

1	8/3/2012	GS0216072012	7/16/2012	(\$20.00)	2 746094-being payment for stamp	UL
3	7/19/2012	GS0113072012	7/13/2012	(\$6,480.00)	2 744728-being amount received from Continental Airlines for stamp duty collected	UL
4	7/19/2012	GS0112072012	7/12/2012	(\$4,362.60)	2 743864-being amount received from Delta Airlines for stamp duty collected on s	UL
5	7/19/2012	GS019 072012	7/9/2012	(\$80.00)	2 741904-being amount received from US Airways for stamp duty collected on sale	UL
7	7/18/2012	GS0110072012	7/10/2012	(\$7,585.74)	2 742702-being amount received from Taca International Airlines for stamp duty collected.	UL
8	7/16/2012	GS014 072012	7/4/2012	(\$2,820.00)	2 738919-being amount received from Belize Global Travel Services Ltd. For stamp	UL

Appendix “D”

Reference paragraph 1.27 (b) is a list of entries found in SmartStream without the name of entity that made the payment

<i>No</i>	<i>Posting Date</i>	<i>Journal Id</i>	<i>Effective Date</i>	<i>Transaction Amount</i>	<i>Description</i>	<i>NAME</i>	<i>user id</i>
6	9/17/2009	gs0131082009	8/31/2009	(\$390.00)	2 181485-being payment for stamp duty for June 2009 for the above named dated 31/0		morganr
7	9/17/2009	gs0131082009	8/31/2009	(\$325.00)	2 181464-being payment for stamp duty for July 2009 for the above named dated 31/0		morganr
8	9/17/2009	gs0131082009	8/31/2009	(\$111.20)	2 181479-being payment for stamp duty for July 2009 for the above named dated 31/0		morganr

9	9/17/2009	gs0131082009	8/31/2009	(\$5.00)	2 181473-being payment for stamp duty for the month of June 2009 for the above	morganr
10	8/18/2009	gs087 082009	8/7/2009	(\$3,000.00)	2 170667-being payment for ticket tax collected for the period 1 July to 31 august	db
1	10/1/2009	gs0116092009	9/16/2009	(\$6,060.00)	2 188796-being payment for stamp duty for August 2009.	parhamkl
2	9/30/2009	gs0114092009	9/14/2009	(\$2,265.00)	2 187133-being payment of stamp duty for July 2009.	parhamkl
3	9/30/2009	gs0114092009	9/14/2009	(\$7,485.88)	2 187038-being payment of stamp duty for July 2009.	parhamkl
2	10/12/2010	gs0127092010	9/27/2010	(\$210.00)	2 380393-being pymt for ticket tax for the month of august2010 scotia bank cheque	morganr
6	3/8/2011	gs011 112010	11/1/2010	(\$210.00)	2 398524-being payment for ticket tax for the month of September 2010 for the ab	morganr
28	3/28/2011	gs0129122010	12/29/2010	(\$270.00)	2 430245-being payment for ticket tax for period November 2010 for the above name	valentined g
29	3/17/2011	gs0110122010	12/10/2010	(\$75.00)	2 421290-being payment for ticket tax for 27/09/1004/09/10 and 06/09/2010 for th	morganr
30	3/17/2011	gs0120122010	12/20/2010	(\$145.00)	2 426339-being payment for ticket tax for the above named dated 20/12/2010.	morganr
31	3/17/2011	gs0120122010	12/20/2010	(\$4,635.00)	2 426336-being payment for ticket tax for the above named dated 20/12/2010.	morganr
32	3/17/2011	gs0120122010	12/20/2010	(\$13,185.46)	2 426463-being payment for ticket tax for the above named dated	morganr

					20/12/2010.		
6	2/14/2011	gs0810022011	2/10/2011	(\$1,200.00)	2 456353-being airline ticket tax for jan 1 - 31 2011. paid vide scotia bank ch#		dbsbatch

Appendix "E"

Reference paragraph 1.27 (c) is a list of duplicated entries found in Smartstream

No	Posting Date	Journal Id	Effective Date	Debit Credit	Transaction Amount	Description	Journal Origin	user id
1	8/14/2012	AJ230042011	4/30/2011	C	(\$15,590.00)	TO RECORD APRIL 20 S/DUTY AM. AIRLINES APRIL 2011	GL	BOWDENSE
2	8/14/2012	AJ230042011	4/30/2011	C	(\$15,590.00)	TO RECORD APRIL 20 S/DUTY AM. AIRLINES APRIL 2011	GL	BOWDENSE
3	8/14/2012	AJ230042011	4/30/2011	C	(\$15,590.00)	TO RECORD APRIL 20 S/DUTY AM. AIRLINES APRIL 2011	GL	BOWDENSE
4	8/14/2012	AJ230042011	4/30/2011	C	(\$15,590.00)	TO RECORD APRIL 20 S/DUTY AM. AIRLINES APRIL 2011	GL	BOWDENSE
5	8/14/2012	AJ230042011	4/30/2011	C	(\$15,590.00)	TO RECORD APRIL 20 S/DUTY AM. AIRLINES APRIL 2011	GL	BOWDENSE
6	8/14/2012	AJ230042011	4/30/2011	C	(\$15,590.00)	TO RECORD APRIL 20 S/DUTY AM. AIRLINES APRIL	GL	BOWDENSE

						2011		
7	8/14/2012	AJ230042011	4/30/2011	C	(\$15,590.00)	TO RECORD APRIL 20 S/DUTY AM. AIRLINES APRIL 2011	GL	BOWDENSE
8	8/14/2012	AJ230042011	4/30/2011	C	(\$15,590.00)	TO RECORD APRIL 20 S/DUTY AM. AIRLINES APRIL 2011	GL	BOWDENSE
9	8/14/2012	AJ230042011	4/30/2011	C	(\$15,590.00)	TO RECORD APRIL 20 S/DUTY AM. AIRLINES APRIL 2011	GL	BOWDENSE
10	8/14/2012	AJ230042011	4/30/2011	C	(\$15,590.00)	TO RECORD APRIL 20 S/DUTY AM. AIRLINES APRIL 2011	GL	BOWDENSE
11	8/14/2012	AJ230042011	4/30/2011	C	(\$15,590.00)	TO RECORD APRIL 20 S/DUTY AM. AIRLINES APRIL 2011	GL	BOWDENSE
12	8/14/2012	AJ230042011	4/30/2011	C	(\$15,590.00)	TO RECORD APRIL 20 S/DUTY AM. AIRLINES APRIL 2011	GL	BOWDENSE
13	8/14/2012	AJ230042011	4/30/2011	C	(\$15,590.00)	TO RECORD APRIL 20 S/DUTY AM. AIRLINES APRIL 2011	GL	BOWDENSE
14	8/14/2012	AJ230042011	4/30/2011	C	(\$15,590.00)	TO RECORD APRIL 20 S/DUTY AM. AIRLINES APRIL 2011	GL	BOWDENSE
15	8/14/2012	AJ230042011	4/30/2011	C	(\$15,590.00)	TO RECORD APRIL 20 S/DUTY AM. AIRLINES APRIL 2011	GL	BOWDENSE

CONTINENTAL AIRLINES

Appendix "F"

Reference paragraph 2.47 Is a list of the samples months with showing what was paid into Treasury Department at a conversion rate of 2.00

SAMPLE MONTHS	RATE 2.00	RATE BZ\$2.02	DIFFERENCE
Jan-12	BZ\$3,540.00	BZ\$3,570.98	BZ\$30.98
May-12	BZ\$6,520.00	BZ\$6,577.05	BZ\$57.05
Jun-12	BZ\$6,480.00	BZ\$6,536.70	BZ\$56.70
Apr-11	BZ\$5,010.00	BZ\$5,053.84	BZ\$43.84
May-11	BZ\$5,330.00	BZ\$5,376.64	BZ\$46.64
Nov-11	BZ\$4,730.00	BZ\$4,771.39	BZ\$41.39
Feb-10	BZ\$4,980.00	BZ\$5,023.58	BZ\$43.58
Mar-10	BZ\$6,115.00	BZ\$6,168.51	BZ\$53.51
Oct-10	BZ\$5,540.00	BZ\$5,588.48	BZ\$48.48
Jun-09	BZ\$8,190.00	BZ\$8,261.66	BZ\$71.66
Aug-09	BZ\$6,060.00	BZ\$6,113.03	BZ\$53.03
Dec-09	BZ\$3,920.00	BZ\$3,954.30	BZ\$34.30
May-08	BZ\$8,395.00	BZ\$8,468.46	BZ\$73.46
Oct-08	BZ\$5,970.00	BZ\$6,022.24	BZ\$52.24
Dec-08	BZ\$5,215.00	BZ\$5,260.63	BZ\$45.63
Apr-07	BZ\$6,650.00	BZ\$6,708.19	BZ\$58.19
Jul-07	BZ\$11,365.00	BZ\$11,464.44	BZ\$99.44
Nov-07	BZ\$7,170.00	BZ\$7,232.74	BZ\$62.74
		TOTAL	BZ\$972.86

Appendix “G”

Reference paragraph 2.53 is a list of different exchange rates for Taca Airlines

Date	Ticket No.	Cost of Ticket	Tax in US Collars	Conversion Rate	Amount paid in Belize Dollars
15-May-12	2460602741	\$ 776.00	\$ 15.68	2.0175	\$ 31.63
22-May-12	2460625354	\$ 102.13	\$ 15.32	2.0175	\$ 30.91
24-May-12	2460510317	\$ 1,618.00	\$ 15.33	2.0175	\$ 30.93
31-May-12	2460510399	\$1,253.00	\$ 15.67	2.0175	\$ 31.61
01-Nov-11	2151826769	\$ 608.00	\$ 15.09	2.0175	\$ 30.44
04-Nov-11	2151829340	\$1,057.00	\$ 15.30	2.0175	\$ 30.87
09-Nov-11	2460066908	\$ 634.00	\$ 15.32	2.0175	\$ 30.91
16-Nov-11	2460050089	\$ 670.00	\$ 15.33	2.0175	\$ 30.93
26-Nov-11	2460117848	\$ 746.00	\$ 15.08	2.0175	\$ 30.42
30-Nov-11	2460050214	\$ 752.00	\$ 15.31	2.0175	\$ 30.89
15-Feb-10	2150216573	\$ 331.00	\$ 15.19	\$ 2.00	\$ 30.38
24-Feb-10	2150223175	\$ 451.00	\$ 15.31	\$ 2.00	\$ 30.62
27-Feb-10	2148681130	\$ 87.00	\$ 10.88	\$ 2.00	\$ 21.76
04-Dec-09	2150167570	\$ 875.00	\$ 15.19	2.00	\$ 30.38
30-Dec-09	2150180779	\$ 652.00	\$ 15.31	2.00	\$ 30.62
30-Dec-09	2148680825	\$ 533.00	\$ 15.00	2.00	\$ 30.00
01-May-08	2022141825327	\$ 598.00	\$ 15.31	\$ 2.00	\$ 30.62
02-May-08	2022755841312	\$ 716.00	\$ 30.62	\$ 2.00	\$ 61.24
Nov -2007	20221302428372	\$ 1,086.00	\$ 15.00	\$ 2.00	\$ 30.00
Nov -2007	20221391990911	\$ 220.00	\$ 43.31	\$ 2.00	\$ 86.62
Nov -2007	20221391943683	\$ 528.00	\$ 15.31	\$ 2.00	\$ 30.62

Appendix "H"

Reference paragraph 2.65 is a list of missing receipts for American Airlines

Months	Amount
2012	
January	BZ\$14,745.00
May	BZ\$18,910.00
June	BZ\$29,910.00

Months	Amount
2011	
April	BZ\$14,705.00
May	BZ\$17,525.00
November	BZ\$16,840.00

Months	Amount
2007	
April	BZ\$17,880.00

Months	Amount
2010	
February	BZ\$11,900.00
March	BZ\$14,130.00
October	BZ\$18,175.00

Months	Amount
2009	
June	BZ\$22,985.00
August	BZ\$21,400.00
December	BZ\$13,145.00

Reference paragraph 2.65 is a list of missing SmartStream receipts for
American Airlines

Months	Amount
2012	
January	BZ\$14,745.00
May	BZ\$18,910.00
June	BZ\$29,910.00

Months	Amount
2011	
April	BZ\$14,705.00 ***
May	BZ\$17,525.00
November	BZ\$16,840.00

Months	Amount
2010	
February	BZ\$11,900.00
October	BZ\$18,175.00

Months	Amount
2009	
Aug-09	BZ\$21,400.00

Appendix "I"

Reference paragraph 2.66 is a list of missing Treasury receipts for Continental Airlines

Months	Amount
2012	
May	\$6,550.00

Months	Amount
2011	
November	\$4,730.00

Months	Amount
2007	
April	\$6,650.00
July	\$11,365.00
November	\$7,170.00

Reference paragraph 2.66 is a list of SmartStream transactions for Continental Airlines without treasury receipts included in the description column

Sample Month	Amount	Journal ID	Date	Comments	Smart Stream Remarks
Oct-08	\$5,970.00	CB01114112008	11/14/2008	No receipt number was stated	Continental airlines pym't of stamp duty on airline ticket tax for oct.08
April 2007	\$6,650.00	CB01115052007	15/5/2007	No receipt number was stated	Continental airlines stamp duty on ticket tax for april 07
Jul-07	\$11,365.00	CB01116082007	16.08.07	No receipt number was stated	Continental airlines stamp duty for the sale of ticket tax for july,2007
Nov-07	\$7,170.00	CB01118122007	12/18/2007	No receipt number was stated	Continental airlines stamp duty collected on airline tickets tax

Appendix "J"

Reference paragraph 2.68 is a list of missing receipts for Delta Airlines

Months	Amount
2012	
January	\$1,161.80
May	\$4,243.00
June	\$4,332.60

Months	Amount
2011	
November	\$2,012.40

Months	Amount
2007	
April	\$434.50
July	\$1,090.50
November	\$25.30

Months	Amount
2010	
October	\$147.00

Reference paragraph 2.68 is a list of missing SmartStream receipts for Delta Airlines

MONTH	AMOUNT	MONTH	AMOUNT
May-12	\$4,243.00	Mar-10	\$1,045.20
Jun-12	\$4,332.60	Oct-10	\$147.00
Feb-10	\$840.00		

Appendix "K"

Reference paragraph 2.69 is a list of missing receipts for Taca Airlines

Months	Amount
2012	
January	\$10,617.42
May	\$7,651.36
June	\$7,681.89

Months	Amount
2011	
November	\$8,488.71

Months	Amount
2007	
April	\$7,543.40
July	\$11,644.82
November	\$10,142.96

Months	Amount
2010	
October	\$6,246.48

Reference paragraph 2.69 is a list of missing SmartStream receipts for Taca Airlines

Months	Amount
2012	
January	\$10,617.42
May	\$7,651.36
June	\$7,681.89

Months	Amount
2011	
November	\$8,488.71

Months	Amount
2010	
October	\$6,246.48

Months	Amount
2007	
April	\$7,543.40
July	\$11,644.82
November	\$10,142.96

Appendix "L"

Reference paragraph 2.70 is a list of missing receipts for US Airways

Months	Amount
2012	
January	\$30.00
May	\$80.00
June	\$245.00

Months	Amount
2009	
December	\$60.00

Months	Amount
2008	
May	Missing records
October	Missing records

Reference paragraph 2.70 is a list of missing SmartStream receipts for US Airways

Months	Amount
2007	
April	Missing records
July	Missing records
November	Missing records

APPENDIX "M"

Reference Paragraph (2.77) is a list of Non-Payment Agencies

AGENCY NAME	Year	Amounts collected through IATA	Amounts Paid into Treasury	Difference	
Ayuso & Sons	2010	\$ 27,670.00	\$ -	\$ 27,670.00	
	2011	\$ 17,128.10	\$ -	\$ 17,128.10	
	2012	\$ -	\$ -	\$ -	
				\$ 44,798.10	
Jal's Travel Agency	2009			\$ -	
	2010			\$ -	
	2011			\$ -	
	2012	\$ 12,145.00	\$ -	\$ 12,145.00	
				\$ 12,145.00	
Phoenix Travel Services	2009	\$ 7,810.00	\$ -	\$ 7,810.00	
	2010	\$ 5,585.00		\$ 5,585.00	
	2011	\$ 4,370.00		\$ 4,370.00	
	2012	\$ 870.00		\$ 870.00	
				\$ 18,635.00	
GRAND TOTAL				\$ 75,578.10	

Appendix "N"

Reference paragraph 2.78 is list of partial payments made by the Travel Agents.

AGENCY NAME	YEAR	AMOUNT COLLECTED	AMOUNT PAID	Balance owing to Government of Belize
	2012			
Travel & Tours		\$ -	\$ -	\$ -
Ayuso & Sons		\$ -	\$ -	\$ -
Exodus Int'l Travel		\$ 40,179.20	\$ 42,389.00	\$ (2,209.80)
Caribbean Holidays		\$ -	\$ -	\$ -
Belize Global Travel		\$ 18,075.00	\$ 18,630.00	\$ (555.00)
Elisa's Travel		\$ 10,975.00	\$ 9,085.00	\$ 1,890.00
Belize International		\$ -	\$ -	\$ -
TOTAL				
	2011			
Travel & Tours		\$ 21,675.00	\$ 2,490.00	\$19,185.00
Exodus Int'l Travel		\$ 42,625.00	\$ 42,685.00	-\$60.00
Caribbean Holidays		\$ -	\$ -	\$0.00
Belize Global Travel		\$ 30,595.00	\$ 31,375.00	-\$780.00
Jal's Travel Agency		\$ 17,435.00	\$ 1,200.00	\$16,235.00
Elisa's Travel		\$ 17,445.00	\$ 15,047.00	\$2,398.00
Belize International		\$ -	\$ -	\$0.00
	2010			
Travel & Tours		\$ 20,160.00	\$ 2,790.00	\$ 17,370.00

Exodus Int'l Travel		\$ 32,690.00	\$ 31,920.00	\$ 770.00
Caribbean Holidays		\$ 16,390.00	\$ 2,420.00	\$ 13,970.00
Belize Global Travel		\$ 21,990.00	\$ 1 6,280.10	\$ 5,709.90
Jal's Travel Agency		\$ 19,860.00	\$ 2,480.00	\$ 17,380.00
Elisa's Travel		\$ 14,305.00	\$ 3,410.00	\$ 10,895.00
Belize International		\$ -	\$ -	\$ -
	2009			
Travel & Tours		\$ 24,120.00	\$ 3,960.00	\$ 20,160.00
Ayuso & Sons		\$ 28,290.00	\$ 4,110.00	\$ 24,180.00
Exodus Int'l Travel		\$ 37,470.00	\$ 36,995.00	\$ 475.00
Caribbean Holidays		\$ 23,350.00	\$ 11,240.00	\$ 12,110.00
Belize Global Travel		\$ 26,065.00	\$ 28,160.00	\$ (2,095.00)
Jal's Travel Agency		\$ 26,535.00	\$ 10,015.00	\$ 16,520.00
Elisa's Travel		\$ 16,525.00	\$ 5,730.00	\$ 10,795.00
Belize International		\$ 1,080.00	\$ 90.00	\$ 990.00
	TOTAL	\$ 507,834.20	\$322,501.10	\$185,333.10

