
Belize
FSC
Financial Services Commission

Financial Reporting and Record Keeping Practices for Non-Profit Organisations (NPOs)

AGENDA

- Accounting, Financial Reporting and Annual Audit Requirements for NPOs
- Record-Keeping and Record-Retention Obligations
- Maintaining Accurate Financial Records and Supporting Documentation
- Common Record-Keeping Challenges and Good Practices
- Q&A



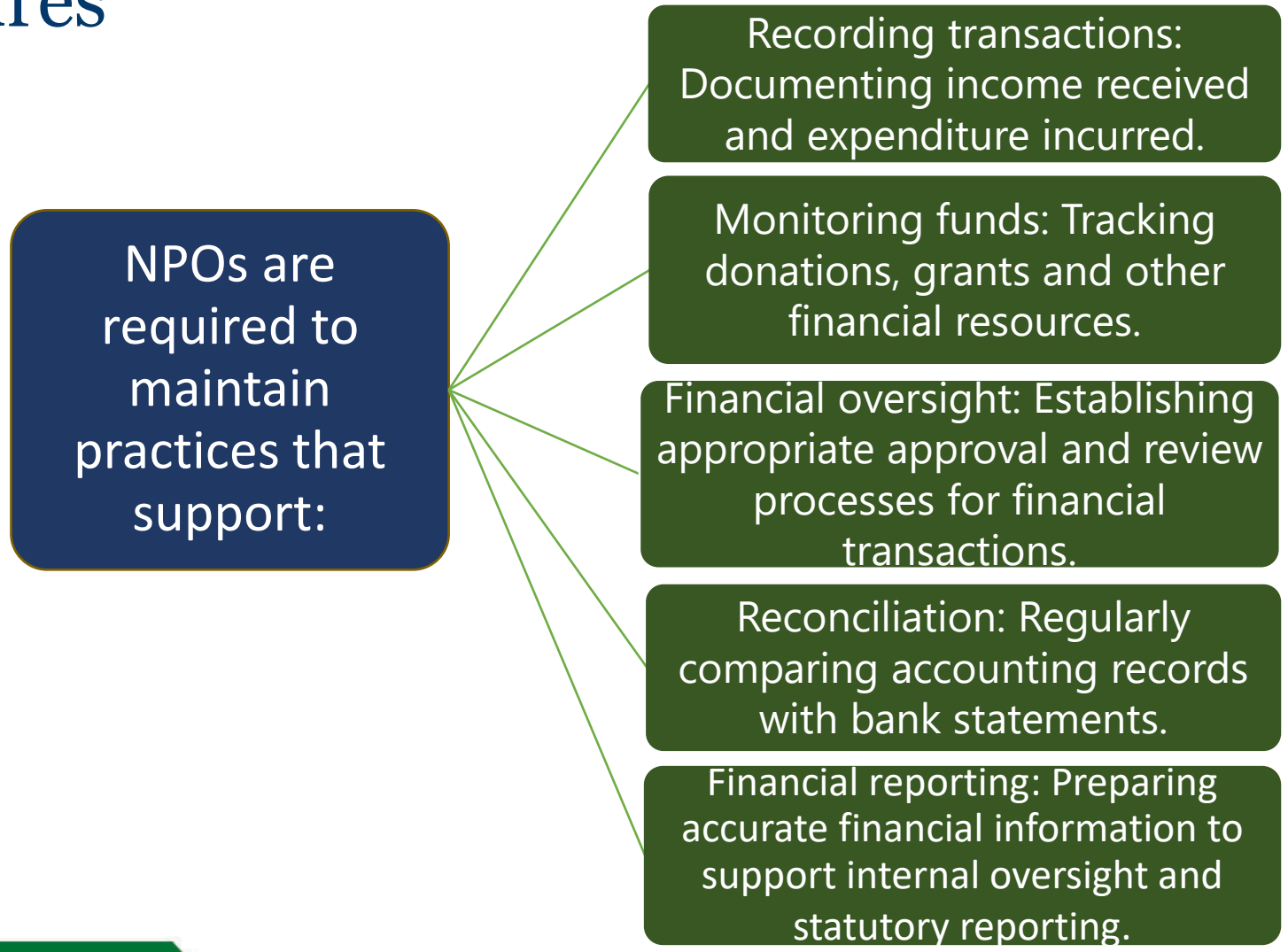
"The views we express today are made in our official capacities but do not necessarily reflect the views of the Commission, the Commissioners, or other members of the staff."

Accounting and Financial Reporting Requirement

Are Your NPO's Finances Properly Being Accounted For?

Establishing Effective Accounting Procedures

Effective accounting procedures help NPOs accurately record, monitor and account for their financial activities.



Understanding Financial Reporting Requirements

Under Section 20 of the Non-Profit Organisations Act, 2023:

- Every registered NPO is required to submit an annual return to the NPO Registrar.
- The annual return must be submitted within four months after the end of the financial year.
- The annual return must be completed in the form prescribed in Schedule V.
- NPOs subject to Section 18(1) must submit a certified copy of their audited accounts together with the annual return.

Examples of Financial Reporting Dates

Example 1: Financial Year
Tip- This is the date recorded from the Annual Return Form.

SCHEDULE V
NON-PROFIT ORGANISATION ANNUAL RETURN FORM

[Section 20(1)]

Name of Non-Profit Organisation:
Helping Kids 501

Address of Registered Office of NPO:
5th Street South Corozal To

Telephone Number(s) of NPO:
722-2148

Email address of NPO:
helpingkid@gmail.com

Name of Person Completing Return Form:
Kaydel Wagner

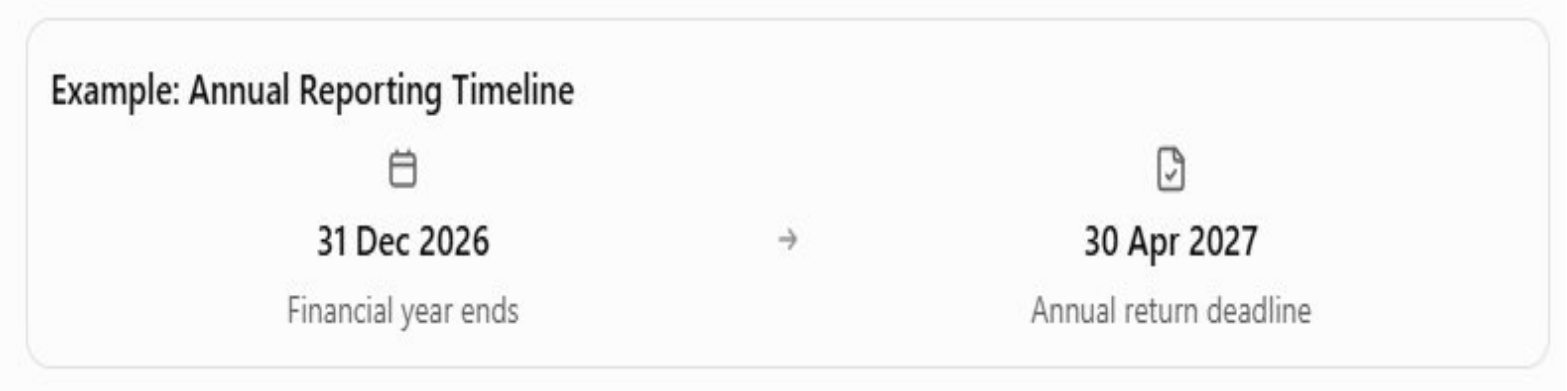
Position of Person Completing Return Form:
Controller

Tel Number(s) of Person Completing Return Form:
615-1215

Email address of Person Completing Return Form:
kaydel@gmail.com

NPO Financial Year Beginning: May 1st 2025 **End:** April 30th 2026

Example 2: Calculation of the deadline
Tip- This is the 4 months after the end of the financial year.



Annual Audit Requirements

Are all NPOs required to have their accounts audited annually?

Which NPOs Are Required to Have Annual Audits?

- Under the Non-Profit Organisations (Accounting Requirements for Specified Classes) Order, 2025, NPOs with annual cumulative revenues or grants of BZ$500,000 or more are required to have their accounts audited annually.
- Key requirements include:
  - Determining whether the NPO meets the prescribed financial threshold.
  - Having the organisation's accounts audited annually where the threshold is met.
  - Engaging an auditor approved under the Accountancy Profession Act.
  - Submitting a management letter prepared by the auditor.

Belize Companies & Corporate Affairs Registry

Keystone Building, Suit 501
304 Newtown,Barracks,
Belize City, Beize, C.A.

Telephone - (501) 224-4701
Whatsapp - (501) 615-8761
E-mail - inquiries@bccar.bz
Website - www.bccar.com

6130 Iguana Avenue,
Mountain View Avenue,
Belmopan City, Belize, C.A.

Other Income (Specify)	0
GROSS INCOME	221,500

ANNUAL AUDIT THRESHOLD

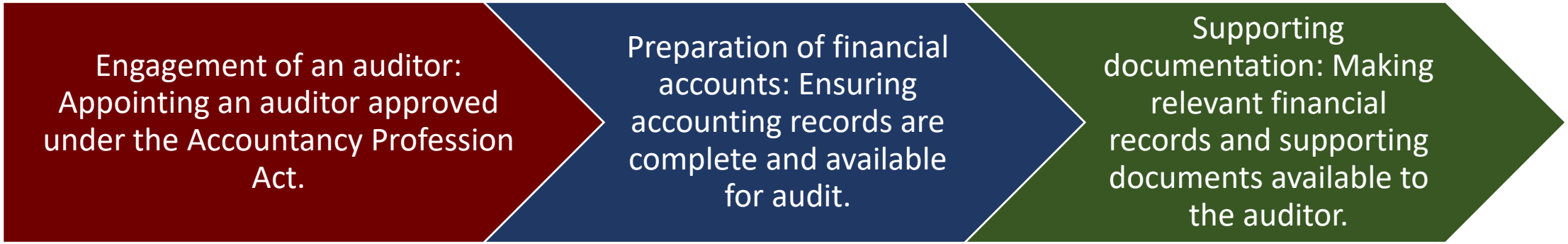
BZ$500,000

Annual cumulative revenues or grants

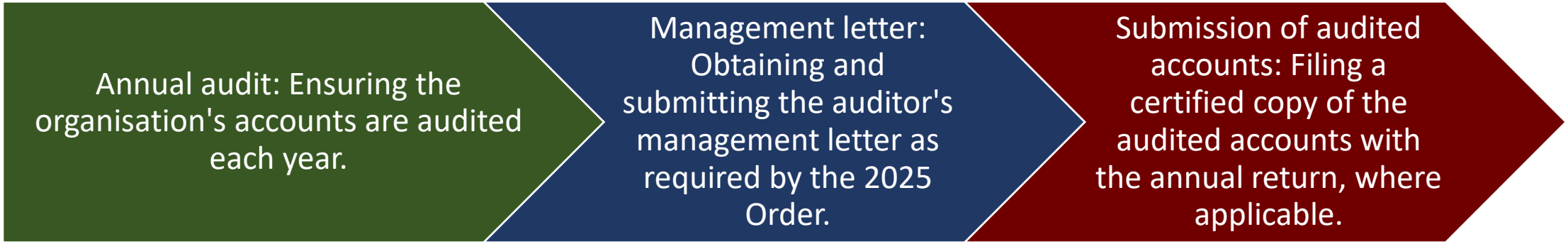
- **BZ$500,000 and above:** Annual audit required
- **Below BZ$500,000:** Not subject to this particular mandatory audit threshold

Meeting Annual Audit Obligations

- NPOs subject to annual audit requirements must ensure that their financial accounts are examined by an appropriately approved auditor.
- Key responsibilities include:



Meeting Annual Audit Obligations Con’t



Financial Record Keeping

Whether or not your NPO is required to undergo an annual audit, are you still required to maintain accurate financial records?

Understanding Financial Record-Keeping Obligations

- Under Section 16 of the Non-Profit Organisations Act, 2023, registered NPOs are required to maintain accounts and other records relating to their operations.
- Proper financial record keeping helps NPOs:
  - Maintain accurate records of income and expenditure.
  - Account for donations, grants and other financial resources received.
  - Demonstrate how funds are utilised for their intended purposes.
  - Support transparency and accountability in financial operations.
  - Facilitate the preparation of financial reports and annual returns.
  - Provide financial information when requested by the NPO Registrar.

What Financial Records Should NPOs Maintain?

NPOs should maintain financial records and supporting documentation that accurately reflect their financial activities.

Examples include:

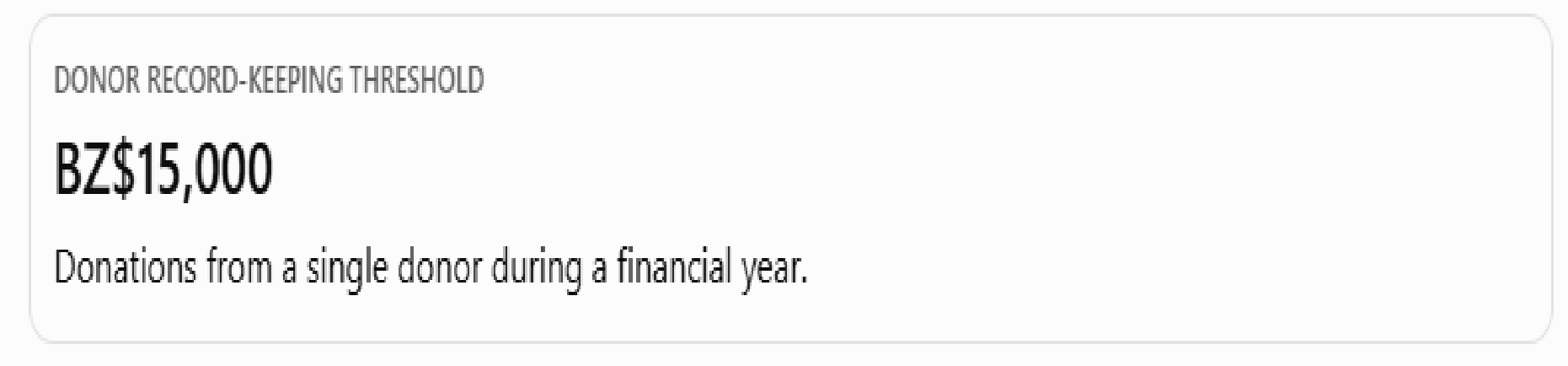
Financial records:	Supporting documentation:
Income and expenditure records	Receipts and invoices
Donation and grant records	Donation acknowledgements and grant agreements
Bank transaction records	Bank statements and deposit slips
Payroll and staff payment records	Payroll registers and payment vouchers
Asset and liability records	Purchase documents and asset registers
Financial statements	Accounting schedules and reconciliations

Understanding Donor Record-Keeping Obligations

- Under Section 17 of the Non-Profit Organisations Act, 2023, and the Non-Profit Organisations (Record Keeping Threshold) Order, 2025, NPOs are required to take reasonable steps to document and retain donor identification information when the prescribed threshold is met.
- Key requirements include:
  - Identifying donors whose contributions meet or exceed the prescribed threshold.
  - Taking reasonable steps to document and retain the identity of those donors.

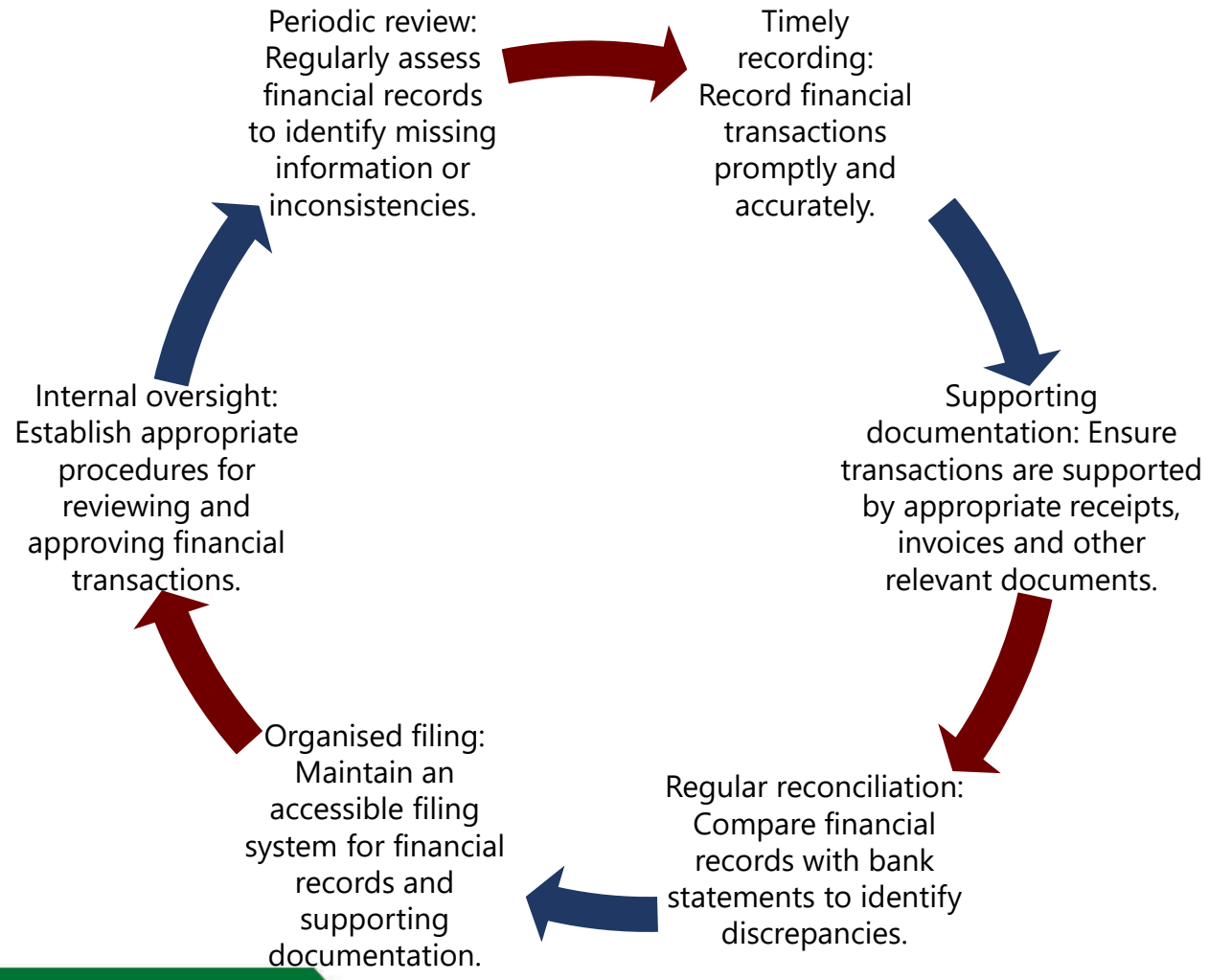
Understanding Donor Record-Keeping Obligations Con't

- Monitoring cumulative donations received from individual donors during the financial year.
- Maintaining accurate donation records to support compliance with the threshold requirement.



Ensuring Accuracy and Completeness of Financial Records

NPOs are encouraged to adopt the following good practices:



Record Retention and Common Challenges

Maintaining financial records is important, but how long are NPOs required to keep them?

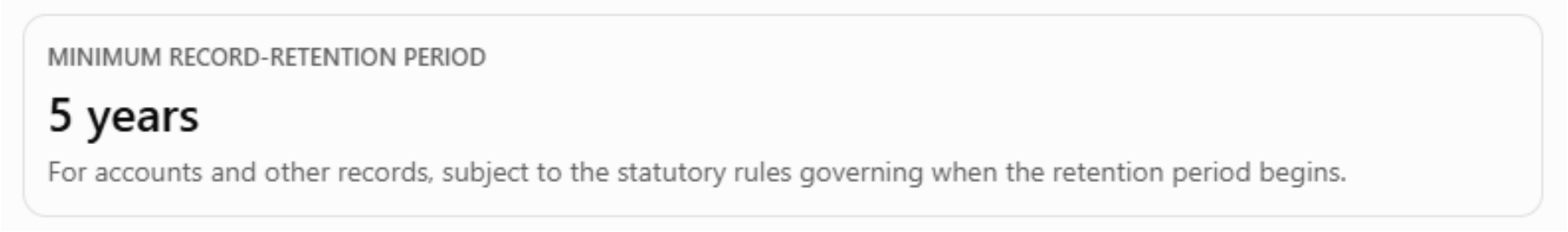
Understanding Record-Retention Obligations

Under Section 18(4) of the Non-Profit Organisations Act, 2023, NPOs are required to preserve their accounts and other records for a minimum period of five years.

Key considerations include:

Maintaining financial records for the prescribed retention period.	Ensuring records remain complete, accurate and accessible.	Preserving supporting documentation relating to financial transactions.	Establishing procedures for the secure storage and retrieval of records.	Ensuring records are retained following the cancellation of an NPO's registration, where applicable.

Understanding Record-Retention Obligations Con’t



Ensuring Financial Records Are Properly Maintained and Accessible

- Recommended practices include:
  - Organized filing systems: Maintain records in a structured and consistent manner.
  - Secure storage: Protect physical and electronic records against loss, damage or unauthorized access.
  - Electronic backups: Regularly back up electronic financial records.
  - Access controls: Restrict access to sensitive financial information to authorized personnel.
  - Document retrieval: Ensure records can be located and produced when requested.
  - Record management procedures: Establish internal procedures for storing, maintaining and retaining records.

Identifying Common Record-Keeping Deficiencies

Common challenges include:

- Incomplete documentation: Missing receipts, invoices or other supporting records.
- Inaccurate financial records: Errors or inconsistencies in recording income and expenditure.
- Poor record organization: Financial documents are misplaced, disorganized or difficult to retrieve.
- Failure to monitor donations: Inadequate tracking of cumulative donations from individual donors.

Identifying Common Record-Keeping Deficiencies Con't

- Inadequate record retention: Records are discarded before the prescribed retention period expires.
- Limited internal oversight: Insufficient review of financial transactions and supporting documentation.

Strengthening Record-Keeping Practices

Recommended good practices include:

- Establish clear procedures: Develop written guidelines for recording and maintaining financial information.
- Assign responsibilities: Designate personnel responsible for maintaining and reviewing financial records.
- Maintain complete documentation: Ensure income and expenditure are supported by appropriate records.
- Conduct periodic reviews: Identify and correct errors, omissions and inconsistencies.
- Implement secure filing systems: Organize and protect physical and electronic records.
- Monitor compliance: Regularly assess record-keeping practices against applicable statutory requirements.

If your organisation were required to produce its financial records today, would those records be complete, accurate and readily accessible?

KEY TAKEAWAYS

All registered NPOs are responsible for maintaining proper accounting and administrative procedures to ensure transparency and accountability in the management of their resources.

NPOs must comply with applicable financial reporting requirements, including the timely submission of annual returns.

NPOs meeting the prescribed financial threshold of BZ$500,000 in annual cumulative revenues or grants must comply with annual audit requirements.

KEY TAKEAWAYS Con't

Financial transactions must be properly recorded and supported by appropriate documentation to demonstrate how funds are received and utilised.

NPOs must take reasonable steps to document and retain donor identification information when donations from a single donor reach BZ$15,000 during a financial year.

Financial records must be preserved for the prescribed minimum period of five years.

Implementing effective internal controls, maintaining organised records and conducting regular reviews can help minimise deficiencies and strengthen compliance.

Financial Reporting and Record Keeping Practices for Non-Profit Organisations (NPOs)



FINANCIAL SERVICES COMMISSION

THANK YOU!

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