2014/2015

Belize Telemedia Ltd.
2014/2015 Annual Shareholder Report

CORPORATE PROFILE

Belize Telemedia Limited (BTL or The Company) owns and operates an extensive telecommunications network throughout the country of Belize in wireline, wireless and data services. The company offers and uses a wide range of products and technologies that include fixed line telephone service, fixed wireless, national and international calling services, prepaid services, a GSM mobile network (GSM 850/1900MHz, GPRS and EDGE, HSPA+), international voice and data roaming, high-speed internet service, high speed data service and national and international data networks. The company's mission is to be fast and efficient in providing communication solutions, enriching the quality of life of customers and keeping them connected anytime, anywhere. Our vision is to be a highly proficient, customer-driven, strategy-focused, best-in-class solutions provider that is outstanding in everything we do.

ANNUAL SHAREHOLDER REPORT

The directors of Belize Telemedia Limited tender this report to the Company's shareholders. This report covers the fiscal year April 1, 2014 to March 31, 2015, and gives an overview of BTL and the main developments in the Company's business, including an assessment of the impact of the business operations on the Company's finances. BTL's audited financial statements for the year ending March 31, 2015, together with the auditors' report, form an integral part of this report.

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The New BTL

The telecommunications landscape in Belize has been rapidly changing over the past few years, with the most notable change being the increase in competition brought on primarily by the growth in the number of local internet service providers (ISPs), cable operators (who now bundle other services such as the internet) and international service providers who offer communication options over the internet (WhatsApp, Viber, Facebook etc.).

Six years ago BTL returned to being 100% Belizean owned, but the days when that status alone was enough to garner customer loyalty and support are gone. Today, increased competition is demanding that BTL shift towards a corporate culture that focuses on ensuring a consistently great customer experience, constant innovation, more economic pricing, better reliability and increased efficiency. Therefore, during the past fiscal year the company has embarked on an effort to redefine our business approach and corporate culture in order to ensure sustainable, long-term growth and profitability for you our shareholders. The most forward facing and impactful aspect of this new approach has been a re-energized marketing campaign. While this new marketing energy, inclusive of better priced products, has started to yield positive commercial traction, there are many other human resource, performance management, and technological changes that we have undertaken to transform the company into The New BTL. You should get a better understanding of these efforts and what they mean to you as a shareholder after reading this report.

We call the process of redefining and getting buy-in from our employees for the revitalized corporate culture surrounding The New BTL, "The Culture Change Initiative". The Culture Change Initiative is designed to promote a corporate attitude that is premised on clearly defined goals, open communication, smarter and more strategic thinking concerning critical decisions, efficiency and minimizing bureaucracy. Since BTL is no longer a monopoly, the corporate culture and mindset throughout the entire organization needs to evolve in order to become a more commercially competitive organization. This is the single most important objective of the Executive Committee.

This evolution is particularly challenging because the company has been accustomed to operating as a monopoly for so long. Our team, however has embraced the new challenge of culture change and understands its importance and how vital it is to our future success.

Transforming BTL into one of Belize's most commercially competitive organizations means for you as a shareholder, that your company will focus on value creation by having the people who work for it totally committed to being efficient while delivering a superb customer experience.

That is our vision for the New BTL.

Sincerely,

Anwar Barrow
Chairman
Executive Committee
Belize Telemedia Limited

THE YEAR IN REVIEW 2014–2015

CULTURE CHANGE: MOLDING A NEW MINDSET

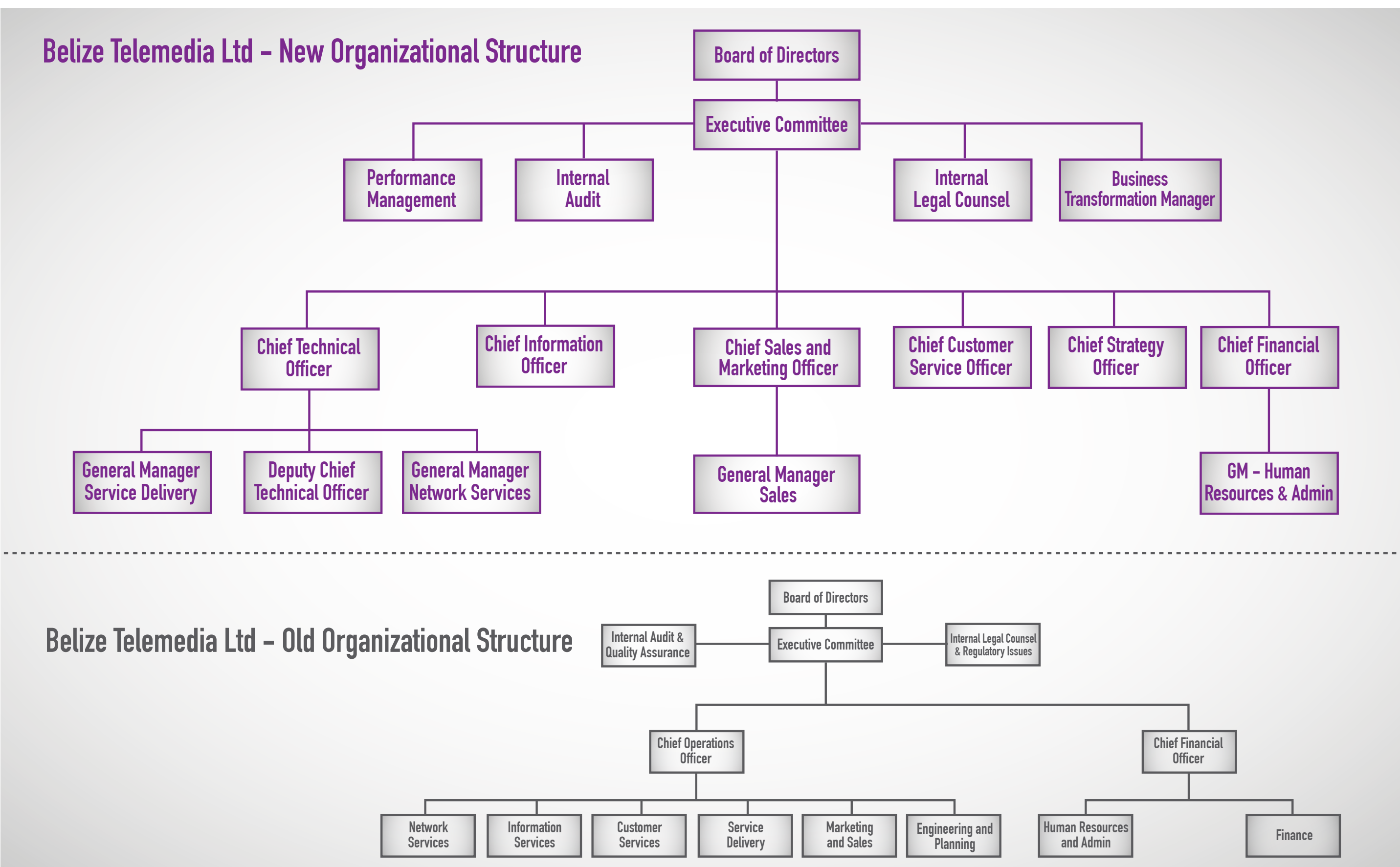
Given the increasing competitiveness of the telecommunications industry in Belize, 2014 was somewhat of a watershed year for BTL where the board of directors decided that it was time to usher in an unprecedented era of transformation at the company. This took the form of three main initiatives:

1. **Reshape the corporate culture of BTL from one born out of a monopoly to one on the cutting edge of competition**

2. **Re-energize the company's marketing and sales initiatives**

3. **Develop a plan for migrating out of old technologies and consolidating technological platforms in order to save money and deliver a superb customer experience.**

The first initiative, that of culture change, is as much an art as it is a science because while there are concrete and specific things a company may do to shape its culture, there are many intangibles which affect an employee's ability and desire to live the culture envisioned. As a first step in transforming the company, the board conducted an extensive study to look at what a more efficient BTL would look like regarding staffing levels as well as the management structure. This resulted in a massive reorganization which came into effect on the July 1, 2014.



This new structure included the consolidation of the executive management team into a much more manageable six positions instead of eleven; a more empowered role for the Chief Technical Officer; and the creation of a new post of Chief Sales and Marketing Office with direct responsibility and accountability for the company's revenues and growth.

It also saw the creation of the post of Business Transformation Manager reporting directly to the Chairman of the Executive Committee and responsible specifically for putting programs in place to successfully create a new culture built around performance while becoming more competitive. With the reorganization also came the recruitment of new talent and the creation of new roles. The board is committed to getting the right people to successfully propel The New BTL forward and this has resulted in new blood coming in to fill over half of the most senior executive positions.

This level of change is unprecedented in BTL's history but is necessary, given the mandate set by the board: to transform the company into one of Belize's most commercially competitive organizations. The increase in staff churn and consolidation of some positions, with a view to flattening the organization, has resulted in an overall small reduction in headcount, but as importantly, it has created the incentives for optimal performance. Many within BTL continue to develop themselves professionally in order to fill upwardly positions as they become available.

There is no doubt that as the pace of evolution at the company continues to increase, some staff members will decide that they would like to take on new positions outside of BTL. The board understands and respects this and is committed to propelling the company forward and putting the right talent in the right places.

In this time of fervor and excitement, another solid culture change initiative has been the launch of several internal campaigns to enhance employees' understanding the process of change. Chief among them have been the definition of the company's traits and The Four Doors to Change.

These initiatives were born out of team building activities and much discussion around what the employees of BTL think the company should look like. Soft skills training and team building exercises along with the reorganization under the culture change initiative have been bolstered in more tangible terms by the restructuring of the bonus system for management that is based on the achievement of measurable goals and objectives.

This new system of bonuses tied to objectives has been quite revolutionary because for the first time in the company's history it brings clarity and focus around the company's priorities as set by the board and then holds persons accountable for the achievement of those priorities. A tremendous amount of effort is being put in to ensuring that the goals set are clear and measurable. A success criteria which proves difficult at first for some positions more than others, but will get less difficult as year after year, management gets more adept at defining in measurable terms, the value they expect created by each position for the company and ultimately your benefit as a shareholder. We believe that this system having been launched for the financial year 2014-2015 (FY '14) will continue to prove critical in the coming years for defining goals and pushing the company to perform better. Staff performance indicators will gradually change and become less difficult to define from year to year. It is part of a larger performance management restructuring initiative which will see the implementation of a new appraisal system and the updating of the company's compensation framework to best practice by the end of FY '15.

"New leadership is ushering in change at BTL, but it's the ushering in of a new culture that's of even more importance, for as leadership changes, culture will remain"

-Verlene Pitts, Business Transformation Manager

THE MORE CAMPAIGN

"There's never a dull moment in this department."

– Ellen Garbutt, Branding and Events

In November 2014, with the culture change initiative fully under way, the MORE campaign was launched by a re-energized marketing team led by the new Chief Sales and Marketing Officer. The More Campaign was brought to life with the tag line "Get More, Do More, Love More, Live More." Promotions under the MORE campaign banner have been varied and extended to a variety of demographics; they included:

- "All Night Long" bargain, which lasted from November to early December and provided unlimited text and calls among Digicell customers between 9 p.m. and 9 a.m.
- "Sharing the Love" special in February where phones were offered for $199 cash or $29 down-payment when bundled with a 4G data contract.
- "Stop the Clock" in February, which provided customers free minutes for the remainder of their day after they paid for the first 12 minutes of talk time.
- "30 for 3," which allowed customers to talk for just three minutes on a call and get the next 30 minutes free. Customers paid just $2.04 compared to the standard charge of $22.44.

Sharing the Love resulted in:
600+ BUNDLES IN 2 WEEKS

3 for 30 resulted in:
$2.04 VS. $22.44
91% CUSTOMER SAVINGS

In February 2015, post-paid customers became integrated in the MORE campaign. For the first time ever, BTL bundled data, voice and SMS and offered five attractive combination plans providing a number of minutes, texts and gigabytes of data ranging from $49 a month to $249 a month. Additional bonuses to the plans also included free nights and weekends, free talk and text within the calling circle and roll-over plan minutes for three months. These plans proved really attractive and in just two months BTL saw the postpaid customer base increase by 15%. Visually these campaigns followed new branding guidelines designed to create the cleaner, crisp and sharp look that has become characteristic of all BTL's subsequent branding material.

Post-paid accounts have seen
15% GROWTH

The economic concept of all these campaigns is to drive revenues through promotions that offer just enough of an incremental value to stimulate an increase in customer spending, while at the same time generating enough additional revenues to more than justify the incremental value offered. This campaign has been a huge success and BTL estimates that in the months from November to March it generated an additional $2.2 million dollars in revenues. The number of customers using the 4G service since January has increased steadily and resulted in an increase of our mobile 4G data revenue by 55% percent and an unprecedented 600 percent increase in the number of pre-paid customers buying a 4G data plan. This is in addition to getting a remarkable 18,000 more customers who had Digicell pre-paid numbers that were dormant to becoming active customers with increased spend levels. Coming into the 2015 financial year, BTL expects the campaign to have an even more significant impact on the bottom line.

Our new marketing campaign and promotions during the 2014-2015 FY, allowed us to re-activate

18,000 Dormant DigiCell customers

"We are doing something now. We are being seen."

– Erika Hernandez, Business Intelligence

THE NETWORK EVOLUTION PLAN: LET'S TAKE IT TO THE NEXT LEVEL

The third of the three critical initiatives mandated by the board of directors was for management to review all of BTL's systems, products and technologies; and develop a clear path into the future to allow the company to consolidate these technologies and services in order to keep up with the demands for better service from consumers, while reducing operational costs.

This exercise is a most vital one because, over the years, the company had developed over 800 products and services and acquired a multitude of technologies that were used to deliver these products and services. In terms of technology and in the case of fixed internet for example, BTL had eight different technology platforms being used to deliver that service, all of varying ages, some being already manufacturer discontinued, and of varying efficiencies/capabilities.

For a company of this size, optimally BTL should have around 219 different products and services and in the case of fixed internet technologies, 2-3 platforms. The build-up of these products and technologies reduces efficiency tremendously by making it very hard to move quickly with changes and is very costly because the older systems get more expensive to operate and support, while generally not providing a superb customer experience.

The Network Evolution Plan is the company's comprehensive and multi-year road map outlining the critical technology choices for the immediate and long term. More importantly it lays out the timelines for the implementation and speaks to how BTL should optimize its technology footprint to ensure efficient and commercially driven capital expenditure. The plan is almost fully complete but the last details surrounding the most critical questions of implementation are still being fine-tuned. Implementation is crucial because the migration and consolidation of older technologies to new ones requires new skill sets to be developed or brought into the team and careful planning so that the technology ecosystem is not completely disrupted. The successful implementation of the Network Evolution Plan over the next 5 years will see the introduction of lightning fast LTE mobile data speeds, the betterment of mobile coverage and the build out of a stronger more robust fiber network across the country. In particular areas, which have the population density and a justifiable business case, the company will be running fiber directly into the home. More details of this plan will be addressed at next year's AGM. However, its successful implementation is projected to take Belize from one of the lower ranked nations in terms of technological infrastructure to one of the top 5 in the region. This would be a leap which would no doubt be impressive and cement BTL's place in the medium term as Belize's technology company of choice.

NETWORK EXPANSION: BIGGER COVERAGE, BETTER SERVICE

Following the official launch of the Digicell 4G Network and commercial access to the service in February 2013, the Company moved full steam ahead to complete the rollout plan in May 2014. The remainder of the year saw the continued expansion of the 4G Network with additional cell sites commissioned at Wings in San Pedro, Novelo's and Horizon buildings in Belize City, In Styles in Orange Walk, Mirador in Corozal Town and Nasa in the Corozal Free Zone. We also upgraded and expanded a number of other 2G sites during the course of 2014-2015 in order to improve and increase capacity and coverage. Digicell customers in rural and urban communities, including those residing on the major islands, are now able to experience and enjoy improved Digicell coverage.

With significant growth in the demand for High Speed Internet access, the Company expanded its fixed broadband network both nationally and internationally. We established a new cross-border internet link via the Western Border, providing an additional link that allows greater internet capacity while adding a needed redundancy for our existing ARCOS submarine fiber optic link. The Company also upgraded the Outside Plant (OSP) network in several areas to provide the line quality that meets the standard for data and internet services.

SOCIAL RESPONSIBILITY

As a Belizean-owned company, BTL takes pride in its role as a corporate citizen. BTL remains one of the country's venerable leaders in the areas of social responsibility and community development. Over the years the Company has been able to enrich the lives of thousands of Belizeans by making sound contributions in education, sports, culture, health and youth development. Every contribution is given with the aim of creating opportunities that lead to positive impact in the lives of our people.

One of BTL's longstanding commitments is to education. As a company that employs and depends on highly skilled individuals and values the growth of our country, education is a top priority. BTL currently provides free internet services to 261 schools, including 25 that were added to our program in the 2014-2015 fiscal year. In 2014-2015, BTL also awarded 15 well-deserved students with scholarships covering books, tuition, school fees and tutoring during, their four years of high school. A minimum of 80 scholars continue to be in the program each year.

The Company also makes a direct impact on the athletic development of our youth by supporting organizations focused on developing Belize's sporting programs. The Company has supported the Belize Body Building Fitness Federation, Cycling Federation of Belize, Football Federation of Belize, Belize National Triathlon Association, Excellence Cricket Club, Special Olympics, and the BTL Female Softball Team. In March 2015, staff and supporters of the BTL Cobb's Arm Team were especially happy with the 1st place win in the La Ruta Maya Belize River Challenge.

With investments in community development, culture, and education aside, the Company also recognizes senior citizens and healthcare as an important sector in which to build partnerships. The company continues to foster partnerships with NGO's such as the Belize Cancer Society, National Committee for Families & Children (NCFC), Belize Diabetes Association, Belize Council for the Visually Impaired (BCVI), Lifeline Foundation, Ministry of Health, Hand in Hand Ministries, Liberty Children's Home, and the Belize Red Cross. In the up-coming year, BTL plans to continue these outreach efforts as we continue to invest in the people of Belize.



FINANCIAL STATEMENTS

The documents in the pages following represent audited figures for the year

April 1, 2014 through March 31, 2015

Income Statement (Audited)

All figures BZ $'000's	Financial Year 2014 - 2015	Financial Year 2013 - 2014	$ Variance Fav/(Adv)	% Variance Fav/(Adv)
Telecom Revenue	$135,440	$136,163	($723)	(-1%)
Other Operating Revenue	$7,798	$6,459	$1,339	21%
Gross Revenues	**$143,238**	**$142,622**	**$616**	**0.4%**
Operating Expenditure	($78,347)	($77,739)	($608)	(1%)
Depreciation	($32,887)	($29,823)	($3,064)	(10%)
Net Interest Income	$832	$702	$130	19%
Business Tax	($15,375)	($16,163)	$788	(-5%)
Net Earnings	**$17,461**	**$19,599**	**($2,138)**	**(-11%)**
Earnings per Share	35 cents	40 cents	(5 cents)	(-11%)

Revenue

In fiscal year 2014/15 BTL earned gross revenues of $143.2 million as compared to $142.6 million in the prior year. The company continued to see growth in revenues, specifically broadband (Internet and data) revenues. Core telecom revenues declined marginally ending at $135.4 million from $136.1 million which was a direct result of reduced usage from fixed line customers, decrease in international roaming, international long distance calls and reduction in rates of some services.

The launch of the fastest and only 4G mobile service in Belize resulted in an increase in BTL's mobile 4G data revenue by 55%. All mobile data revenues over the past year increased by almost 35% due to increase in uptake of the 4G Data plans.

BTL's continued focus on broadband services to the nation of Belize in this year ended with a 25% increase in customers. This resulted in a 13% increase in Internet and Data revenues as customers took advantage of the price reductions, doubling of internet speeds and free installation promotions. International roaming revenue still remains impacted this year due to the reduction in rates stipulated by BTL's largest foreign operator. However, the number of unique mobile roaming customers on BTL's network increased by 55% in this fiscal year. The effect of reduction in tariffs and increase in unique roaming subscribers resulted in a much smaller decline of 4% in the international roaming revenue as compared to the 21% decrease in the previous year. International settlements remained flat as compared to previous year's decrease of 15% which then was due to an 11% reduction in traffic.

The fixed-line revenue streams, including the HomeFone and BizFone bundling, experienced a reduction of $2.7 million, declining further from the $1 million in the previous year. This reduction is due to decreases in both the customer base and traffic. Increased use of mobile technologies such as Viber, FaceTime and WhatsApp, amongst other applications have seen customers utilizing their mobile handsets and/or DSL connections to make calls both nationally and internationally; ultimately customers retracting in fixed line usage.

The combined impact of changes in the various revenue streams resulted in gross revenues increasing by $616 thousand or 0.4% to $143.2 million from $142.6 million as compared to the previous financial year.

Expenditure

Operating expenses to March 2015 experienced an increase of $608 thousand over the prior year to $78.3 million from $77.7 million. There were a few main categories that showed increases in this fiscal year namely: staff costs increased by 5% due to an increase in staff salaries based on the new Collective Bargaining Agreement, increase in overtime for installations due to countrywide HSI promotions and other company projects; other operating expenses increased by 8% due to purchasing of additional capacity on BTL's international links; maintenance expense increased by 14% attributed to support level agreements for the mobile 4G network and for upgrading BTL's network security systems to prevent cyber-attacks; training reflected an increase of 48% over the past year as the company focuses on improving the technical skill-set and further enhancing the professional development of BTL's employees.

This year the company focused on reducing expenses via cost cutting measures and was successful in the following areas: office supplies - a decrease of 28% as BTL streamlined purchases in this area; other general and administrative expenses- decreased by 16% due to a reduction in routing costs, contributions and administration expenses; electricity charges – a decrease of 11% due to a reduction in usage of 22% coupled with savings in lower rates. Total operating expenses for fiscal year 2014/15 including business tax and depreciation amounted to $126 million increasing from $123 million over the previous year.

Interest earned on BTL's cash and cash equivalents deposited at financial institutions, resulted in net interest income of $832 thousand as compared to a net financial cost. Interest income increased by 19% as compared to the previous year.

Balance Sheet (Audited)

Consolidated Balance Sheet – Year ended 31 March

	Audited 2015	Audited 2014	Variance $	Variance %
Assets	BZ$'000	BZ$'000	BZ$'000	
Current assets	84,115	80,217	3,898	5%
Non Current Assets	232,610	230,003	2,607	1%
Total assets	**316,725**	**310,220**	**6,505**	**2%**
Liabilities				
Current liabilities	47,436	42,739	4,697	11%
Non Current liabilities	3,357	7,118	(3,761)	-53%
Total liabilities	**50,793**	**49,857**	**936**	**2%**
Retained earnings	164,483	158,914	5,569	4%
Other shareholder's equity	101,449	101,449	0	0%
Total shareholders' equity	**265,932**	**260,363**	**5,569**	**2%**
Total liablilites and shareholders' equity	**316,725**	**310,220**	**6,505**	**2%**

Financial Ratio Analysis – Year ended 31 March

	2015	2014
Current Ratio	1.8	1.9
Return on Assets	6%	7%
Return on Equity	7%	8%

In the 2014 fiscal year the company's working capital ratio decreased marginally to 1.8:1 from 1.9:1 as compared to the previous fiscal year. This slight decrease is attributable to a small increase in trade payables.

Capital additions in 2014/15 totaled $36 million comprising mainly of the ongoing investments in BTL's Digicell 4G network, installation of the softswitch solution to the Government of Belize, implementation of a wireless broadband solution, investments in core network and data gear, replacement of old and inefficient vehicles in the fleet, copper rehabilitations as well as fiber infrastructure installations due to the ongoing countrywide infrastructure projects.

Cash and Cash Equivalents

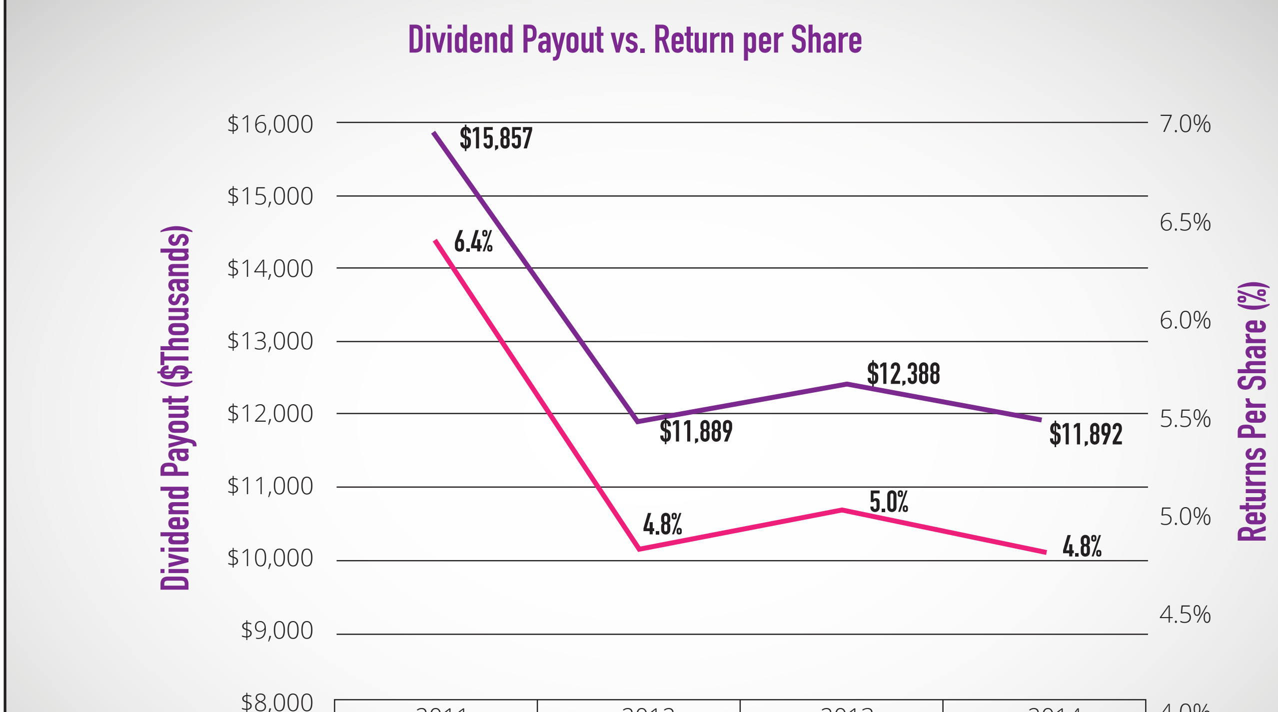
At the end of March 2015, cash on hand increased by $732 thousand to $46.9 million as compared to $46.1 million for same period previous year. A decrease in the purchase of plant and equipment assets over the previous year resulted in this increase in cash.

Shareholder Returns

The twelve months ended March 31, 2015 resulted in net profit decreasing by 11% to $17.4 million from $19.6 million recorded in the previous year. Earnings per share decreased to 35 cents from 40 cents per share in the previous year.

Shareholders' equity increased by 2% to $266 million, an increase of almost $6 million from $260 million after inflows from profits and after declaring of dividends.

The company for this fiscal year achieved a return on equity of 7%, decreasing from 8% in the previous year. Decrease in profitability over the past year resulted in this lower return on equity.



	2011	2012	2013	2014
Total Dividends (BZ$ Thousands)	$15,857	$11,889	$12,388	$11,892
Return on Each $5 Share	6.4%	4.8%	5.0%	4.8%

Share Capital Movements

As of March 31, 2015 the Government of Belize holds approximately 63% of the total outstanding shares in BTL

Board of Directors

As of March 31, 2015, The Board of Directors of Belize Telemedia Limited for the financial year 2014-15 was comprised of:

- Mr. Nestor Vasquez – Chairman of the Board
- Mr. Anwar Barrow
- Dr. Colin Young
- Mr. Ambrose Tillett
- Col. George Lovell (Rtd.)
- Ms. Audrey Wallace
- Dr. Carla Barnett
- Mr. Eric Eusey

The Executive Committee

- Mr. Anwar Barrow - Chairman of the Committee
- Mr. Nestor Vasquez - Deputy Chairman
- Dr. Colin Young
- Mr. Ambrose Tillett

Auditors

For the end of the fiscal year 2014/2015 Pannell Kerr Foster was BTL's external auditor. A resolution to re-appoint them or to appoint another competent accounting firm as auditors for 2015/2016 for Belize Telemedia Limited will be proposed at BTL's annual general meeting.

By order of the Board of Directors

Vanessa Retreage
Secretary of the Board
Belize Telemedia Limited

CONSOLIDATED FINANCIAL STATEMENTS

Belize Telemedia Limited

2014/2015

Belize Telemedia Ltd.
2014/2015 Annual Shareholder Report

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PKF
Accountants &
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Belize Telemedia Limited

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BELIZE TELEMEDIA LIMITED

CONSOLIDATED FINANCIAL STATEMENTS
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PKF Belize

Accountants &
business advisers

REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF
BELIZE TELEMEDIA LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Belize Telemedia Limited, which comprise the Group statement of financial position as at March 31, 2015, the Group statement of comprehensive income, the Group statement of changes in equity, the Group statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

Auditor's Responsibility

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

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

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

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Partners: J.A. Bautista | J. Ortez

PKF
Accountants &
business advisers

REPORT OF THE INDEPENDENT AUDITORS continued

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Belize Telemedia Limited and its subsidiaries as of March 31, 2015 and of the Group's financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

PKF Belize

PKF Belize
Chartered Accountants
Belize City
August 26, 2015

BELIZE TELEMEDIA LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2015

	Notes		2015	2014
ASSETS				
Non-current assets				
Property, plant and equipment	5		199,763	195,825
Intangibles	6		5,452	6,426
Other non-current asset	7		4,067	4,369
Non-current financial assets	8		2,757	2,812
Trade and other receivables, non-current portion	10		20,571	20,571
Total non-current assets			232,610	230,003
Current assets				
Inventories	9		10,482	11,469
Trade and other receivables	10		24,476	20,359
Non-current financial assets, current portion	8		2,276	2,240
Cash and cash equivalents	11		46,881	46,149
Total current assets			84,115	80,217
TOTAL ASSETS		BZ$'000	316,725	310,220
LIABILITIES & EQUITY				
LIABILITIES				
Non-current liabilities				
Borrowings	12		3,357	7,118
Total non-current liabilities			3,357	7,118
Current liabilities				
Trade and other payables	13		40,552	36,063
Current tax liabilities			4,109	4,160
Borrowings	12		2,775	2,516
Total current liabilities			47,436	42,739
TOTAL LIABILITIES			50,793	49,857
EQUITY				
Stock issued and fully paid	14		49,552	49,552
Treasury stock	15		(14)	(14)
Equity attributable to owners of parent			49,538	49,538
Share Premium	16		15,274	15,274
Share Capital Reserve - Non-distributable	17		36,637	36,637
Retained earnings			164,483	158,914
TOTAL EQUITY			265,932	260,363
TOTAL LIABILITIES AND EQUITY		BZ$'000	316,725	310,220

Executive Chairman **Director**

Independent auditors' report - Pages 1 and 2

The notes on pages 7 - 24 form an integral part of these financial statements

BELIZE TELEMEDIA LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED MARCH 31, 2015

	Notes		2015	2014
Revenue			135,440	136,163
Other operating income	18		7,798	6,459
Operating costs			(78,347)	(77,739)
Depreciation and amortization			(32,887)	(29,823)
Operating profit			32,004	35,060
Finance income			939	811
Finance expense			(107)	(109)
Net finance income			832	702
Profit before tax			32,836	35,762
Business Tax	19		(15,375)	(16,163)
PROFIT FOR THE YEAR		BZ$'000	17,461	19,599

Profit attributable to:				
Equity shareholders of the parent		BZ$'000	17,461	19,599
Earnings per share attributable to the equity shareholders of the parent during the year:				
Earnings per share	20	BZ$	0.35	0.40

The notes on pages 7 - 24 form an integral part of these financial statements

BELIZE TELEMEDIA LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT MARCH 31, 2015

	Share Capital	Treasury Shares	Share Premium	Capital Reserve, Non-Distributable	Retained Earnings	Total
	BZ$'000	BZ$'000	BZ$'000	BZ$'000	BZ$'000	BZ$'000
At March 31, 2013	49,552	(14)	15,274	36,637	151,703	253,152
Profit for the year					19,599	19,599
Dividends paid to shareholders					(12,388)	(12,388)
At March 31, 2014	49,552	(14)	15,274	36,637	158,914	260,363
Profit for the year					**17,461**	**17,461**
Dividends paid to shareholders					**(11,892)**	**(11,892)**
At March 31, 2015	**49,552**	**(14)**	**15,274**	**36,637**	**164,483**	**265,932**

BELIZE TELEMEDIA LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2015

		2015	2014
Cash flow from operating activities:			
Profit for the year		17,461	19,599
Adjustments for non-cash items:			
Depreciation and amortization		32,886	29,824
Loss on disposal of property, plant and equipment		67	65
Business tax		15,375	16,163
Interest income		(939)	(811)
Interest expense		107	109
		64,957	64,949
Changes in working capital:			
(Increase) decrease in trade and other receivables		(4,117)	1,356
Decrease in inventories		987	2,981
Increase (decrease) increase in trade and other payables		4,489	(2,270)
Cash generated from operations		66,316	67,016
Business tax paid		(15,426)	(16,018)
Interest income		939	811
Interest expense		(107)	(109)
Net cash inflow from operating activities		51,722	51,700
Cash flow from investing activities			
Purchases of property, plant and equipment and other assets		(35,667)	(37,739)
Proceeds on disposal of property, plant and equipment		52	19
Purchases of non-current financial assets		-	(3,839)
Proceeds from disposal of non-current financial assets		19	-
Net cash outflow from investing activities		(35,596)	(41,559)
Cash flow from financing activities			
Dividends paid to company's shareholders		(11,892)	(12,388)
Proceeds from borrowings		-	3,939
Repayment of borrowings		(3,502)	(6,366)
Net cash outflow from financing activities		(15,394)	(14,815)
Net increase (decrease) in cash and cash equivalents		732	(4,674)
Cash and cash equivalents, beginning of the year		46,149	50,823
Cash and cash equivalents, end of the year	BZ$'000	46,881	46,149

The notes on pages 7 - 24 form an integral part of these financial statements

1. GENERAL INFORMATION

Belize Telemedia Limited (the Company) and its subsidiaries (together, the Group) provide communication products, services and a broad range of voice, broadband and data communication services including fixed and mobile telephone services and internet services within Belize.

Belize Telemedia Limited is a public limited liability company incorporated and domiciled in Belize. The address of its registered office is #1 St. Thomas Street, Esquivel Telecom Centre, St. Thomas Street, Belize City, Belize.

The Group includes Belize Telemedia Limited (the parent company) which provides telecommunication services and its wholly-owned subsidiaries - Telemedia Free Zone Limited which provides telecommunication services in the Commercial Free Zone at Santa Elena, Corozal; BTL Digicell Limited which operates the GSM cellular network; Business Enterprises Systems Limited ("BESL"), which sells telecommunication products, rents telecommunication equipment, and provides other non- telecommunications services; International Communication Services Limited and International Communication Services (Belize District) Limited which operate in the E-Business Freezone Park at Mile 13 1/2 on the Philip Goldson Highway; Belize Telecommunications (Overseas) Limited ; and BTL Mobile Services Limited.

Telemedia operates under an Individual Telecommunications License, issued by the Public Utilities Commission ("PUC"). The License expires on December 29, 2017, and thereafter, is renewable, for consecutive periods of five years, unless the PUC or the Licensee serves not less than one year's written notice to the contrary.

These financial statements were approved by the Board of Directors for issue on August 26, 2015.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated financial statements of Belize Telemedia Limited have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The consolidated financial statements include all the companies within the Group as described in Note 1, paragraph 3. The consolidated financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 4.

2.1.1 Changes in accounting policies and disclosures

(a) New and amended standards adopted by the Group

The following Standards and amendments to the Standards have been adopted by the Group for the financial year beginning on April 1, 2014:

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1.1 Changes in accounting policies and disclosures (continued)

(a) New and amended standards adopted by the Group (continued)

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

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

b) New standards, amendments and interpretations not yet adopted

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

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

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognized in comprehensive income.

Any contingent consideration to be transferred by the Group is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognized in accordance with IAS 39 either in comprehensive income or as a change to other comprehensive income. A contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognized directly in the Statement of Comprehensive Income.

Inter-company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated. The accounting policies of subsidiaries are consistent with the Group's policies.

(b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(c) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognized in comprehensive income. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to comprehensive income.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 Foreign Currency Translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in 'Belize dollars' (BZ$), which is the Group's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year- end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of Comprehensive Income.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or expense'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'sundry income (expense)'.

2.4 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the "first- in, first- out" (FIFO) method. Cost comprises direct material costs (which includes all shipping, importation and delivery costs to the warehouse) and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. At each reporting date, inventories are assessed for impairment. If inventories are impaired, the carrying amount is reduced to its selling price less cost to complete and sell and the impairment loss is recognized immediately in the Statement of Comprehensive Income.

2.5 Property, plant and equipment

Land and buildings comprise mainly offices, transmission stations and warehouses. Land and buildings are shown at (a) cost or (b) fair value based on annual valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Subsequent costs are included in the carrying amount of the asset or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to comprehensive income during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land and buildings are credited to other comprehensive income and shown as other reserves in shareholders' equity. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against other reserves directly in equity; all other decreases are charged to the Statement of Comprehensive income. Each year the difference between depreciation based on the revalued carrying amount and depreciation based on the asset's original cost is transferred from "other reserves" to "retained earnings".

Land and special projects (capital work-in-progress) are not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amount to their residual values over their estimated useful lives, as follows:

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Property, plant and equipment (continued)

Buildings	40 years
Transmission equipment	10 - 15 years
Switching equipment	10 - 20 years
Mobile equipment	5 - 10 years
Other plant and equipment	3 - 40 years
Motor vehicles	4 years
Computer equipment	3 - 5 years

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

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within "Other income" in the Statement of Comprehensive Income.

When revalued assets are sold, the amounts included in other reserves are transferred to retained earnings.

2.6 Intangible assets

(a) Licenses

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful lives of five years.

(b) Computer software

Computer software comprises computer software purchased from third parties. Computer software licenses are capitalized on the basis of the costs incurred to acquire and bring into use the specific software. Computer software is amortized over their estimated useful lives of five years.

Software integral to an item of hardware equipment is classified as property, plant and equipment.

Costs associated with maintaining computer software programs are recognized as an expense when they are incurred.

2.7 Impairment of non- financial assets

Assets that have an indefinite useful life or assets not ready to use are not subject to amortization and are tested annually for impairment. Assets that are subject to depreciation or amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

2.8 Financial assets

2.8.1 Classification

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

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. The Group did not have any financial assets at fair value at year-end.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Financial assets (continued)

2.8.1 Classification (continued)

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current financial assets. The Group's loans and receivables comprise 'trade and other receivables' in the statement of financial position.

(c) Available-for-sale financial assets

Available-for-sale are non-derivative financial assets that are either designated in this category or not classified in any of the other categories. They are included in non-current financial assets unless the investment matures or management intends to dispose of it within 12 months after the end of the reporting date.

2.8.2 Recognition and measurement

Trade and other receivables are recognized at cost on the trade date and are subsequently carried at amortized cost using the effective interest method.

2.9 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

2.10 Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:
(a) significant financial difficulty of the issuer or obligor;
(b) a breach of contract, such as a default or delinquency in payments;
(c) the Group, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that a lender would not otherwise consider;
(d) it becomes probable that the borrower will enter bankruptcy or other financial reorganization;
(e) observable data indicating that there is a measurable decrease in the estimated future cash flows from trade and other receivables since the initial recognition of those assets, although the decrease cannot yet be identified with individual financial assets, including:

(i) adverse changes in the payment status of debtors; and
(ii) national or local economic conditions that correlate with defaults on balances due from debtors.

In the case of trade and other receivables, the amount of the loss is measured as the difference between the asset carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in the Statement of Comprehensive Income.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized impairment loss is recognized in the consolidated Statement of Comprehensive Income.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services provided in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables.

2.12 Cash and cash equivalents

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

2.13 Share capital

Ordinary shares are classified as equity.

Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments.

Where any Group company purchases the parent company's shares (treasury shares), the consideration paid is deducted from the equity attributable to the parent company's equity holders.

2.14 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. They are classified as current liabilities if payment is due within one year or less. If not, they are presented in non-current liabilities.

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.15 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in comprehensive income over the period of the borrowing using the effective interest method.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

2.16 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognized in comprehensive income in the period in which they are incurred.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.17 Business tax

The tax expense for the period comprises current tax. The tax charge is calculated on the basis of the tax laws enacted at the statement of financial position date. Management evaluates situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of the amounts expected to be paid to the tax authorities.

Taxes are based on monthly gross revenue receipts and are payable within the following month.

Complying with deferred taxation accounting pursuant to IAS 12 is not applicable.

2.18 Employee benefits

(a) Pension obligations

The Group has two defined contribution plans, one for management and one for non-management staff. The defined contribution plans are pension plans under which the Group pays fixed contributions into a separate entity and has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The plans are administered by separate Board of Trustees and the funds are held outside the Group.

The Group pays contributions to privately administered pension insurance plans on a mandatory or contractual basis. The contributions are recognized as staff pension expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognized as an asset.

(b) Termination benefits

The Group recognizes termination benefits in accordance with the labour laws of Belize, union agreements and Group policy.

2.19 Provisions

Provisions for legal claims, restructuring costs and environmental restoration are recognized when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably measured. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

2.20 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of general sales tax, returns, rebates and discounts and after eliminating sales within the Group.

The Group recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities as described in the following paragraphs:

(a) Sales of services

The Group principally obtains revenue from providing the following telecommunication services: access charges, airtime usage, messaging, interconnection fees, data services and information provision, connection fees and equipment sales. Products and services may be sold separately or in bundled packages. Revenue for access charges, airtime usage and messaging by contract customers is recognized as revenue as services are performed, with unbilled revenue resulting from services already provided, billed at the end of the billing cycle and unearned revenue from services to be provided in future period deferred.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.20 Revenue recognition (continued)

(a) Sales of services (continued)

Revenue from the sale of prepaid credit is deferred until such time as the customer uses the airtime, or the credit expires.

Revenue from interconnection fees is recognized at the time the services are performed.

Revenue from data services and information provision is recognized when the Group has performed the related service and, depending on the nature of the service, is recognized either at the gross amount billed to the customer or the amount receivable by the Group as commission for facilitating the service.

Customer connection revenue is recognized together with the related equipment revenue to the extent that the aggregate equipment and connection revenue does not exceed the fair value of the equipment delivered to the customer. Any customer connection revenue not recognized together with related equipment revenue is deferred and recognized over the period in which services are expected to be provided to the customer.

Revenue from prepaid sales is recognized based on extent of consumption by customer. Allocations are done to respective revenue streams based on the type of call.

(b) Sale of goods

Revenue for device sales is recognized when the device is delivered to the end customer and the sale is considered complete. For device sales made to intermediaries, revenue is recognized if the significant risks associated with the device are transferred to the intermediary and the intermediary has no general right of return. If the significant risks are not transferred, revenue recognition is deferred until sale of the device to an end customer by the intermediary or the expiry of the right of return.

(c) Multiple element sales

When revenue arrangements include multiple deliverables, the revenue recognition criteria usually are applied separately to each transaction. In certain circumstances, however, it is necessary to separate a transaction into identifiable components to reflect the substance of the transaction. Deliverables are separated into individual transactions when the following two conditions are met: (1) the deliverable has value to the customer on a stand-alone basis and (2) there is evidence of the fair value of the item. The arrangement consideration is then allocated to each separate unit of accounting based on its relative fair value.

2.21 Interest income

Interest income is recognized using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognized using the original effective interest rate.

2.22 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to comprehensive income on a straight- line basis over the period of the lease.

2.23 Dividend distribution

Dividend distribution to the Company's shareholders is recognized as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

2.24 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.24 Capital management (continued)

In order to maintain or adjust the capital structure, the Group may adjust the amounts of dividend paid to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as equity (as shown in the consolidated Statement of Financial Position) plus net debt.

2.25 Exceptional items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Group. They are material items of income or expense that have been shown separately due to the significance of their nature or amount.

3. Financial risk management

The Group's activities expose it to a variety of financial risks, mainly, credit risk, foreign currency risk, interest rate risk and liquidity risk.

(a) Credit risk

Credit risk - is the risk that a debtor will fail to settle an obligation to the Group, thereby causing the Group to incur a financial loss. The Group is exposed to credit risk mainly on accounts receivable from its customers and receivables from entities associated to the Group prior to the change in ownership of the Group. In order to reduce its credit risk, the group has adopted credit policies which include assessing the customer's credit worthiness, requesting a deposit before credit is granted, regular review of credit limits and pursuing legal recourse to collect overdue balances. The maximum exposure to credit risk is the carrying value of receivables due from previous associated entities which may only be collected through litigation.

(b) Foreign currency risk

Foreign currency risk - is the risk that the value of a financial transaction will fluctuate because of changes in foreign exchange rate. The Group incurs currency risk exposure in respect of overseas trade purchases and commitments made in currencies other than Belize dollars and repayable in foreign currencies, mainly in US dollars. Its exposure to losses from currency risk is mitigated by the fact that the official exchange rate for the Belize dollar is tied to the US dollar at BZ$2 to US$1.

(c) Interest rate risk

Interest rate risk - is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Group has no significant exposure to interest-rate risk on its assets held in the form of bank deposits since these assets earn fixed interest rates. Interest rate risk on borrowings is managed by sourcing the funds needed from competitive financial institutions both locally and abroad.

(d) Liquidity risk

Liquidity risk - is the risk that an entity's available cash may not be sufficient to meet its working capital obligations. The Group performs cash flow forecasting to ensure that it has sufficient cash to meet operational needs whilst maintaining a sufficient buffer in its undrawn committed borrowing facilities so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

The Group provides for bad and doubtful debts based on an evaluation of the collectability of individual customer balances.

The estimate for obsolete inventories is based on an evaluation of slow-moving items, particularly inventories that have not moved for more than 12 months and in some cases 24 months.

The Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. During the current year, there have been no changes to the useful life of assets.

5. PROPERTY, PLANT AND EQUIPMENT

		Land and buildings	Network equipment	Other assets	Assets in course of construction	Total
Cost						
At April 1, 2013		50,285	326,894	30,845	30,719	438,743
Additions (Transfers)		1,371	35,246	1,448	(1,949)	36,116
Disposals		(31)	(1,976)	(821)	-	(2,828)
At March 31, 2014		51,625	360,164	31,472	28,770	472,031
Additions (Transfers)		423	36,320	2,100	(5,084)	33,759
Disposals		-	(2,949)	(1,334)	-	(4,283)
At March 31, 2015	**BZ$'000**	**52,048**	**393,535**	**32,238**	**23,686**	**501,507**
Accumulated depreciation						
At April 1, 2013		9,460	217,374	25,081	-	251,915
Charge for the year		778	23,540	2,718	-	27,036
Write back on disposals		-	(1,953)	(792)	-	(2,745)
At March 31, 2014		10,238	238,961	27,007	-	276,206
Charge for the year		785	26,628	2,289	-	29,702
Write back on disposals		-	(2,942)	(1,222)	-	(4,164)
At March 31, 2015	**BZ$'000**	**11,023**	**262,647**	**28,074**	**-**	**301,744**
Carrying amount:						
At March 31, 2014	BZ$'000	41,387	121,203	4,465	28,770	195,825
At March 31, 2015	**BZ$'000**	**41,025**	**130,888**	**4,164**	**23,686**	**199,763**

Other assets comprise vehicles, furniture, fixtures, computers and other equipment.

Assets in course of construction (Special project assets) at March 31, 2015 consist mainly of the various equipment and installation charges for phase 3 of the 4G service, installation charges for the PeopleSoft Suite Upgrade, equipment and installation charges for the expansion of the broad band services, various fiber links, street resurfacing and the rehabilitation of the copper/fiber network.

Transfers for the fiscal year ended 31 March 2015 from assets in the course of construction to the various asset categories included additions to existing 4G Sites mainly to incorporate the service and software portions of the assets, upgrades to the software and the RAN optimization exercise, the addition of 15 - 4 Motion sites for the expansion of fixed broadband services, PC and laptops, power equipment, transmission equipment and various fiber installations and infrastructure upgrades due to the ongoing Belize City street resurfacing project.

6. INTANGIBLE ASSETS

		Computer software and licenses
Cost		
At April 1, 2013		22,300
Additions		1,599
At March 31, 2014		23,899
Additions		1,874
At March 31, 2015	**BZ$'000**	**25,773**
Accumulated amortization and impairment		
At April 1, 2013		15,019
Charge for the year		2,454
At March 31, 2014		17,473
Charge for the year		2,848
At March 31, 2015	**BZ$'000**	**20,321**
Carrying amount:		
At March 31, 2014	BZ$'000	6,426
At March 31, 2015	**BZ$'000**	**5,452**

Computer software and licenses consist of all purchased software for the billing, financial and human resource systems and licenses for all Microsoft products and software used by the Group.

7. OTHER NON- CURRENT ASSET

Cost - Arcos -1 and leasehold improvements		
At March 31, 2013		8,030
Additions		24
At March 31, 2014		8,054
Additions		34
At March 31, 2015	**BZ$'000**	**8,088**
Accumulated amortization		
At March 31, 2013		3,351
Amortization for the year		334
At March 31, 2014		3,685
Amortization for the year		336
At March 31, 2015	**BZ$'000**	**4,021**
Carrying amount		
At March 31, 2014	BZ$'000	4,369
At March 31, 2015	**BZ$'000**	**4,067**

Telemedia is a party to the Americas Region Caribbean Ring System (ARCOS-1), an optical fiber submarine cable system available to facilitate the provision of international telecommunication services in the region. The original project cost was approximately $801.7 million of which BTL funded $8.006 million.

The ARCOS-1 system became operational in March 2002. Its total cost is being amortized over its estimated service life of twenty-five years, commencing March 2002.

8. NON-CURRENT FINANCIAL ASSETS

		2015	2014
Belize City Municipal Bond receivable, interest at 3.5% per annum, payable semi-annually in arrears on 1 June and 1 November, maturing 6 September 2015.		500	500
Belize City Municipal Bond receivable, interest at 5.5% per annum, payable semi-annually in arrears on 1 June and 1 November, maturing 6 September 2018.		500	500
Acuity Holdings Limited Bond receivable, secured by an equitable charge over property, interest at 5% per annum, collectible in 10 years by scheduled semi-annual instalments of $21,810.		285	340
St. John's Credit Union Limited's certificate of deposit, interest at 2.5% per annum, maturing November 2015 (2014: 3.5% per annum).		1,035	1,000
St. John's Credit Union Limited's certificate of deposit, interest at 4% per annum, maturing February 2016.		1,500	1,500
Atlantic Bank Limited's certificate of deposit, interest at 3.8% per annum, maturing August 2015 (2014: 4.1% per annum).		1,213	1,212
		5,033	5,052
Less current-portion		2,276	2,240
	BZ$'000	2,757	2,812

The maximum exposure to credit risk at the reporting date is the carrying value of the financial assets classified as non-current financial assets. None of these financial assets are either past due or impaired.

9. INVENTORIES

		2015	2014
Spares, other consumable supplies and goods for resale		12,889	14,496
Less: provision for obsolete inventories		(2,407)	(3,027)
	BZ$'000	10,482	11,469

10. TRADE AND OTHER RECEIVABLES

		2015	2014
Trade receivables		13,024	12,308
Less: provision for impairment of trade receivables		(1,246)	(3,326)
Trade receivables - net		11,778	8,982
Foreign telephone network administrations receivable		5,228	4,882
Other receivables (see notes which follow)		22,575	22,779
Prepayments		5,466	4,287
		45,047	40,930
Less: non-current portion			
Government of Belize (GOB)		(8,264)	(8,264)
Great Belize Production Limited		(10,583)	(10,583)
British Caribbean Bank Limited		(1,724)	(1,724)
		(20,571)	(20,571)
Current portion	BZ$'000	24,476	20,359

(a) Provision for impairment of trade receivables

The changes in the provision for impairment of trade receivables follows:

		2015	2014
Balance as at April 1		3,326	3,262
Increase in provision		350	308
Provision no longer required		(2,322)	-
Receivables written off against the provision		(108)	(244)
Balance as at March 31	BZ$'000	1,246	3,326

10. TRADE AND OTHER RECEIVABLES (continued)

(b) Non-current portion of other receivables

Other receivables include BZ$8.3 million receivable from GOB arising from treasury shares that were held by BTL International Inc. and BTL Investments Limited which were acquired by GOB.

Other receivables also include BZ$10.6 million receivable from Great Belize Productions Limited (GBPL). This receivable arises from a decision made by the previous Board of Directors on August 24, 2009 to effectively hive off GBPL from the Company by issuing a dividend in-specie and waiving (forgiving) a balance due to the Company by GBPL. The BZ$10.6 million included some BZ$5.1 million paid by the Company to the former shareholders of GBPL for their shares and some BZ$3.8 million paid by the Company for GBPL's building on Coney Drive, Belize City. The current Board of Directors considers the entire BZ$10.6 million as receivable from GBPL and has filed a legal claim for relief of loss and damages to the Group due to the unlawful and wrongful acts of the previous directors and affiliated companies (see note 26 (b)).

Furthermore, other receivables include a receivable from the British Caribbean Bank Limited for reimbursement of the payment of BZ$1.7 million made by the previous Board of Directors towards a US$22.5 million loan. The new Board of Directors has taken legal advice and is of the opinion that the loan was obtained in breach of the Company's Memorandum and Articles of Association as well as the Belize Companies Act and is, therefore, unlawful and void. The Company has filed a legal claim, seeking a declaration from the Supreme Court as to the unlawfulness of the loan. A successful claim would entitle the Company to claim reimbursement (see note 24).

(c) Credit risk

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable as shown above. The Group does not hold any collateral or security over these receivables.

11. CASH AND CASH EQUIVALENTS

		2015	2014
Cash on hand and at bank		45,601	44,913
Bank term deposits with original maturities of 3 months or less		1,280	1,236
	BZ$'000	46,881	46,149

Cash at bank includes US$248 thousand (BZ$495 thousand) held at British Caribbean Bank (BCB) in the name of a subsidiary, BTL (Overseas) Limited, following the takeover of the Group by the Government of Belize.

12. BORROWINGS

		2015	2014
US dollar loan from Heritage Bank Limited (the Bank), repayable with interest at 7.0% per annum (2014: 7.25%) over a period of 62 months (2014: 84 months) with a moratorium on principal for the first nine months. Thereafter, the loan is to be repaid by 75 monthly instalments of US$129,901 (2014: US$133,940), inclusive of interest. The loan is secured by a legal assignment of the US dollar contracts with the International Carriers, with an agreement to pay proceeds direct to the Bank for the account of the Group and a guarantee from the Government of Belize (GOB), supported by a resolution of the National Assembly. The GOB guarantee is to remain until the Group is able to provide alternative security.		6,132	9,634
Less: current portion		(2,775)	(2,516)
	BZ$'000	3,357	7,118

The loan is repayable as follows:

		2015	2014
2014 - 2015		-	2,516
2015 - 2016		2,775	2,907
2016 - 2017		2,976	2,907
2017 - 2018		381	1,304
	BZ$'000	6,132	9,634

13. TRADE AND OTHER PAYABLES

		2015	2014
Trade payable and accruals		5,290	10,010
Customers' deposits		5,161	4,999
Other payables		4,797	5,560
Deferred income		3,275	4,366
Dividend payable		22,029	11,128
	BZ$'000	40,552	36,063

14. SHARE CAPITAL

		2015	2014
Authorized share capital - 100,000,000 shares of $1 par value divided into 99,999,999 ordinary shares of $1 each and one Special Share of $1.	BZ$'000	100,000	100,000
Issued and fully paid: 49,551,652 ordinary shares of $1 par value and 1 Special Share of $1 par value	BZ$'000	49,552	49,552

The special share can be held only by the Government of Belize. The holder has the right to receive notice, attend and speak at general meetings but this does not include the right to vote. The holder also has the right to priority on the repayment of capital but no rights to participate in the capital or profits of the Group.

15. TREASURY STOCK

		2015	2014
A Group subsidiary, BTL (Overseas) Limited, holds 2,624 shares in Belize Telemedia Limited, at a cost of $10,625.		11	11
A Group subsidiary, BTL Telemedia Investments Limited, holds 500 shares in Belize Telemedia Limited, at a cost of $3,496.		3	3
	BZ$'000	14	14

16. SHARE PREMIUM

		2015	2014
In July 2007, a rights issue was offered to shareholders at $3 per share. As a result of this offer an additional 8,216,725 ordinary shares were issued, at a share premium of $15,273,595.	BZ$'000	15,274	15,274

17. CAPITAL RESERVE - NON DISTRIBUTABLE

This represents the sum of the balances on the share premium, revaluation reserve and capital redemption reserve accounts on May 29, 2007, the statutory date when all the operations of the predecessor company, Belize Telecommunications Limited, were vested in Belize Telemedia Limited.

18. OTHER OPERATING INCOME

This represents revenue from merchandise sales, directory services and sundry items.

19. BUSINESS TAX

In accordance with the Ninth Schedule of the Income and Business Tax Act, as revised, the Group is chargeable to business tax at 19% on gross revenue receipts from telecommunication services which includes gross revenue receipts from net international settlements. Gross revenue receipts from non-telecommunications services, internet and data services are chargeable to business tax at 1.75% and gross revenue receipts from rent is chargeable to business tax at 3%.

20. EARNINGS PER SHARE

Earnings per share is computed based on the weighted average number of shares outstanding, excluding treasury shares, during the period.

21. OPERATING LEASES

The Group has several operating lease agreements with local suppliers whose lease terms ranging from one to five years. The Group incurred lease rental charges amounting to $382,820 for the year ended March 31, 2015 (2014 - $368,367).

22. RETIREMENT BENEFIT OBLIGATIONS

		2015	2014
Pension contributions under defined contribution plans	BZ$'000	1,414	1,211

23. COMMITMENTS

		2015	2014
Capital commitments			
Capital expenditure authorized and contracted - 4G Project		1,072	9,385
Capital expenditure authorized and contracted - other projects		3,646	4,650
	BZ$'000	4,718	14,035
Capital expenditure planned but not contracted	BZ$'000	2,965	14,477

24. CONTINGENT LIABILITY

In July 2007, Belize Telemedia Limited (Telemedia) entered into a US$22.5 million loan arrangement with the British Caribbean Bank Limited, formerly the Belize Bank (Turks & Caicos) Ltd., (the Bank) for the purpose of acquisition of its own shares. The loan was drawn down on the same day that it was obtained and was to be repaid in 4 years. The loan was secured by a mortgage debenture made by Telemedia over all its properties and assets and guarantees from each of Telemedia' s subsidiaries.

The new post- August 2009 Board of Directors of Telemedia, on legal advice, has always taken the position that the loan of US$22.5 million borrowed from the bank to purchase shares of Telemedia held by Royal Bank of Trinidad & Tobago (RBTT) and the giving of security therefore, was an unlawful transaction of the previous Board of Telemedia.

The previous Board of Directors did not comply with the provisions of Section 48 of the Companies Act, Chapter 250 of the Laws of Belize and the new Board of Directors were advised that, as a matter of law, this transaction was ultra virus and, consequently, is null and void. For that reason, the opinion of the Board of Directors of the Group is that the Group does not have a legal liability to the Bank for the US$22.5 million loan.

Furthermore, in its acquisition of the Group, the Government of Belize acquired the US$22.5 million liability by SI #104 and SI #130 of 2009 and SI #70 of 2011. Consequently, the Directors no longer consider the loan as a liability payable by the Group.

The Group has received legal advice which confirms that the mortgage debenture loan made by the Bank to Telemedia is unlawful and thus void.

Consequently, the US$22.5 million loan (BZ$45 million) reported in the Group's financials of March 2009 and March 2010 was removed from the financial records of the Group in 2011. The Group has advised the Government of Belize, in writing, of the facts reported above and of its decision to derecognize the loan.

24. CONTINGENT LIABILITY (continued)

However, in the event (remote as it may seem to the Board) that Belize's highest Appellate Court rules otherwise and the Government of Belize becomes ultimately liable for the US$22.5 million, then the Group is prepared to take on the liability for the loan and settle it by sourcing a long-term loan.

Belize Telemedia Limited has filed Claim #360 of 2011 in the courts seeking a declaration from the Supreme Court of Belize as to the unlawfulness of the loan and the mortgage debenture.

25. RELATED-PARTY TRANSACTIONS

The Group is controlled by the Government of Belize (GOB) who acquired, by legislation, 94.5% of the shares of the parent company on August 25, 2009. GOB issued an offer for sale of 44.5% of its shares to the general public in October 2010. After the closure of the offer for sale and as at March 31, 2014, GOB owns 63.4% of the shares of the parent company.

The following transactions were carried out with related parties:

		2015	2014
(a) Sales of goods and services			
Sales of services:			
- Government of Belize	BZ$'000	5,740	5,849

Good and services are sold to related parties on the same terms and conditions that would be available to third parties.

		2015	2014
(b) Purchases of goods and services			
Purchases of services:			
- Entities controlled by key management personnel	BZ$'000	240	280

Goods and services are bought from related parties on normal commercial terms and conditions.

The entities controlled by key management personnel are entities owned or controlled by directors.

(c) Key management compensation

The total remuneration paid to key management which includes executive and non-executive directors was:

		2015	2014
Salaries and other short-term benefits		3,133	3,240
Termination benefits/ post-employment benefits		169	192
	BZ$'000	3,302	3,432

(d) Year-end balances arising from sales and purchases of goods and services:

		2015	2014
Receivable from related parties			
- Government of Belize	BZ$'000	880	1,412
Payable to related parties			
- Entities controlled by key management personnel	BZ$'000	-	-

The receivables from related parties arise mainly from the sale of telecommunication services and are due in the month following the date of sale. The receivables are unsecured and bear no interest. No provisions are held against receivables from related parties.

25. RELATED-PARTY TRANSACTIONS (continued)

The payables to related parties arise mainly from purchase transactions and are due in the month following the date of purchase. The payables bear no interest.

(e) There were no loans made to key management personnel and their families.

26. LITIGATION

(a) On 4th of June 2011 the Company and the Government of Belize filed a claim in the Supreme Court of Belize against the British Caribbean Bank Limited seeking Declarations that the US$22.5 million loan is unlawful, null and void and that the Company has no legal obligation to pay. See Note 24. To date, no defense has been filed by the bank, however, the bank has applied to strike out the claim and to stay the proceedings pending a determination by the Caribbean Court of Justice on the constitutionality of the nationalization of the Company. By consent, the matter is now stayed accordingly.

(b) The Company has filed a legal claim for a total of BZ$21 million against the pre-2009 Board of Directors and associated companies of the previous owners for relief for loss and damage to the Group by virtue of their unlawful and wrongful acts in connection with the disposal of the Group's subsidiary, Great Belize Productions Limited (GBPL). GBPL filed an application to have the matter struck out. The Supreme Court refused the application by GPBL to strike out the Company's claim. GBPL then filed an appeal to the Court of Appeal against this ruling. The appeal was heard and upheld in favour of GBPL. The Company has since filed an application to appeal this decision at the Caribbean Court of Justice, and awaits a date for the hearing.

(c) On 18th March 2009 the London Court of International Arbitration made an arbitration award in the amount of BZ$38.5 million in favour of Belize Telemedia Limited. The then Board of Directors of Belize Telemedia Limited subsequently passed a resolution assigning the award to a company named Belize Social Development Limited. Belize Telemedia Limited has now filed a claim for a Declaration that the purported assignment of the monetary portion of the Final Award by the then Board of Directors on or about the 20th of March was ultra vires the objects of the Company and/or the powers of the Directors. The claim is to proceed to Case Management Conference and is pending the outcome of Claim No. 317 of 2009 in which the Attorney General of Belize seeks declarations that the enforcement of the award would be unconstitutional.

(d) International Telecommunications Company Limited (INTELCO) has filed a claim against the Company for US$49.1 million purportedly as a remainder of the purchase price of assets allegedly purchased by BTL or damages in the alternative for alleged breach of contract. The Company is vigorously defending this claim and has filed a defense thereto. A Case Management Conference (CMC) scheduled for June 12, 2012 was later adjourned sine die. The Company has applied for a new CMC, and is awaiting a date to be set by the Registrar.

(e) On May 15, 2014 the Court of Appeal of Belize delivered its decision on Civil Appeals No. 18 of 2012, The Attorney General of Belize, the Minister of Public Utilities v. the British Caribbean Bank, and Civil Appeal No. 19 of 2012, The Attorney General of Belize, the Minister of Public Utilities v. Dean Boyce and the Trustees of BTL Employees Trust. The Court ruled that both the Belize Telecommunications (Amendment) Act 2011, being Act No. 8 of 2011 and the Belize Telecommunications Act (Assumption of Control over Belize Telemedia Limited) Order 2011 being Statutory Instrument No. 70 of 2011, which allowed for the compulsory acquisition of BTL, are valid and constitutional. The decision of the Court of Appeal was challenged by the appellants and the matter was taken to the Caribbean Court of Justice for a final decision. The matter was heard before the Caribbean Court of Justice on December 10, 2014 and the Group awaits its decision.

(f) A claimant has filed a claim against the Company for breach of an Information Exchange Agreement. The claim is that the Company breached the agreement by disclosing details of the project to a third party. The Company categorically denies all the allegations and is vigorously defending the claim. The matter is currently at the case management stage awaiting a trial date.