

PD ASP-909

PROEXAG II



COMPONENTE AGRICOLA DEL PROYECTO DE APOYO TECNOLOGICO PARA LAS INDUSTRIAS DE EXPORTACION DE CENTROAMERICA Y PANAMA

THE BELIZE CHAMBER OF COMMERCE AND INDUSTRY LONG-RANGE PLANNING WORKSHOP

San Pedro, Belize

Assignment Number: ST-143

PREPARED BY:

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THROUGH

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UNDER THE AUSPICES OF

United States Agency for International Development (USAID)
Regional Office for Central American Programs (ROCAP)
Ciudad de Guatemala, Guatemala

May 29-30, 1993

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BELIZE CHAMBER OF COMMERCE AND INDUSTRY
Workshop on Long-Range Planning and Financial Self-Sufficiency
May 29 - 30, 1993

Participant's Agenda

Saturday, May 29

Day I: The Foundation for Planning: Information and Analysis

9:00 - 9:20

- | | | |
|----|--|--------|
| I. | Welcome, Background and Introductions | Fuller |
| | Overview of Project and Workshop Objectives
and Outcomes; Introduction of Consulting Team | Thomas |

9:20 - 10:00

- | | | |
|-----|-----------------------|--------|
| II. | Review of Assessments | |
| | Financial | Barbee |
| | Organizational | Baker |

10:00 - 11:00

- | | | |
|------|--|-----|
| III. | Nominal Group Process
Input on Key Issues | All |
|------|--|-----|

Break 11:00 - 11:15

11:15 - 12:30

- | | | |
|-----|---|---------|
| IV. | "Achieving and Maintaining Self-Sufficiency
in a Membership and Service-Based Association" | Benitez |
|-----|---|---------|

12:30 - 1:15

- | | | |
|----|--|-------|
| V. | Lunch and Discussion on BCCI Mission and Image | Baker |
|----|--|-------|

1:15 - 1:45

- | | | |
|-----|---|--------|
| VI. | Presentation on the Relationship Between Membership Involvement,
Service Menu and Organizational Structure | Thomas |
|-----|---|--------|

- 1 -

- 5 - 2:30
 VII. Membership Recruitment/Involvement Thomas
 Baker
- 2:30 - 3:30
 VIII. Service Menu Barbee
 Thomas
- 3:30 - 3:45
 Break
- 3:45 - 5:15
 IX. Organizational Structure Thomas
- 5:15 - 5:30
 X. An Outline for the Long-Range Strategic Plan and Key
 Questions to be Answered

Sunday May 30, 1993

Day II: Developing the Long-Range Plan

- 8:30 - 8:45
 I. Review of Previous Day and of the Outline for the Plan
 and Key Questions For Consensus-Building Thomas
- 8:45 - 9:45
 II. Developing a Common Vision Baker
 Translating from a Vision to Goals and Objectives
- 9:45 - 11:45
 III. Board/Staff Discussion of Key Issues for Long-Range Plan
- 11:45 - 12:30
 IV. Financial Projections for the Long-Range Plan; Implications
 of Decisions Barbee
- 12:30 - 1:30 Baker
 V. Lunch and Discussion of Need for a Communication/Marketing Strategy
 for BCCI

PROJECT OBJECTIVES

- 1. PROVIDE AN ANALYSIS OF BCCI'S CURRENT AND PROJECTED COST RECOVERY RATE**

SITE VISIT IN MARCH

- 2. PROVIDE AN ANALYSIS OF BCCI'S CURRENT SERVICES AND ORGANIZATIONAL DYNAMICS AS THEY RELATE TO LONG-TERM INSTITUTIONAL SUSTAINABILITY**

REPORT SUBMITTED IN APRIL

- 3. ASSIST BCCI IN THE DEVELOPMENT OF ITS LONG-RANGE BUSINESS PLAN**

THE MAY WORKSHOP

OBJECTIVES OF THE WORKSHOP

- 1. PROVIDE THE BCCI LONG-RANGE PLANNING TEAM WITH AN OVERVIEW OF THE FINANCIAL AND ORGANIZATIONAL ASSESSMENTS AND RECOMMENDATIONS**

- 2. FACILITATE BCCI'S LONG-RANGE PLANNING PROCESS BY INITIATING DISCUSSION AND SEEKING CONSENSUS ON KEY ISSUES RELEVANT TO SELF-SUSTAINABILITY**

ARCHITECTURE OF THE WORKSHOP

**DAY I: INFORMATION SHARING
INFORMATION ANALYSIS**

LED PRINCIPALLY BY THE CONSULTANTS

DAY II: PLANNING AND CONSENSUS BUILDING

**LED BY THE BCCI PLANNING TEAM,
CONSULTANTS ARE RESOURCES**

**STRATEGIES INCLUDE PRESENTATIONS, LARGE
GROUP DISCUSSION AND SMALL GROUP
DISCUSSION**

WORKSHOP OUTCOMES

AT THE END OF THE WORKSHOP THE BCCI PLANNING TEAM WILL HAVE:

- * A COMPLETE FINANCIAL OVERVIEW OF BCCI INCLUDING FIVE-YEAR PROJECTIONS**
- * A BETTER UNDERSTANDING OF KEY ISSUES AND OPPORTUNITIES FACING BCCI OVER THE NEXT FIVE YEARS**

RECOMMENDATIONS FOR:

- * ADAPTATION OF THE SERVICE MENU TO INCREASE COST RECOVERY AND MEMBERSHIP UTILIZATION**
- * INCREASED MEMBERSHIP PARTICIPATION**
- * ADAPTATION OF THE ORGANIZATION'S STRUCTURE**
- * A COMMUNICATIONS AND MARKETING STRATEGY**
- * A MORE CLEARLY DEFINED AND SHARED VISION OF THE CHAMBER'S FUTURE**
- * AN OUTLINE FOR THE LONG-RANGE BUSINESS PLAN**

FINANCIAL ASSESSMENT OBSERVATIONS

- * SELF-SUFFICIENCY REACHED WITH LOTTERY INCOME**
- * BEIPU AND DBCD DON'T HAVE SPECIFIC STRATEGY**
ACTIVITIES
INCOME GENERATION
- * MEMBERSHIP FEES AND ACCOUNTS RECEIVABLE**
BILL ALL MEMBERS ONCE A YEAR AT SAME TIME
- * TOP MANAGEMENT MUST BALANCE ATTENTION ON**
LOTTERY WITH MISSION/GOALS OF BCCI
- * NEED STRICT POLICIES ON USE OF LOTTERY FUNDS**
- * NEED TO PREPARE ANNUAL BUDGET/ WORKPLAN**
WITH MONTHLY BREAKDOWN
- * FINANCIAL REPORTING SYSTEM**
MONTHLY REPORTS
USE OF COST CENTERS FOR ALL PROGRAMS & ACTIVITIES
MONTHLY COMPARISON OF INCOME AND EXPENSES TO BUDGET
DISTRIBUTION OF MONTHLY FINANCIAL RESULTS TO MANAGERS

KEY ORGANIZATIONAL ISSUES

- 1. How should the lottery and Western Union be folded into the organizational structure and operations so that the BCCI mission, objectives and image are not compromised?**

- 2. How can cost recovery be increased throughout the various divisions of BCCI?**

- 3. How can BCCI increase its membership and membership involvement?**

- 4. How can BCCI enhance its leadership role in the economic development of Belize?**

- 5. How can BCCI manage its finances over the next five years in order to establish financial security independent from the lottery income?**

THESE QUESTIONS CALL FOR ANALYSIS OF BCCI'S

- * MISSION AND IMAGE**

- * MEMBERSHIP PROFILE AND LEVEL OF INVOLVEMENT**

- * SERVICES**

- * ORGANIZATIONAL STRUCTURE**

- * COMMUNICATIONS AND MARKETING**

OBSERVATIONS ON EACH BCCI COMPONENT

MISSION/IMAGE

- 1. NO CLEAR IMAGE DEFINED**
- 2. INCONSISTENCY IN HOW IMAGE IS PROJECTED**
- 3. MISSION STATEMENT COULD BE CLARIFIED**
- 4. THE LOTTERY AND WESTERN UNION CHALLENGE THE MISSION/IMAGE BUT ALSO PRESENT GREAT OPPORTUNITY**

MEMBERSHIP

- 1. CURRENT RECRUITMENT PLAN NEEDS DEFINITION**
- 2. INCENTIVES FOR MEMBERSHIP NOT CLEARLY DEFINED**
- 3. MEMBERSHIP INVOLVEMENT IS TOO LOW**
- 4. REAL INCENTIVES FOR INVOLVEMENT ARE NEEDED**
- 5. MEMBERSHIP SURVEY NEEDED**

SERVICES

1. SERVICE MENU DOES NOT MATCH MEMBER PROFILE
2. SERVICE MENU PREVIOUSLY INFLUENCED BY DONOR MORE THAN MEMBERS
3. SERVICES OVERLAP BETWEEN DIVISIONS
4. SERVICES NOT MARKETED TO MEMBER

ORGANIZATIONAL STRUCTURE

1. DOES NOT INVOLVE MEMBERSHIP IN ORGANIZATIONAL AGENDA SETTING
2. IS IN DANGER OF BEING DOMINATED BY ENTERPRISE RATHER THAN MEMBER SERVICE
3. SHOULD BE RE-STRUCTURED RATHER THAN APPENDED AT THIS TRANSITION POINT

COMMUNICATIONS/MARKETING

1. NEEDS CONSISTENCY AND AN INTEGRATING STRATEGY
2. NEEDS TO PROJECT THE DESIRED IMAGE
3. NEEDS TO MARKET SERVICES MORE EFFECTIVELY
4. NEEDS TO CAPITALIZE ON LOTTERY & WESTERN UNION ADVERTISING

RECOMMENDATIONS REGARDING MISSION STATEMENT

CURRENT STATEMENT

- 1. To foster the economic growth and social well being of the nation through the free enterprise system at all levels by promoting and protecting, both nationally and internationally, commerce, all sectors of industry which includes agribusiness, tourism and manufacturing, the professions and the trades.**

- 2. To continually strive to enhance the Chamber's ability to better serve its members whilst operating as a self-sustaining, non-profit, non-political organization.**

RECOMMENDED STATEMENT

The Belize Chamber of Commerce and Industry is a self-sustaining and non-political private sector association which

- A. Provides leadership in the economic and social development of Belize.**

- B. Serves its members by promoting and protecting all sectors of industry including agribusiness, tourism, manufacturing, the professions and the trades.**

- C. Promotes private sector enterprise development and international trade and investment.**

KEY FACTORS IN DETERMINING IMAGE

- * WORD OF MOUTH**

- * COLLATERAL MATERIALS**

- * PHYSICAL PREMISES**

- * PUBLIC ACTIVITIES OF STAFF AND LEADERSHIP**

- * SPONSORED ACTIVITIES AND HOW THEY ARE COMMUNICATED**

- * MEDIA COVERAGE**

RECOMMENDATIONS REGARDING IMAGE ENHANCEMENT

- 1. SURVEY MEMBERSHIP FOR THEIR VIEWS OF BCCI**

- 2. DESIGN A COMMUNICATIONS STRATEGY WHICH:**
 - * CONVEYS A CLEAR STATEMENT OF DESIRED IMAGE FOR BCCI**

 - * DEVELOPS AN IMAGE STANDARD FOR BCCI PRINT MATERIALS**

 - * REFLECTS IMAGE IN SURROUNDINGS**

 - * CAPITALIZES ON LOTTERY AND WESTERN UNION**

CONSIDERATIONS WHEN RESTRUCTURING

- 1. FACILITATION OF BCCI MISSION AND GOALS**
- 2. FACILITATION OF FINANCIAL SUSTAINABILITY**
- 3. SPAN OF CONTROL, SPECIALIZATION, INTEGRATION**
- 4. FACILITATION OF PLANNING AND DECISION-MAKING**
- 5. MEMBER INVOLVEMENT, OWNERSHIP, AND COMMUNICATION**
- 6. FACILITATE DELIVERY OF SERVICES**

**RECOMMENDATIONS FOR
INCREASING MEMBERSHIP INVOLVEMENT**

- 1. INVOLVE MEMBERS IN PLANNING AND AGENDA SETTING WHICH EFFECTS RESOURCE ALLOCATIONS**

- 2. FORM, STAFF AND EMPOWER SECTOR COMMITTEES**

- 3. INVOLVE MEMBERS IN POLICY AGENDA BUILDING AND ADVOCACY**

- 4. ADAPT SERVICES TO MEMBER NEEDS AND MAKE MEMBERS SERVICE USERS**

MEMBERSHIP CHARTS

BREAKOUT BY DUES CATEGORY

DUES CATEGORY	NUMBER
Bz\$2,000	14
\$1,000 - \$1,999	26
\$500 - \$999	14
\$250 - \$499	47
\$125 - \$249	378
BELOW \$124	45
TOTAL	524

BREAKOUT BY REGION AND PAYMENT STATUS

DISTRICT	PAID MEMBERS	DELINQUENT	TOTAL
BELIZE	182	99	281
CAYO	50	16	66
SAN PEDRO	34	20	54
TOLEDO	10	4	14
COROZAL	14	19	33
ORANGE WALK	20	11	31
STAN CREEK	16	12	28
USA	8	7	15
TOTAL	335	189	524

MEMBERSHIP PROFILE MANAGEMENT

BREAKOUT BY DUES CATEGORY

DUES CATEGORY	CURRENT	TARGET FOR 1994
Bz \$2,000	14	
\$1,000 - \$1,999	26	
\$500 - \$999	14	
\$250 - \$499	47	
\$125 - \$249	378	
BELOW \$124	45	
TOTAL	524	

BREAKOUT BY REGION

DISTRICT	CURRENT	TARGET
BELIZE	281	
CAYO	66	
SAN PEDRO	54	
TOLEDO	14	
COROZAL	33	
ORANGE WALK	31	
STAN CREEK	28	
USA	15	
TOTAL	524	

ADAPTING THE BCCI SERVICE MENU

- 1. ACCORDING TO MISSION, BCCI SERVES MEMBERS' NEEDS AND COUNTRY DEVELOPMENT NEEDS**
- 2. FOR SELF-SUFFICIENCY, BCCI MUST BALANCE COST RECOVERY WITH DEVELOPMENT COST**

RECOMMENDATIONS

- 1. SURVEY MEMBERS TO DETERMINE NEEDS
ANALYZE MEMBERSHIP PROFILE**
- 2. ADDRESS BUSINESS DEVELOPMENT MORE
SYSTEMATICALLY**
- 3. PRICE SERVICES BASED ON COST ANALYSIS AND
ABILITY TO PAY**
- 4. MARKET SERVICES MORE AGGRESSIVELY**

IMPLICATIONS OF CURRENT PROJECTIONS FOR SERVICE COST RECOVERY

I. PROJECTED INCOME

II. CRITERIA FOR SELECTING SERVICES

III. PRICING SERVICES

IV. COLLABORATING WITH OTHER ORGANIZATIONS

V. EXPANSION OF ENDOWMENT

PROJECTED INCOME: PRODUCT MARKETING DIVISION

KEY STRATEGY: INCREASED REVENUE GENERATION

- 1) **Improved merchandizing/marketing**
- 2) **Improved advertising in tourist industry - the primary market**
 - * **Hotels** * **Taxi Drivers**
 - * **Tour Operators** * **Posters in Key Places**
- 3) **Use advertising to build name of Chamber**
- 4) **New Outlets**
 - * **Airports** * **Hotels** * **Collaborate with BCCI**
 - * **Cays** * **Other Cities** * **members**
- 5) **Wholesale exports of arts and crafts**
- 6) **Look for international donors/institutions to provide technical assistance on design of arts and crafts**
- 7) **Constantly look to upgrade merchandise**

LIMIT ON INCOME FOR BCCI:

NET PROFITS DIVIDED: 25% Craftsmen
50% revolving fund to build business
25% BCCI

PROJECTED INCOME: BEIPU

KEY STRATEGY: INCREASE COST RECOVERY

- 1. IMPROVE SECTOR INTERACTION THROUGH SECTOR COMMITTEES**
- 2. EXPAND SCOPE OF DIVISION TO SERVE ALL MEMBERS' BUSINESS NEEDS**
- 3. IMPROVE PACKAGING OF SERVICES**
- 4. IMPROVE PRICING - NO SERVICE FOR FREE, BUT SOME WILL BE SUBSIDIZED**
- 5. IMPROVE BILLING AND COLLECTIONS**
- 6. CONTINUE FUND-RAISING FROM DIVERSE DONORS**

PROJECTED INCOME: DBCD

KEY STRATEGY: REVISE FOCUS/MISSION

- 1. DECREASE EMPHASIS ON CONSULTING AS A MONEY-MAKING STRATEGY**

- 2. FOCUS ON NEW CONFIGURATION FOR INCOME GENERATION**
 - * LOTTERY**

 - * WESTERN UNION**

 - * OFF-SHORE FINANCIAL SERVICES**
 - Define Universe of Services**
 - * Legal**
 - * Financial**
 - * Consulting**

II. CRITERIA FOR SELECTING SERVICES

- * CONSISTENT WITH MISSION AND GOALS**
- * DEMAND OF SERVICE**
- * COMPETITION FOR SERVICE**
- * IN-HOUSE CAPABILITY**
- * IMPACT ON THE SECTOR**
- * IMPACT ON GENERATION OF FOREIGN EXCHANGE**
- * BENEFIT TO USERS**
- * COST OF SERVICE**
- * POTENTIAL FOR GENERATING INCOME**

III. PRICING SERVICES

- * MUST KNOW DIRECT AND FULLY-BURDENED COST**

- * NEED TO HAVE AN IDEA OF FINANCIAL BENEFIT FOR USER**

- * KNOW USERS - LARGE VS. SMALL**

- * WHAT CAN USERS AFFORD TO PAY?**

- * DON'T BE AFRAID TO CHARGE -- HAVE TO START SOME DAY**

IV. COLLABORATING WITH OTHER INSTITUTIONS

- * DON'T ATTEMPT TO DO EACH ACTIVITY/PROGRAM ALONE OR EXCLUSIVELY**

- * LEVERAGE FUNDS BY WORKING WITH OTHER ORGANIZATIONS**

- * COMBINE KNOW-HOW AND CAPACITIES**
 - _ KNOWLEDGE OF BELIZE**
 - KNOWLEDGE OF SECTOR/PRODUCERS**
 - FINANCIAL**
 - POLITICAL CONTACTS**

- * SHARE REWARDS/CREDIT**

V. EXPANSION OF ENDOWMENT

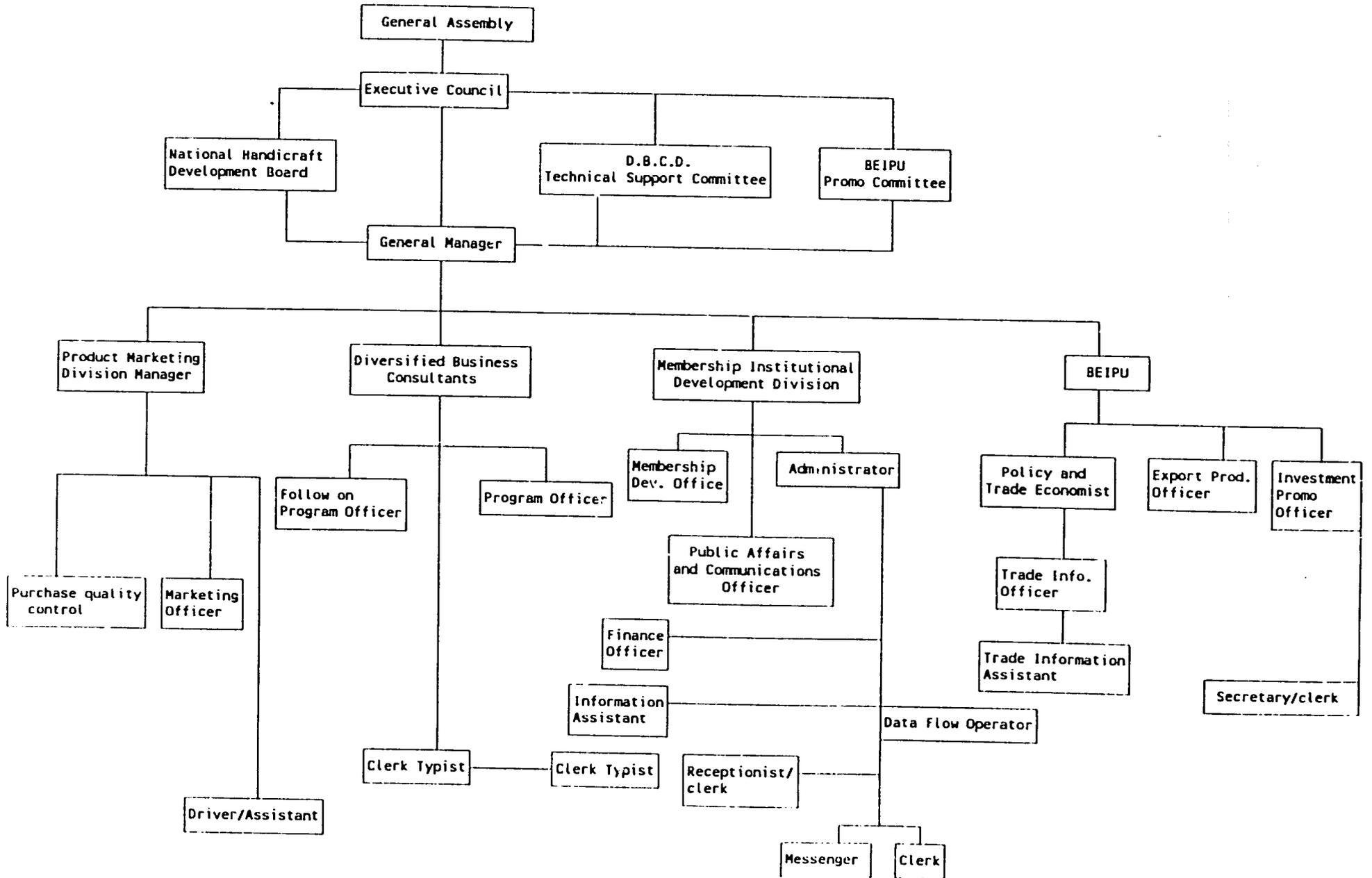
- * DIVERSIFICATION IS IMPORTANT -- LOTTERY MAY NOT ALWAYS BE THERE**

- * ANNUAL SURPLUSES SHOULD BE ADDED TO ENDOWMENT**

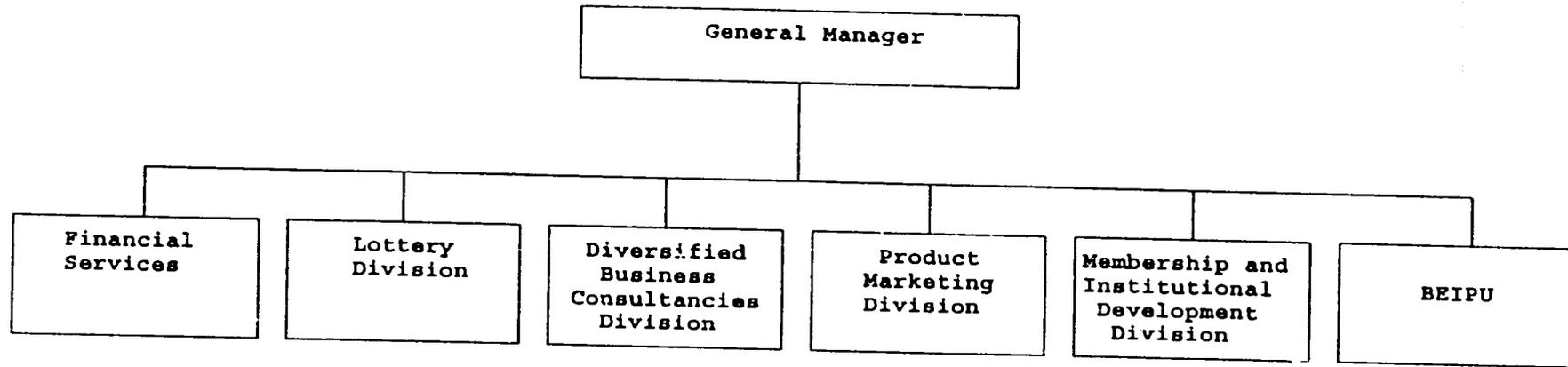
- * LOOK FOR DONORS FOR ENDOWMENT**

DAY I PART IX
ORGANIZATIONAL STRUCTURE

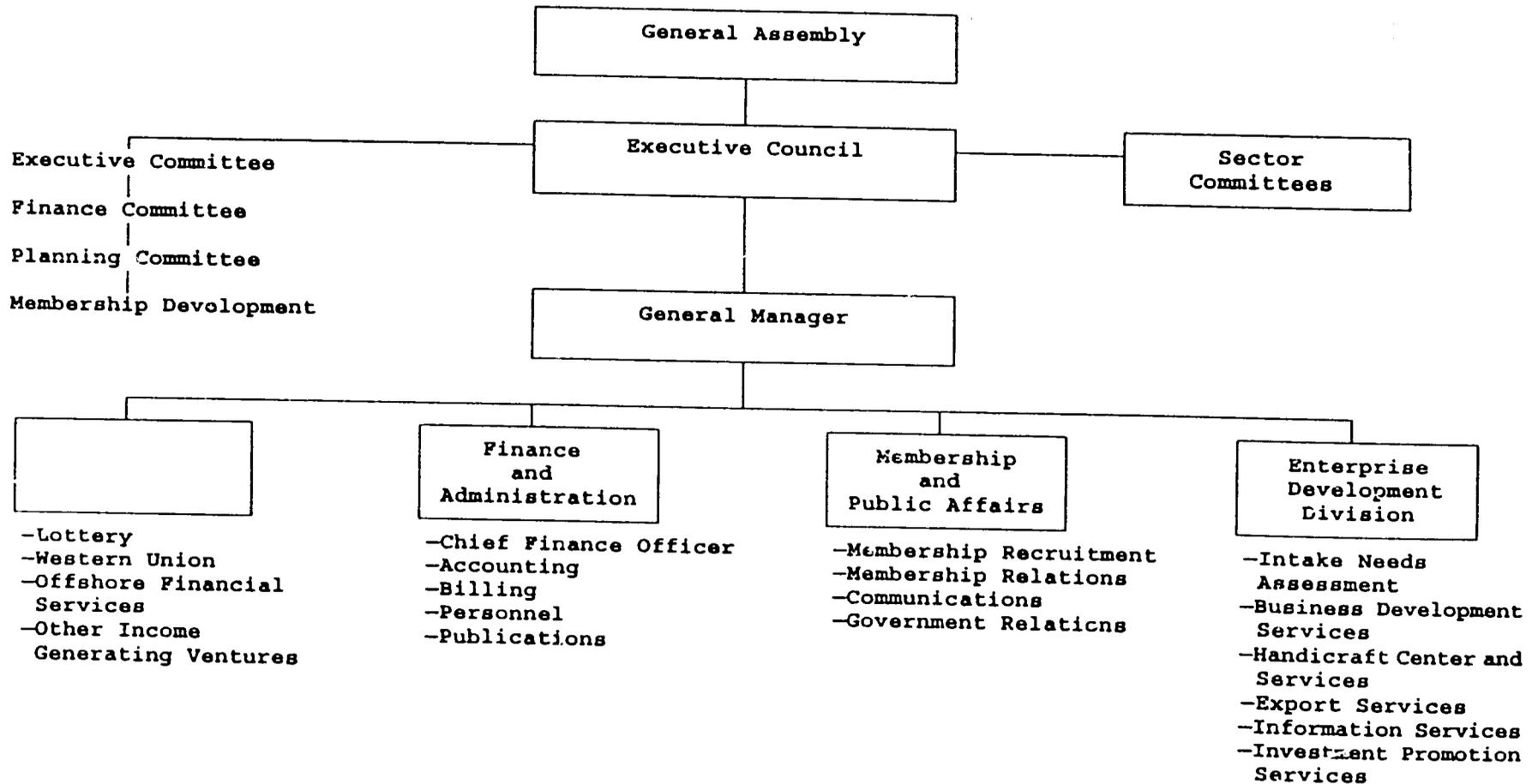
CURRENT ORGANIZATIONAL STRUCTURE



CURRENT THINKING FOR EXPANSION



de.



OUTLINE FOR LONG-RANGE STRATEGIC PLAN

1. INTRODUCTION

**BRIEF BACKGROUND & FINANCIAL STATUS
BRIEF DESCRIPTION OF BCCI'S FUTURE
GOALS/OBJECTIVES OF THE STRATEGIC PLAN**

2. MISSION AND GOALS OF BCCI

3. MEMBERSHIP PROFILE AND EXPANSION GOALS

4. SERVICES, PROJECTS, ACTIVITIES

5. GOVERNANCE AND ORGANIZATIONAL STRUCTURE

6. MARKETING AND COMMUNICATION

7. FINANCIAL ANALYSIS AND FIVE-YEAR PROJECTIONS

Day I/Part X
Day II/Part II, III & IV

KEY QUESTIONS FOR BCCI STRATEGIC PLANNING PROCESS

WHAT MAJOR CHANGES ARE ENVISIONED FOR BCCI OVER THE NEXT FIVE YEARS?

Size of membership	Size of staff
Shifts in mission	Facility expansion
Scope of Activity	Service menu

WHAT ARE THE MAJOR GOALS FOR BCCI OVER THE NEXT FIVE YEARS?

IS REFINEMENT OF THE MISSION STATEMENT DESIRABLE?

DOES THE ADDITION OF SECTOR COMMITTEES MAKE SENSE AS A METHOD FOR INVOLVING MORE MEMBERS IN BCCI?

IS IT DESIRABLE TO CREATE AN ENTERPRISE DEVELOPMENT CENTER TO ASSIST MEMBERS CURRENTLY NOT USING SERVICES OF BEIPU?

**IS A RE-ORGANIZATION OF BCCI DESIRABLE?
IF YES, HOW SHOULD THE ORGANIZATION BE ALTERED TO MEET CURRENT AND FUTURE NEEDS?**

FINANCIAL PROJECTIONS

ARE PROJECTED COST RECOVERY RATES FOR EACH DIVISION REALISTIC?

ARE MEMBERSHIP GROWTH PROJECTIONS REALISTIC?

ARE MEMBERSHIP FEES SUFFICIENT? SHOULD THEY INCREASE OVER THE NEXT FIVE YEARS?

ARE INCOME PROJECTIONS FROM ENTREPRENEURIAL ACTIVITY REALISTIC?

DO COST ESTIMATES REFLECT REALISTIC GROWTH IN THE STAFF AND IN COSTS OF OPERATION? INFLATION?

CAN BCCI BUILD UPON ITS ENDOWMENT? WHAT WOULD BE A REALISTIC ANNUAL RATE OF GROWTH?

WILL FACILITY EXPANSION BE NECESSARY IN THE NEXT FIVE YEARS? IF YES, HOW WILL THIS IMPACT FINANCIAL PROJECTIONS?

RATIONALE FOR COMMUNICATION STRATEGY

- * SELF-SUFFICIENCY CALLS FOR INCREASE IN MEMBERSHIP**
- * IMPROVED MARKETING NEEDED TO INCREASE SERVICE USE WHILE INCREASING OR ADDING SERVICE FEES**
- * INCREASED MEMBER INVOLVEMENT CALLS FOR IMPROVED COMMUNICATION WITH MEMBERS**
- * BCCI IMAGE WILL BE AFFECTED BY THE LOTTERY -- BCCI SHOULD CONTROL THIS PROCESS**
- * INCREASED ADVERTISING DOLLARS UNDER BCCI CONTROL**

BCCI ALREADY SPENDS TIME AND MONEY ON COMMUNICATION -- A UNIFIED STRATEGY WILL:

CLARIFY OBJECTIVES

CLARIFY MESSAGES

INCREASE ACCOUNTABILITY

INCREASE BENEFITS

**A COMMUNICATION STRATEGY UNIFIES
COMMUNICATION ACTIVITY UNDER A
COORDINATED UMBRELLA BY:**

DEFINING OBJECTIVES

DEFINING TARGET AUDIENCES

DEFINING THEMES AND MESSAGES

**SELECTING THE MOST EFFECTIVE MEANS OF
GETTING THE KEY MESSAGE TO THE TARGET
AUDIENCE IN ORDER TO ACHIEVE THE SPECIFIED
OBJECTIVE.**

A RECOMMENDED COMMUNICATION/MARKETING STRATEGY FOR BCCI

OBJECTIVES:

- 1. TO GENERATE A PUBLIC IMAGE OF BCCI CONSISTENT WITH ITS GROWTH AND TRANSFORMATION**
- 2. TO FACILITATE BCCI'S MEMBERSHIP RECRUITMENT CAMPAIGN**
- 3. TO INCREASE MEMBER'S PARTICIPATION IN THE ORGANIZATION**
- 4. TO INCREASE MEMBER'S USE OF SERVICES**
- 5. TO OPEN AND MAINTAIN RELATIONSHIPS WITH OTHER INTERNATIONAL DONORS**
- 6. TO MAXIMIZE THE BENEFITS TO BCCI OF PUBLICITY FOR THE LOTTERY**

TARGET AUDIENCES:

- * BCCI CURRENT MEMBERS**

- * BCCI POTENTIAL MEMBERS**

- * GENERAL POPULATION OF BELIZE**

- * INTERNATIONAL DONORS**

- * GOVERNMENT OF BELIZE**

EXAMPLE:

OBJECTIVE 6. TO MAXIMIZE THE BENEFITS TO BCCI OF PUBLICITY FOR THE LOTTERY

AUDIENCE	DESIRED ATTITUDE	MESSAGE/ACTIVITY
CURRENT MEMBERS	FEEES AND DUES STILL NECESSARY DESPITE LOTTERY	PRESENTATION AND PRINT MATERIALS ON BCCI PLAN & BUDGET. HOW FUNDS WILL BE USED. HOW THEY HAVE INPUT INTO USE. NEED FOR ENDOWMENT.
POTENTIAL MEMBERS	JOINING BCCI GIVES ACCESS TO DECISIONS ON SOME OF THE LOTTERY FUNDS	PACKAGE FOR RECRUITMENT. TALKING POINTS FOR RECRUITERS. ADVANTAGE OF MEMBERSHIP IS INPUT ON AGENDA AND USE OF FUNDS.
GENERAL POPULATION	BCCI IS MANAGING LOTTERY FAIRLY. FUNDS ARE SPENT TO EVERYONE'S ECONOMIC ADVANTAGE. HENCE NO REAL LOSERS.	MEDIA CAMPAIGN WHICH APPEALS TO NATIONAL PRIDE. TALKS ABOUT ECO-TOURISM, ECONOMIC DEVELOPMENT, BUILDING BETTER BUSINESS, TAKING A PLACE IN THE GLOBAL MARKET

INTERN'L DONORS	LOTTERY HELPS BCCI, BUT DEVELOPMENT WORK REQUIRES THEIR ASSISTANCE. THEIR \$ NOT SPENT ON OPERATIONS.	LETTERS AND VISITS. PREPARE MESSAGES WHICH SHOW NEED FOR P. OJECT SUPPORT BUT NOT FOR OPERATIONS
GOV. OF BELIZE	BCCI IS BEST MANAGER OF LOTTERY. \$ ARE DEVELOPING THE ECONOMY.	DEVELOP IMPROVED PLANNING, ACCOUNTING AND REPORTING FOR USE OF DOLLARS AND CONVEY THIS VIA WELL-DONE ANNUAL REPORT THAT REINFORCES KEY MESSAGES.

Note: A communication strategy can also provide cost effective use of resources.

For example,

The annual report can carry messages which will be useful with all the audiences - recruiting new members, communicating accomplishments to the existing membership, showing potential donors and the government of Belize BCCI's work and financial picture.

Film footage used to make lottery commercials can also be used in promotion of tourism, investment and exports. This means dollars spent on advertising also provide products which are part of business promotion, hence even part of the 3% advertising budget is benefiting the economy. It also means that better quality footage can be shot which will improve commercials and tourism/export/investment promotion materials.

With the use of quality commercials showcasing Belizean business and ecology, the narration (or verbal content) can promote both the lottery and BCCI.

THE BELIZE CHAMBER OF COMMERCE AND INDUSTRY

CASH FLOW PROJECTIONS

and

ANALYSIS

for

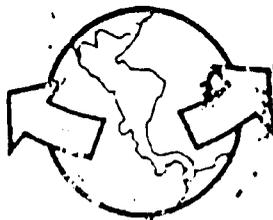
1993 and 1994

Prepared by

**William H. Barbee
Institutional Development Advisor**

March 15, 1993

PROEXAG II



BCCI CASH FLOW PROJECTIONS 1993-1994

The attached Tables were prepared for the BCCI to determine: financial needs to launch the Belize National Lottery, and whether potential revenue from the lottery will be sufficient to sustain the present level of activities once the USAID funding finishes. It is proposed that the income generation from the lottery would allow the Chamber to continue its program of development activities and services aimed at attracting new investment to the country and generating new export activities, foreign exchange earnings and employment as well as service the needs of its membership.

These cash flow projections have been prepared based on the present level of activities and services as funded by the approved USAID grant. It is assumed that this level of activities or similar activities will be maintained in the future.

The following are the basic assumptions used to prepare these projections:

CASH FLOW-1993 Tables 1 & 2.

REVENUE

- Beginning Balance: Funds carried over and available from the prior year.
- USAID Grant: Feb. and Mar. are actual reimbursements received and the May to October is a projection of remaining disbursements until the end of the project.
- DBCD Prog. Income: Only a minimal goal has been set starting in April since this Division's program has not yet been defined.
- Financial Services Div.: No income is projected as program has not yet been defined.
- Government Contribution: Since the Government has accepted the BCCI management of the lottery no additional contributions are projected.
- Handicraft Net Revenue: Table 2 shows a projection of Main Store sales for the year. Cost of Goods Sold is 50%. Store operating costs or overhead are a fixed amount based on experience. The net profits are to be divided up by agreement on the following basis: 25% for craftsmen, 50% to be placed in the revolving fund for developing the handicraft business, and 25% for the BCCI.
- BEIPU: Income generation is minimal for the moment until income generating activities are developed.
- Membership & Subscription: From the 507 members on the books at this time, 400 are projected to be paid up by the end of the year. A total of 400 paid up new members are projected to be recruited during the year for a total of 800. The average investment (membership fee) projected to be paid by these new members is B\$188.
- Western Union: Table 2 projects the expected movement of funds thru Western Union to and from Belize. A sliding commission is used to calculate fees charges based on amounts sent. An average transfer of B\$1,000 was used which pays a 7.4% commission. Of this commission the BCCI gets 40% or about 3% of the gross transfer.

Lotto

- Agent Commission to BCCI: It is expected that 10% of all lotto sales will be thru in house outlets where the BCCI will receive the entire 8% commission on these sales.
- BCCI Administration: It receives a 5% commission of gross sales for managing the lottery.
- Operating Costs: The BCCI receives a fee of 2.9% of gross sales to cover actual direct operating costs.
- Government Profits: The Government receives 23% of the gross sales. Since Government is not funding any portion of the program, ie investment in equipment, operating capital, etc. it is proposed that the Government will allow the BCCI to use the first month's participation to fund start up costs. Funds would be used for a six month period and are projected to be paid off in a lump sum in May 1994. No interest would be charged.

Instant Scratch

- Administration Fee: The BCCI receives a 5% fee for administrating the program.
- Profits: The agreement with the Government is to divide the net profits 50/50 with the BCCI.
- Profits Government: It is proposed that the Government will allow the BCCI to use the first six months of its 50% of profits to fund start up costs. Repayment to the Government will begin six months after the initiation of the Instant Scratch program and payment will continue for six months at the same level that profits were generated for the Government. No interest is calculated.

Bank Overdraft

- Construction: BCCI projects the need for an overdraft to fund 50% on the remodeling of the ground floor of their facilities for the lottery and Western Union programs. Loan is repaid in 60 Days. Interest is 13%.
- Instant Cards: Two months of instant cards must be purchased up front before the program begins to assure that there are no delays in deliveries which might lead to periods when no sales could be made. The first overdraft is projected to be paid in 3 months and the second in 6 months. Interest is 13%.

EXPENSES

- Membership & Institutional Development, BEIPU, DBCD, FMD Divisions and Junior Achievement, and Administration/Overhead costs are all projected at the 1993 level except salaries which were increased 5% for everyone.
 - Agents Commissions: Agents recruiting new members will all receive a commission equal to 25% of the first year's membership fee.
 - Construction: This is the projected cost of remodeling the ground floor of the BCCI building to accommodate the Lottery and Western Union offices and personnel.
 - Western Union: Operating expenses consist of a secretary and telephone calls.
- Lotto
- Equipment Purchase: Initial downpayment is US \$50,000 due when equipment is ready for shipment. Balance is paid off in monthly payments for the next 13 months of US \$14,300.
 - Start up Costs: These are organizational costs, personnel and training costs incurred before the lottery begins.

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- BCCI Administration Cost: This is the monthly costs incurred to operate both the Instant Scratch and the Lotto programs. See Table 9.
- Drawing Machine: This is the equipment used to select the winning numbers.
- Vehicle: It is projected that a vehicle will be needed to service the vendors in the southern part of the country.

Instant Scratch

- BCCI Admin. Cost: These are to administrative costs to run only the Instant Scratch program until the Lotto program begins.
- Reimbursement Government: These are the initial payments to begin to reimburse Government for their share of Instant Scratch profits projected to be used by the BCCI during the first six months of the program .
- Payment on Overdraft: These are projected payments on overdrafts and are timed when cash flow permits.
- Interest on Overdraft: Calculated at 13%.

The BCCI Cash Flow projection for 1993 shows an ending surplus of \$272,183. To make this program work the BCCI will have to use B\$156,000 of bank overdraft credit and an additional B\$292,567 of the Government's lottery profits to meet the projected cash flow needs. However, the bank overdraft should be paid off before the end of the year and payments to reimburse the Government will begin before the end of the year with the total amount being canceled the following year. The level of developmental activities presently handled by the Chamber should be sustainable in the future.

BCCI CASH FLOW-1994 Tables 3 & 4

REVENUE

- DBCD Prog. Income: This is a projected goal for this Division and is not based on any concrete plans or activities.
- Handicraft Net Revenue: This assume that merchandising and advertising efforts will increase gross sales to B\$50,000 per month.
- BEIPU: This is a project goal for this Division and is not based on any concrete plans or activities.
- Membership & Subscriptions: Based on the renewal of the memberships of the 800 paid up members from 1993 and an additional 400 members to be recruited and paid up in this year.
- Western Union: Early estimates are that a B\$100,000 movement of funds per month is realistic.
- Lotto and Instant Scratch: Same assumptions apply as prior year except that the Government participation will be liquidated monthly.

EXPENSES

- Membership & ID, BEIPU, DBCD, and PMD Divisions and Junior Achievement and Administration/Overhead expenses have all been increased 5%.
- Western Union: Expenses were increased 5%.

Lotto

- Equipment Purchase: These are the final payments to pay off the lottery equipment.
- BCCI Admin. Cost: Operating expenses are projected to increase 5%.

Instant Scratch

- Reimbursement Government: These are the final payments to the Government to pay off their participation in profits which was used to fund start up costs of the lottery program.

The BCCI Cash Flow for 1994 shows that if the lottery program is managed well, the cash generation for the Chamber will continue to sustain their operations as long as they maintain management of the lottery. The BCCI should look at putting as much money as possible into an endowment fund which will cover the possibility that some day the Government might decide to take away the management of the lottery.

SUMMARY OF CRITICAL FACTORS

1. Table 5 shows a 1993 cash flow projection without the lottery investment, expenses and revenue. The Chamber could survive the year with minor cuts in expenses but would die the following year if the lottery or some other source of income is not available.
2. The Instant Scratch lottery is scheduled to start April 1, 1993 and the Lotto on September 1, 1993. If the outlays for both programs are incurred as scheduled, the Instant Scratch start up could be delayed for up to two months and the Lotto for one month without causing serious cash flow problems. See Table 6.
3. Tables 7 & 8 show the cash flow projection if revenues are only 50% of the expected for both the Instant Scratch and Lotto programs. Even at this reduced level of lottery sales, only minor adjustments to expenses or to overdraft repayments would be required to eliminate projected cash flow deficits.

BCCI CASH FLOW-1993

3/12/93

Table 1

REVENUE	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Beginning Balance	88	24,000											
USAID Grant			150,000	104,000		210,440	121,220	100,220	98,220	100,220	120,180		24,000
DBCD Prog Income				5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	1,002,500
Fin Services Div.													45,000
GOVT Contribution													
Handicraft Net Reven	250	1,500	1,125	1,125	1,125	1,125	1,125	1,125	1,750	1,750	2,375	3,000	17,375
BHPU	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Membership & Subsc	44,198	22,000	15,000	3,760	5,640	7,520	7,520	9,400	9,400	11,280	11,280	9,400	156,396
Western Union			1,200	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	14,700
Lotto													
Agent Comm to BCCI													
BCCI Admin (5%)										4,667	7,000	7,000	18,667
Op. Costs (2.9%)										58,333	58,333	58,333	175,000
Govt Profits(23%)										33,833	33,833	33,833	101,500
Instant Scratch										134,167			134,167
Admin Fee (5%)													
Profits (50%)					25,000	25,000	15,000	15,000	15,000	15,000	15,000	15,000	140,000
Profits (50%) Govt					36,000	36,000	21,600	21,600	21,600	21,600	21,600	21,600	201,600
Other Income					36,000	36,000	21,600	21,600	21,600	21,600	21,600	21,600	158,400
Bank Overdraft													
Construction				50,000									
Instant Cards													
Lotto Equipment			53,300	53,300									50,000
Total Revenue	69,448	174,500	175,625	115,685	321,705	234,365	174,565	172,445	177,070	429,910	156,922	155,667	2,357,904
EXPENSES													
Membership & ID Div													
Public Affairs	9,031	9,031	9,031	9,031	9,031	9,031	9,031	9,031	9,031	9,031	9,031	10,295	109,636
Membership Dev.	3,355	3,355	3,355	3,355	3,355	3,355	3,355	3,355	3,355	3,355	3,355	3,798	40,703
Agents Comm				940	1,410	1,880	1,880	2,350	2,350	2,820	2,820	2,350	18,600
Finance	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630	2,041	19,971
Administration	11,950	11,950	11,950	11,950	11,950	11,950	11,950	11,950	11,950	11,950	11,950	14,670	146,120
BEIPU													
Export Devel	9,857	9,857	9,857	9,857	9,857	9,857	9,857	9,857	9,857	9,857	9,857	10,620	119,047
Investment Prom	6,830	6,830	6,830	6,830	6,830	6,830	6,830	6,830	6,830	6,830	6,830	8,638	83,768
Trade & Policy	4,354	4,354	4,354	4,354	4,354	4,354	4,354	4,354	4,354	4,354	4,354	5,442	53,336
DBCD	10,440	10,440	10,440	10,440	10,440	10,440	10,440	10,440	10,440	10,440	10,440	11,490	126,330
PMD													
Repair Bldg													
Junior Achiev	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	25,000			50,000
Admin/ Overhead	39,740	39,740	39,740	39,740	39,740	39,740	39,740	39,740	39,740	3,500	3,500	3,500	42,000
Construction Lotto			30,000	50,000	20,000					39,740	39,740	41,680	478,830
Western Union				1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	100,000
Lotto													13,500
Equip Purchase													
Start up Costs								100,000	28,600	28,600	28,600	28,600	214,400
BCCI Admin Cost								50,000					50,000
Drawing Maching									23,200	23,200	23,200	23,200	92,800
Vehicle								40,000					40,000
Instant Scratch													
BCCI Admin Cost				5,000	5,000	5,000	5,000						31,000
Reimb Govt (50%)													20,000
Payment on Overdraft						50,000	53,300				36,000	36,000	72,000
Interest on Overdraft				580	1,700	1,700	1,160	580	580	580			156,600
Total Expenses	100,687	100,687	130,687	158,707	130,297	160,767	188,527	295,117	156,917	266,687	192,807	203,834	2,085,721
Surplus (Deficit)	(31,241)	73,813	44,938	(43,022)	191,408	73,598	(13,962)	(122,672)	20,153	163,223	(35,885)	(48,167)	272,183
Accum. Surplus	(31,241)	42,572	87,510	44,488	235,896	309,494	295,532	172,860	193,013	356,236	320,351	272,183	

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BCCI CASH FLOW-1994

3/12/93

Table 3

REVENUE	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Beginning Balance	B# 207,383												207,383
USAID Grant													207,383
DBCD Prog. Income	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
Fin Services Div.													
GOVT Contribution													
Handicraft Net Reven	4,150	4,150	4,150	4,150	4,150	4,150	4,150	4,150	4,150	4,150	4,150	4,150	49,800
BEIPU	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
Membership & Subsc.	64,440	64,440	64,440	64,440	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	310,400
Western Union	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
Lotto													
Agent Comm toBCCI	4,667	4,667	4,667	4,667	4,667	4,667	4,667	4,667	4,667	4,667	4,667	4,667	56,000
BCCI Admin (5%)	58,333	58,333	58,333	58,333	58,333	58,333	58,333	58,333	58,333	58,333	58,333	58,333	700,000
Op Costs (2.9%)	33,833	33,833	33,833	33,833	33,833	33,833	33,833	33,833	33,833	33,833	33,833	33,833	406,000
Govt Profits(23%)													
Instant Scratch													
Admin. Fee (5%)	16,650	16,650	16,650	16,650	16,650	16,650	16,650	16,650	16,650	16,650	16,650	16,650	199,800
Profits (50%)	23,976	23,976	23,976	23,976	23,976	23,976	23,976	23,976	23,976	23,976	23,976	23,976	287,712
Profits (50%) Govt													
Other Income													
Bank Overdraft													
Construction													
Instant Cards													
Lotto Equipment													
Total Revenue	430,932	223,549	223,549	223,549	164,749	164,749	165,689	165,689	165,689	165,689	166,629	166,629	2,427,095
EXPENSES													
Membership & ID Div.													
Public Affairs	9,483	9,483	9,483	9,483	9,483	9,483	9,483	9,483	9,483	9,483	9,483	10,810	115,118
Membership Dev.	3,523	3,523	3,523	3,523	3,523	3,523	3,523	3,523	3,523	3,523	3,523	3,988	42,738
Agents Comm	16,110	16,110	16,110	16,110	1,410	1,410	1,645	1,645	1,645	1,645	1,880	1,880	77,600
Finance	1,712	1,712	1,712	1,712	1,712	1,712	1,712	1,712	1,712	1,712	1,712	2,143	20,970
Administration	12,548	12,548	12,548	12,548	12,548	12,548	12,548	12,548	12,548	12,548	12,548	15,404	153,426
BEIPU													
Export Devel	10,350	10,350	10,350	10,350	10,350	10,350	10,350	10,350	10,350	10,350	10,350	11,151	124,999
Investment Prom	7,172	7,172	7,172	7,172	7,172	7,172	7,172	7,172	7,172	7,172	7,172	9,070	87,956
Trade & Policy	4,572	4,572	4,572	4,572	4,572	4,572	4,572	4,572	4,572	4,572	4,572	5,714	56,003
DBCD	10,962	10,962	10,962	10,962	10,962	10,962	10,962	10,962	10,962	10,962	10,962	12,065	132,647
PMD													
Hepar Bldg													
Junior Achiev	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	44,100
Admin/ Overhead	41,727	41,727	41,727	41,727	41,727	41,727	41,727	41,727	41,727	41,727	41,727	43,775	502,772
Construction-Lotto													
Western Union	1,575	1,575	1,575	1,575	1,575	1,575	1,575	1,575	1,575	1,575	1,575	1,575	18,900
Lotto													
Equip Purchase	28,600	28,600	28,600	28,600	28,600	28,600	28,600	28,600	28,600	28,600	28,600	28,600	286,000
Start up Costs													
BCCI Admin. Cost	24,360	24,360	24,360	24,360	24,360	24,360	24,360	24,360	24,360	24,360	24,360	24,360	292,320
Drawing Machine													
Vehicle													
Instant Scratch													
BCCI Admin. Cost													
Reimb Govt (50%)	21,600	21,600	21,600	21,600	134,167								
Payment on Overdraft													220,567
Interest on Overdraft													
Total Expenses	197,966	197,966	197,966	197,966	295,833	161,666	161,901	161,901	161,901	161,901	133,536	145,608	2,176,115
Surplus (Deficit)	232,966	25,583	25,583	25,583	(131,084)	3,083	3,788	3,788	3,788	3,788	33,093	21,021	250,980
Accum. Surplus	232,966	258,549	284,132	309,715	178,631	181,714	185,502	189,290	193,078	196,866	229,959	250,980	

BCCI CASH FLOW-1993

(Without Lottery)

3/12/93

Table 5

REVENUE	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Beginning Balance	81	24,000											
USAID Grant		150,000	104,000		210,440	121,220	100,220	96,220	100,220	120,180			24,000
DBCD Prog Income				5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	1,002,500
Fin Services Div													45,000
GOVT Contribution													
Handicraft Net Reven	250	1,500	1,125	1,125	1,125	1,125	1,125	1,125	1,750	1,750	2,375	3,000	17,375
BEIPU	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Membership & Subsc	44,198	22,000	15,000	3,760	5,640	7,520	7,520	9,400	9,400	11,280	11,280	9,400	156,396
Western Union			1,200	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	14,700
Lotto													
Agent Comm toBCCI													
BCCI Admin (5%)													
Op Costs (2.9%)													
Govt Profits(23%)													
Instant Scratch													
Admin Fee (5%)													
Profits (50%)													
Profits (50%) Govt													
Other Income													
Bank Overdraft													
Construction				50,000									50,000
Instant Cards													
Lotto Equipment													
Total Revenue	69,446	174,500	122,325	62,385	224,705	137,365	116,365	114,245	116,870	140,710	21,155	19,900	1,321,971
EXPENSES													
Membership & ID Div.													
Public Affairs	9,031	9,031	9,031	9,031	9,031	9,031	9,031	9,031	9,031	9,031	9,031	10,295	109,636
Membership Dev	3,356	3,356	3,356	3,356	3,356	3,356	3,356	3,356	3,356	3,356	3,356	3,798	40,703
Agents Comm.				940	1,410	1,880	1,880	2,350	2,350	2,820	2,820	2,350	18,800
Finance	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630	2,041	19,971
Administration	11,950	11,950	11,950	11,950	11,950	11,950	11,950	11,950	11,950	11,950	11,950	14,670	146,120
BEIPU													
Export Devel	9,857	9,857	9,857	9,857	9,857	9,857	9,857	9,857	9,857	9,857	9,857	10,620	119,047
Investment Prom	6,830	6,830	6,830	6,830	6,830	6,830	6,830	6,830	6,830	6,830	6,830	6,830	83,788
Trade & Policy	4,354	4,354	4,354	4,354	4,354	4,354	4,354	4,354	4,354	4,354	4,354	5,442	53,336
DBCD	10,440	10,440	10,440	10,440	10,440	10,440	10,440	10,440	10,440	10,440	10,440	11,490	126,330
PMI													
Repair Bldg													
Junior Achiev.	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	50,000
Admin/ Overhead	39,740	39,740	39,740	39,740	39,740	39,740	39,740	39,740	39,740	39,740	39,740	41,690	42,000
Construction Lotto			30,000	50,000	20,000								478,830
Western Union				1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	100,000
Lotto													13,500
Equip. Purchase													
Start up Costs													
BCCI Admin Cost													
Drawing Maching													
Vehicle													
Instant Scratch													
BCCI Admin Cost													
Reimb Govt (50%)													
Payment on Overdraft						50,000							50,000
Interest on Overdraft				580	1,700	1,700							
Total Expenses	100,687	100,687	130,687	153,707	125,297	155,767	129,067	104,537	104,537	130,007	105,007	116,034	1,456,021
Surplus (Deficit)	(31,241)	73,813	(8,362)	(91,322)	99,408	(18,402)	(12,702)	9,708	14,333	10,703	(83,852)	(96,134)	(134,050)
Accum. Surplus	(31,241)	42,572	34,210	(57,112)	42,296	23,894	11,192	20,900	35,233	45,936	(37,916)	(134,050)	

BCCI CASH FLOW-1993

3/12/93

Table 6

(Delays in Lottery Start Up)

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
REVENUE													
Beginning Balance	B\$ 24,000												
USAID Grant		150,000	104,000		210,440	121,220	100,220	88,220	100,220	120,180			24,000
DBCD Prog. Income				5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	1,002,500
Fin. Services Div.													45,000
GOVT Contribution													
Handicraft Net Reven	250	1,500	1,125	1,125	1,125	1,125	1,125	1,125	1,750	1,750	2,375	3,000	17,375
BEIPU	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Membership & Subsc.	44,196	22,000	15,000	3,760	5,640	7,520	7,520	9,400	9,400	11,280	11,280	9,400	156,396
Western Union			1,200	1,500	1,500	1,500	1,500	1,500				1,500	14,700
Lotto													
Agent Comm to BCCI													
BCCI Admn (5%)											7,000	7,000	14,000
Op Costs (2.9%)											58,333	58,333	116,667
Govt Profits(23%)											33,833	33,833	67,667
Instant Scratch											134,167		134,167
Admn. Fee (5%)							25,000	25,000	15,000	15,000	15,000	15,000	110,000
Profits (50%)							36,000	36,000	21,600	21,600	21,600	21,600	156,400
Profits (50%) Govt							36,000	36,000	21,600	21,600	21,600	21,600	156,400
Other Income													
Bank Overdraft													
Construction				50,000									50,000
Instant Cards													
Lotto Equipment			53,300	53,300									106,600
Total Revenue	69,446	174,500	175,625	115,685	224,705	137,365	213,365	211,245	177,070	186,910	312,688	177,267	2,187,871
EXPENSES													
Membership & ID Div.													
Public Affairs	9,031	9,031	9,031	9,031	9,031	9,031	9,031	9,031	9,031	9,031	9,031	10,295	109,638
Membership Dev	3,355	3,355	3,355	3,355	3,355	3,355	3,355	3,355	3,355	3,355	3,355	3,798	40,703
Agents Comm				840	1,410	1,880	1,880	2,350	2,350	2,820	2,820	2,350	18,800
Finance	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630	2,041	19,971
Administration	11,950	11,950	11,950	11,950	11,950	11,950	11,950	11,950	11,950	11,950	11,950	14,670	146,120
BEIPU													
Export Devel	9,857	9,857	9,857	9,857	9,857	9,857	9,857	9,857	9,857	9,857	9,857	10,620	119,047
Investment Prom.	6,830	6,830	6,830	6,830	6,830	6,830	6,830	6,830	6,830	6,830	6,830	6,638	83,788
Trade & Policy	4,354	4,354	4,354	4,354	4,354	4,354	4,354	4,354	4,354	4,354	4,354	5,442	53,336
DBCD	10,440	10,440	10,440	10,440	10,440	10,440	10,440	10,440	10,440	10,440	10,440	11,490	126,330
PMD													
Repair Bldg													
Junior Achiev.	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	25,000			50,000
Admn/ Overhead	39,740	39,740	39,740	39,740	39,740	39,740	39,740	39,740	39,740	39,740	39,740	39,740	42,000
Construction-Lotto			30,000	50,000	20,000								478,830
Western Union				1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	100,000
Lotto													13,500
Equip. Purchase													
Start up Costs								100,000	28,600	28,600	28,600	28,600	214,400
BCCI Admn Cost								50,000					50,000
Drawing Maching									23,200	23,200	23,200	23,200	92,800
Vehicle								40,000					40,000
Instant Scratch										31,000			31,000
BCCI Admn Cost				5,000	5,000	5,000	5,000						20,000
Reimb Govt (50%)											36,000	36,000	72,000
Payment on Overdraft						50,000	53,300						156,600
Interest on Overdraft				580	1,700	1,700	1,160	580	580	580			6,880
Total Expenses	100,687	100,687	130,687	158,707	130,297	160,767	188,527	295,117	156,917	266,687	192,807	203,834	2,085,721
Surplus (Deficit)	(31,241)	73,813	44,938	(43,022)	94,408	(23,402)	24,838	(83,672)	20,153	(67,777)	119,881	(26,567)	102,150
Accum. Surplus	(31,241)	42,572	87,510	44,488	138,896	115,494	140,332	56,460	76,613	8,836	128,717	102,150	

BCCI CASH FLOW-1993

(Lottery Sales Reduced by 50%)

3/12/93

Table 7

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
REVENUE													
Beginning Balance	\$ 24,000												24,000
USAID Grant		150,000	104,000		210,440	121,220	100,220	96,220	100,220	120,180			1,002,500
BBCD Prog Income				5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	45,000
Fin Services Div													
GOVT Contribution													
Handicraft Net Reven	250	1,500	1,125	1,125	1,125	1,125	1,125	1,125	1,750	1,750	2,375	3,000	17,375
BEIPU	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Membership & Subsc	44,196	22,000	15,000	3,760	5,640	7,520	7,520	9,400	9,400	11,280	11,280	9,400	158,396
Western Union			1,200	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	14,700
Lotto													
Agent Comm to BCCI													
BCCI Admin (5%)										2,333	3,500	3,500	9,333
Op. Costs (2.9%)										29,167	29,107	29,167	87,500
Govt Profits (23%)										16,917	16,917	16,917	50,750
Instant Scratch										67,083			67,083
Admin Fee (5%)					12,500	25,000	7,500	7,500	7,500	7,500	7,500	7,500	82,500
Profits (50%)					18,000	36,000	10,800	10,800	10,800	10,800	10,800	10,800	118,800
Profits (50%) Govt					18,000	36,000	10,800	10,800	10,800	10,800	10,800	10,800	108,000
Other Income										21,600			21,600
Bank Overdraft													
Construction				50,000									50,000
Instant Cards			53,300	53,300									106,600
Lotto Equipment													
Total Revenue	69,446	174,500	175,625	115,685	273,205	234,365	145,465	143,345	147,970	296,110	89,038	87,783	1,952,538
EXPENSES													
Membership & ID Div.													
Public Affairs	9,031	9,031	9,031	9,031	9,031	9,031	9,031	9,031	9,031	9,031	9,031	10,295	109,636
Membership Dev	3,355	3,355	3,355	3,355	3,355	3,355	3,355	3,355	3,355	3,355	3,355	3,788	40,703
Agents Comm			940	1,410	1,880	2,350	2,350	2,350	2,350	2,820	2,820	2,350	18,800
Finance	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630	2,041	18,871
Administration	11,950	11,950	11,950	11,950	11,950	11,950	11,950	11,950	11,950	11,950	11,950	14,070	146,120
BEIPU													
Export Devel	9,857	9,857	9,857	9,857	9,857	9,857	9,857	9,857	9,857	9,857	9,857	10,620	119,047
Investment Prom	6,830	6,830	6,830	6,830	6,830	6,830	6,830	6,830	6,830	6,830	6,830	8,638	83,768
Trade & Policy	4,354	4,354	4,354	4,354	4,354	4,354	4,354	4,354	4,354	4,354	4,354	5,442	53,336
BBCD	10,440	10,440	10,440	10,440	10,440	10,440	10,440	10,440	10,440	10,440	10,440	11,480	126,330
FMD													
Repair Bldg							25,000						25,000
Junior Achiev	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	50,000
Admin/ Overhead	39,740	39,740	39,740	39,740	39,740	39,740	39,740	39,740	39,740	39,740	39,740	41,690	428,830
Construction-Lotto			30,000	50,000	20,000								100,000
Western Union				1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	13,500
Lotto													
Equip Purchase								100,000	28,800	28,800	28,800	28,800	214,400
Start up Costs								50,000					50,000
BCCI Admin Cost									23,200	23,200	23,200	23,200	92,800
Drawing Maching								40,000					40,000
Vehicle													31,000
Instant Scratch													
BCCI Admin Cost				5,000	5,000	5,000	5,000						20,000
Reimb Govt (50%)											36,000	36,000	72,000
Payment on Overdraft						50,000	53,300			53,300			156,600
Interest on Overdraft				580	1,700	1,700	1,180	580	580	580			6,880
Total Expenses	100,687	100,687	130,687	158,707	130,297	160,767	108,527	295,117	156,917	266,687	192,807	203,834	2,085,721
Surplus (Deficit)	(31,241)	73,813	44,938	(43,022)	142,908	73,598	(43,062)	(151,772)	(8,947)	29,423	(103,769)	(116,051)	(133,183)
Accum. Surplus	(31,241)	42,572	87,510	44,488	187,396	260,994	217,932	66,160	57,213	86,636	(17,133)	(133,183)	

Table 9

PROJECTED BCCI ADMINISTRATIVE BUDGET

for

INSTANT SCRATCH AND LOTTO PROGRAMS

<u>Description</u>	<u>Bz\$ Per Annum</u>	<u>Start up Bz\$</u>
Manager	38,000	6,334
Supervisor	20,000	1,500
Clerical/sales (4)	36,000	2,667
Sales (4 part-time)	16,000	1,333
Courier (2)	18,000	2,333
Pre-printed tickets	70,000	17,500
Paper rolls	15,000	4,500
Ribbons	5,500	1,650
Utilities	5,000	333
Insurances	25,000	4,167
Alarm & Security	15,000	1,333
Soc. Security	5,000	1,105
Operations/Maint. Vehicles (2)	<u>10,000</u>	<u>1,666</u>
Total	\$ 278,500	\$ 46,421

Per month Operating Expenses = \$23,200