# BELIZE FUND FOR A SUSTAINABLE FUTURE

Financial Statements

For the year ended 31 March 2026

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**Crowe Belize LLP**
35A Regent Street
Belize City, Belize
Main +501 227 6629
www.crowe.bz

**Independent auditor's report to the Belize Fund for a Sustainable Future**

**Opinion**

We have audited the accompanying financial statements of the Belize Fund for a Sustainable Future, which comprise of the statement of financial position as at 31 March 2026 and the statements of activities, statement of functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Belize Fund for a Sustainable Future as of 31 March 2026, and the changes in net assets and its cash flows for the years then ended in accordance with Generally Accepted Accounting Principles. In the United States of America (U.S. GAAP).

**Basis for Opinion**

We conducted our audit in accordance with Generally Accepted Auditing Standards in the United States of America (U.S. GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Belize Fund for a Sustainable Future in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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

**Responsibility of management and those charged with governance for the financial statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. GAAP and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Belize Fund's ability to continue as a going concern for one year after the date that the financial statements are issued.

Those charged with governance are responsible for overseeing the financial reporting process of the Belize Fund.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with U.S. GAAS, we:

(i) Exercise professional judgment and maintain professional skepticism throughout the audit.

(ii) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

(iii) Obtain an understanding of internal control relevant to the audit 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 Belize Fund's internal control. Accordingly, no such opinion is expressed.

(iv) Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates and related disclosures made by management, as well as evaluate the overall presentation of the financial statements.

(v) Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Belize Fund's ability to continue as a going concern for a reasonable period of time. If we should conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained to the date of our report. However, future events or conditions may cause the Belize Fund to cease to continue as a going concern.

(vi) Obtain sufficient audit evidence regarding the financial information of the Belize Fund to express an opinion on the financial statements. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Crowe Belize LLP

Crowe Belize LLP

22 May 2026

**Belize Fund for a Sustainable Future**

**Statement of financial position**
As at 31 March
*(In Belize dollars)*

| | Note | 2026 | 2025 |
|---|---|---|---|
| **Assets** | | | |
| **Current assets** | | | |
| Cash and cash equivalents – with donor restrictions | 8 | 1,825,638 | 1,955,305 |
| Cash and cash equivalents – without donor restrictions | 8 | 284,051 | 367,559 |
| Short-term investments | 9 | - | 4,000,000 |
| Accounts receivables and prepayments | 11 | 60,027 | 39,089 |
| **Total current assets** | | 2,169,716 | 6,361,953 |
| **Non-current assets** | | | |
| Property, plant and equipment - net | 7 | 115,087 | 148,146 |
| Long-term investments | 10 | 1,220,410 | 30,000 |
| **Total non-current assets** | | 1,335,497 | 178,146 |
| **Total assets** | | **3,505,213** | **6,540,099** |
| **Current liabilities** | | | |
| Accounts payable and accruals | 12 | 44,904 | 56,041 |
| Refundable advance | 13 | 3,124,740 | 6,253,629 |
| **Total current liabilities** | | 3,169,644 | 6,309,670 |
| **Net assets** | | | |
| Without donor restrictions | | 335,569 | 230,429 |
| **Total net assets** | | 335,569 | 230,429 |
| **Total liabilities and net assets** | | **3,505,213** | **6,540,099** |

Approved on behalf of the Board and authorized for issue on **June 30, 2026**.

| Director | Director |
|---|---|
| Hannah St. Luce-Martinez | Joel Verde |
| **Print Name** | **Print Name** |

## Statement of activities

For the year ended 31 March

*(In Belize dollars)*

| | Note | Without donor restrictions | With donor restrictions | 2026 | 2025 |
|---|---|---|---|---|---|
| **Revenue** | | | | | |
| Contributions | 14 | 1,401,611 | 9,471,904 | 10,873,515 | 9,326,231 |
| Interest income | 15 | 132,564 | - | 132,564 | 62,706 |
| **Total revenue** | | 1,534,175 | 9,471,904 | 11,006,079 | 9,388,937 |
| **Expenses** | | | | | |
| Program services | 16 | 110,791 | 9,471,904 | 9,582,695 | 8,036,283 |
| Management and general | 16 | 1,290,958 | - | 1,290,958 | 1,191,228 |
| Fundraising | 16 | 27,286 | - | 27,286 | - |
| **Total expenses** | | 1,429,035 | 9,471,904 | 10,900,939 | 9,266,244 |
| **Change in net assets** | | **105,140** | **-** | **105,140** | **122,693** |
| **Net assets, beginning of period** | | 230,429 | - | 230,429 | 107,736 |
| **Net assets, end of period** | | 335,569 | - | 335,569 | 230,429 |

## Belize Fund for a Sustainable Future

### Statement of functional expenses
For the year ended 31 March
*(In Belize dollars)*

| | Note | Program Services | Management and General | Fundraising | 2026 | 2025 |
|---|---|---|---|---|---|---|
| Government Strategic Allocation (GSA) | 16 | 6,062,303 | - | - | 6,062,303 | 4,227,876 |
| Grants Award Program (GAP) | 16 | 3,409,601 | - | - | 3,409,601 | 3,808,407 |
| Personnel | 16 | - | 666,316 | - | 666,316 | 510,215 |
| Professional/contractual services | 16 | 75,188 | 190,139 | - | 265,327 | 309,701 |
| Office and IT | 16 | - | 191,326 | - | 191,326 | 153,440 |
| Communications and marketing | 16 | - | 172,826 | - | 172,826 | 138,183 |
| Outreach and capacity building | 16 | 22,197 | - | - | 22,197 | 50,537 |
| Monitoring, evaluation & learning | 16 | 8,623 | - | - | 8,623 | 15,367 |
| Motor vehicles | 16 | - | 19,226 | - | 19,226 | 13,785 |
| Special events | 16 | - | - | 27,286 | 27,286 | - |
| Depreciation | 7 | - | 51,125 | - | 51,125 | 38,733 |
| Miscellaneous | 16 | 4,783 | - | - | 4,783 | - |
| **Total expenses** | | **9,582,695** | **1,290,958** | **27,286** | **10,900,939** | **9,266,244** |

**Belize Fund for a Sustainable Future**

## Statement of cash flows

For the year ended 31 March

*(In Belize dollars)*

Adjustments to reconcile change in net assets to net cash
and cash equivalents used in operating activities

| | Note | 2026 | 2025 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Change in net assets | | 105,140 | 122,693 |
| Adjustments: | | | |
| Depreciation | 7 | 51,125 | 38,733 |
| | | 156,265 | 161,426 |
| Changes in assets and liabilities | | | |
| Accounts receivable and prepayments | 11 | (20,938) | 1,163 |
| Accounts payable and accruals | 12 | (11,137) | (2,760) |
| Refundable advance | 13 | (3,128,889) | (1,730,496) |
| Net cash and cash equivalents (used in) operating activities | | (3,004,699) | (1,570,667) |
| **Cash flow from investing activities** | | | |
| Purchase of property, plant and equipment | 7 | (18,066) | (98,719) |
| Purchase of investments | 10 | (1,190,095) | (4,030,000) |
| Proceeds from short-term investments | 9 | 3,999,685 | - |
| Net cash and cash equivalents provided by/(used in) investing activities | | 2,791,524 | (4,128,719) |
| **Cash flows from financing activities** | | - | - |
| Net cash and cash equivalents provided by/(used in) financing activities | | - | - |
| **Net (decrease) in cash and cash equivalents** | | (213,175) | (5,699,386) |
| Cash and cash equivalents at beginning of year | | 2,322,864 | 8,022,250 |
| **Cash and cash equivalents at end of year** | | 2,109,689 | 2,322,864 |
| **Cash and cash equivalents consist of:** | | | |
| Cash and cash equivalents – with donor restrictions | | 1,825,638 | 1,955,305 |
| Cash and cash equivalents – without donor restrictions | | 284,051 | 367,559 |
| | | 2,109,689 | 2,322,864 |

**Notes to the financial statements**
*(In Belize dollars)*

## 1. General Information

The Belize Fund for a Sustainable Future, Inc. ("Belize Fund") is a private conservation trust fund established on 8 March 2022 in Delaware, USA under the Conservation Funding Agreement as part of the Blue Loan Agreement.

On 3 October 2022, the Belize Fund signed a Grant Agreement with the Belize Blue Investment Co LLC. The purpose of the Grant Agreement is to support the Belize Fund in achieving its mission to provide funding and other forms of support for conservation and climate change adaptation activities in Belize, including the protection and sustainable management of Belize's marine and coastal ecosystems through long-term, sustainable financing.

The Belize Fund was created to provide long-term, sustainable financing to support both governmental and non-governmental partners.

Its primary activities include:

1. Grant disbursements to non-governmental organizations under the Grants Award Program (GAP) for conservation, scientific research, climate change adaptation, and development of blue businesses; and
2. Funding allocations to the Government of Belize under the Government Strategic Allocation, to support national marine conservation and policy commitments under the Blue Bonds agreement.

The Belize Fund serves as a strategic partner to the Government of Belize in advancing a resilient and inclusive blue economy, ensuring that the benefits of marine conservation contribute to the long-term well-being of Belize's ecosystems and communities.

The Belize Fund is governed by a Board of Directors and supported by a Finance Committee, which oversees the financial operations, compliance and strategic financial planning.

## 2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to the years presented, unless otherwise stated.

### Basis of preparation

The financial statements have been prepared in accordance with U.S. GAAP and as described below. The preparation of the financial statements in accordance with U.S. GAAP requires management to make extensive use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

## 2. Summary of significant accounting policies (continued)

### Adoption of standards

The Belize Fund adopts Accounting Standards and Updates ("ASU's") issued by The Financial Accounting Standards Board ("FASB") in the year stipulated for adoption to the extent they are relevant to the Belize Fund's operations. The Belize Fund may adopt a standard or update early if early adoption is permitted. The effect of adoption, if material, is disclosed in the financial statements.

The FASB has issued several ASU's that are not yet effective for the Belize Fund as of 31 March 2026. The Belize Fund is required to adopt these standards in future reporting periods. The following summarizes the relevant standards and their expected impact:

**ASU 2025-05, Financial Instruments – Credit Losses (ASC 326):**

Effective for fiscal years beginning after 15 December 2025. This update modifies the measurement of credit losses for trade receivables and contract assets. The Belize Fund does not expect this standard to have a material impact on its financial statements.

**ASU 2024-04, Debt – Debt with Conversion and Other Options (ASC 470-20):**

Effective for fiscal years beginning after 15 December 2025. This update clarifies accounting for induced conversions of convertible debt instruments. The Belize Fund does not expect this standard to have a material impact on its financial statements.

**ASU 2020-11, Insurance Contracts (ASC 944):**

Effective for non-public insurance entities for fiscal years beginning after 15 December 2025. The Belize Fund does not issue insurance contracts and therefore does not expect any impact.

The Belize Fund plans to adopt these standards on their effective dates. Management is in the process of assessing the impact of each standard on the financial statements and related disclosures. Where the impact is not yet known, the Belize Fund will provide updated disclosures in future reporting periods

### Foreign exchange transactions and balances

*Functional and presentation currency*
Items included in the financial statements are measured using the currency of the economic environment in which the Belize Fund operates ("the functional currency"). The financial statements are presented in Belize dollars, which is the Belize Fund's functional and presentation currency.

*Transactions and balances*
Foreign currency transactions are translated into Belize dollars using the exchange rates prevailing at the dates of the transactions. Transactions in United States currency and balances at the year-end date have been converted to Belize dollars at the rate of US $1.00 to BZD $2.00. Currency transaction gains and losses are reflected in earnings.

## 2. Summary of significant accounting policies (continued)

### Property, plant and equipment

Property, plant, and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives. The Belize Fund capitalizes individual asset purchases with a cost of Bz $2,000 or more and a useful life exceeding one year, except for leasehold improvements, which are amortized over the shorter of their useful life or the remaining lease term.

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

Asset categories and depreciation practices are as follows:

All fixed asset categories (including motor vehicles, furniture and fixtures, computer equipment, and field equipment) are depreciated at an annual rate of 20%.

Leasehold improvements are amortized over the one-year lease term, as the current office lease is renewable annually and does not convey a long-term right of use.

Maintenance and repair are expensed as incurred, while improvements that extend the useful life of an asset are capitalized. The cost and accumulated depreciation of assets sold or retired are eliminated from the accounts and gain or loss on disposal is included in income.

### Receivables and expected credit losses

The Belize Fund does not maintain receivables from customers or third parties, as its only source of income is derived from grant funding under the Conservation Funding Agreement. Consequently, there are no trade receivables or other financial assets subject to credit risk, and management has determined that no allowance for doubtful accounts or expected credit losses is necessary.

### Receivables and expected credit losses (continued)

However, the Belize Fund may recognize prepaid expenses as current assets, which represent payments made in advance for goods or services to be received in future periods. These are not subject to credit risk and are amortized over the period to which they relate.

### Cash and cash equivalents

Cash and cash equivalents may include cash on hand and deposits held at call with banks.

## 2. Summary of significant accounting policies (continued)

### Net assets classification

The Belize Fund classifies its net assets in accordance with ASC 958 into two categories: net assets without donor restrictions and net assets with donor restrictions. Net assets consist of the accumulated surplus of the Belize Fund and the cumulative balance of capitalized assets. All revenues received by the Belize Fund are conditional grants. Amounts received prior to satisfying the related conditions are recorded as refundable advance and are not included in net assets until the conditions are met. Once the conditions are satisfied, the revenue is recognized and included in net assets without donor restrictions. As all grants are conditional and there are no unconditional donor restrictions, the Belize Fund does not have any net assets with donor restrictions as of the reporting date.

### Accounts payable and accruals

Accounts payable and accruals consist primarily of amounts owed to vendors and service providers for goods and services received but not yet paid as of the reporting date. These liabilities are recognized when the related goods or services are incurred, and are recorded at their estimated settlement amounts. Accounts payable are obligations subject to normal credit terms and do not bear interest. Management regularly reviews payables to ensure timely payment and accurate recording.

### Revenue recognition

Funds received from the Belize Blue Investment Company under the conservation funding agreement are initially recorded as refundable advance and recognized as revenue as the Belize Fund satisfies related programmatic performance obligations. In accordance with ASC 958-605, revenue is recognized when donor-imposed conditions such as the incurrence of eligible expenditures or achievement of specified milestones have been substantially met. This approach reflects the systematic transfer of control and fulfillment of the Belize Fund's obligations under the grant agreement.

Amounts that have not yet met the criteria for revenue recognition remain classified as refundable advance in the liabilities section of the statement of financial position.

### Short-term investments

Short-term investments consist of fixed-term deposits with original maturities greater than three months and less than one year. These investments are stated at cost, which approximates fair value due to their short-term nature. Management evaluates investments for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

### Expense recognition

Expenses are recognized when incurred. The Belize Fund allocates expenses to program services and management and general using reasonable and consistently applied allocation methods based on time, effort, and usage.

## 2. Summary of significant accounting policies (continued)

### Allocation of expenses by function

The costs of providing the Belize Fund's various programs and supporting activities have been summarized on a functional basis in the Statement of Functional Expenses. Expenses that can be identified with a specific program or supporting activity are charged directly to that function.

Certain costs are allocated among program services, management and general, and fundraising based on management's estimates and judgments regarding the relative benefit received.

For the year ended 31 March 2026, the Belize Fund utilized its existing accounting records and cost classifications in preparing the functional expense presentation. Management is in the process of implementing enhanced procedures and allocation methodologies to further refine the classification of expenses by function in future reporting periods.

### Related parties

An entity is related to the Belize Fund, if:

**(i)** directly, or indirectly through one or more intermediaries, the entity controls, is controlled by, or is under common control with, the Belize Fund (this includes parents, subsidiaries and fellow subsidiaries); has an interest in the Belize Fund that gives it significant influence over the Belize Fund; or has joint control over the Belize Fund;

**(ii)** the entity is an associate of the Belize Fund;

**(iii)** the entity is a joint venture in which the Belize Fund is a venturer;

**(iv)** the entity is a member of the key management personnel of the Belize Fund or its parent;

**(v)** the entity is a close member of the family or any individual referred to in (i) or (iv);

**(vi)** the entity is the Institution that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or

**(vii)** the entity is a post-employment benefit plan for the benefit of employees of the Belize Fund, or of any Institution that is a related party of the Belize Fund.

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

## 3. Financial risk management

The Belize Fund's activities expose it to market, credit and liquidity risks.

### Market risk

*Foreign exchange risk*
The Belize Fund is exposed to foreign exchange risk arising from currency exposures, primarily with respect to the parity between the US and the BZD dollar. Foreign exchange risk arises from commercial transactions and recognized assets and liabilities.

### Credit risk

Financial instruments that potentially subject the Belize Fund to concentrations of credit risk consist primarily of cash and cash equivalents and deposits held with local financial institutions. The Belize Fund maintains balances with reputable institutions in Belize; however, such balances may exceed insured limits. The Belize Fund has not experienced any losses related to these balances. The Belize Fund also has a concentration of funding from a single donor source under the Conservation Funding Agreement.

### Liquidity risk

The ultimate responsibility for liquidity risk rests with the Board of Directors. The Belize Fund manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows.

## 4. Fair value estimation

### Fair value of financial instruments

The following methods and assumptions were used by the Belize Fund to estimate the fair value of its financial instruments.

The Belize Fund measures certain financial assets at fair value in accordance with applicable accounting standards. Fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The Belize Fund categorizes its financial instruments within the fair value hierarchy based on the observability of inputs (Level 1, Level 2, and Level 3). Financial instruments for which fair value approximates carrying value include cash, short-term investments, receivables, and payables due to their short-term nature.

The carrying amounts of cash, receivables, trade and other payables at the balance sheet date represent the best estimates of fair values because of the relative short-term maturities of these assets and liabilities. Long-term obligations, with the exception of those between related parties whose terms are as disclosed in the footnotes, have been contracted at market terms and, in the opinion of management, reflect fair value.

## 4. Fair value estimation (continued)

### Fair value of financial instruments (continued)

These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore, cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

## 5. Critical accounting estimates and judgments

Estimates and judgments are based on historical experience of management and other factors, including expectations of future events that are believed to be reasonable under given circumstances. The Belize Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will seldom equal actual results.

## 6. Legal status and tax exemption

The Belize Fund is a nonprofit organization legally registered in the State of Delaware, United States, and is recognized as tax-exempt under Section 501(c)(3) of the Internal Revenue Code. As such, the Belize Fund is generally exempt from U.S. federal income taxes on income related to its tax-exempt purposes. The Belize Fund complies with the accounting and reporting requirements for not for-profit organizations under U.S. GAAP, specifically the guidance in FASB ASC 958 – Not-for-Profit Entities. In addition, the Belize Fund is exempt from income taxation in Belize under Section 6 of the Blue Loans Act, 2021, and is not subject to taxes, duties, or other compulsory charges on its income. The Belize Fund is also eligible to receive Goods and Services Tax (GST) refunds on qualifying local purchases, in accordance with applicable Belizean tax laws. No provision for income taxes has been made in the accompanying financial statements, as the Belize Fund has not engaged in any activities that would generate unrelated business income subject to taxation.

## 7. Property and equipment

| | Motor Vehicles | Furniture & fixtures | Computer equip-ment | Field equip-ment | Leasehold improve-ments | Total |
|---|---|---|---|---|---|---|
| ***Cost*** | | | | | | |
| At 1 April 2025 | 172,094 | 12,040 | 25,301 | 2,723 | - | 212,158 |
| Additions | - | 2,400 | 5,682 | - | 9,984 | 18,066 |
| At 31 March 2026 | 172,094 | 14,440 | 30,983 | 2,723 | 9,984 | 230,224 |
| ***Accumulated depreciation*** | | | | | | |
| At 1 April 2025 | 48,692 | 7,339 | 7,936 | 45 | - | 64,012 |
| Charge | 34,419 | 2,728 | 5,945 | 545 | 7,488 | 51,125 |
| At 31 March 2026 | 83,111 | 10,067 | 13,881 | 590 | 7,488 | 115,137 |
| **Net book value** | | | | | | |
| At 31 March 2026 | 88,983 | 4,373 | 17,102 | 2,133 | 2,496 | 115,087 |
| At 31 March 2025 | 123,402 | 4,701 | 17,365 | 2,678 | - | 148,146 |

## 7. Property and equipment (continued)

No impairments were recorded for the reporting period. All property, plant and equipment are used in operations located in Belize.

## 8. Cash and cash equivalents

Cash and cash equivalents include demand deposits and other highly liquid investments with original maturities of three months or less.

All bank accounts are held with licensed financial institutions in Belize, and are denominated in Belize dollars. The Belize Fund does not hold any foreign currency balances as of the reporting date.

The balance of cash and cash equivalents consisted of the following as of the reporting date:

| | 2026 | 2025 |
|---|---|---|
| **With donor restrictions** | | |
| Heritage Bank Ltd - Business Call Account Ending 1001 | 1,725,729 | 1,895,488 |
| Atlantic Bank Ltd - Checking Account Ending 3302 | 5,777 | 5,813 |
| Atlantic Bank Ltd - Checking Account Ending 7008 | 94,132 | 54,004 |
| | 1,825,638 | 1,955,305 |
| **Without donor restrictions** | | |
| Belize Bank Ltd - Operating Account Ending 0000 | 255,134 | 299,640 |
| Atlantic Bank Ltd - Checking Account Ending 7008 | 28,757 | 67,680 |
| Petty Cash - Cash on hand | 160 | 239 |
| | 284,051 | 367,559 |

## 9. Short-term investments

| Bank/Account Description | Interest Rate | Maturity Date | 2026 | 2025 |
|---|---|---|---|---|
| Central Bank of Belize - Treasury Notes | 2.00% | 22-May-2025 | - | 2,000,000 |
| Heritage Bank Ltd - Term Deposit | 2.50% | 17-Apr-2025 | - | 2,000,000 |
| | | | - | 4,000,000 |

During the fiscal period, the treasury note held with the Central Bank of Belize matured on 22 May 2025 and the term deposit held with Heritage Bank Limited matured on 17 April 2025.

## 10. Long-term investments

The Belize Bank term deposit in the amount of BZD $30,315, which earns interest rate at 1.05% per annum, is held as collateral for the Belize Fund's credit card facilities and is redeemable on demand.

## 10. Long-term investments (continued)

On 30 September 2025, the Belize Fund established a term deposit with the National Bank of Belize in the amount of BZD $1,000,000, which earns interest at 3% per annum and matures on 30 September 2027. The principal is donor restricted for grant disbursement purposes and is not available for general operating activities prior to maturity. Interest earned on this term deposit is unrestricted and may be used for general operating purposes.

On 16 January 2026, the Belize Fund approved participation in the initial public offering (IPO) of Hydro Belize Limited ("HBL"), a Government of Belize owned renewable energy company. The Belize Fund subscribed for 6,555 ordinary shares at a purchase price of BZD $29 per share, for a total cost of BZD $190,095. HBL operates hydroelectric generation facilities in Belize and sells substantially all electricity under long-term power purchase agreements with Belize Electricity Limited. The investment is intended to provide long-term dividend income.

*Measurement and classification*
The investment in HBL ordinary shares is classified as a long-term equity security. At initial recognition, the investment was recorded at transaction price. Subsequently, the investment is measured at fair value in accordance with the Belize Fund's accounting policy for equity securities, and is classified within Level 3 of the fair value hierarchy, as there is no active market and valuation inputs are unobservable. In the absence of quoted market prices, fair value is based on the IPO transaction price and is subject to significant judgment, including adjustments for liquidity and market risk.

*Restrictions and liquidity*
The shares are not publicly traded, and no active secondary market currently exists. Transferability is limited and subject to IPO terms and future market development. Accordingly, the investment is considered illiquid.

*Dividends*
HBL dividends, when declared, are expected to be paid from operating cash flows; however, dividends are not guaranteed and are subject to board approval and financial performance of the company.

*Key risks*
The investment is subject to risks including, but not limited to: hydrological variability affecting generation capacity, counterparty credit risk concentrated in Belize Electricity Limited, regulatory and political risk, operational and maintenance risks associated with hydro-electric infrastructure, and lack of market liquidity.

| Investment | Cost per share $ | Shares held | Total costs | Impairment | Carrying value 2026 | Carrying value 2025 |
|---|---|---|---|---|---|---|
| Hydro Belize Limited | 29.00 | 6,555 | 190,095 | - | 190,095 | - |

| Classification | Measurement basis | Valuation technique/input | Level |
|---|---|---|---|
| Long-term equity security | Fair value (initially at transaction price; subsequently Level 3 estimate) | IPO transaction price (no active market; unobservable inputs; subject to liquidity and risk adjustments) | 3 |

## 11. Accounts receivable and prepayments

| | 2026 | 2025 |
|---|---|---|
| Prepayments with suppliers | 31,214 | 18,572 |
| Interest receivable | 15,000 | 14,365 |
| Tax receivable | 13,813 | 6,152 |
| | 60,027 | 39,089 |

Receivables, which consist primarily of tax refunds (GST), deposits, and advances, are recorded at amounts expected to be collected. Management expects full collection; therefore, no allowance for credit losses has been recognized.

## 12. Accounts payable and accruals

| | 2026 | 2025 |
|---|---|---|
| Trade payables | 8,737 | 42,621 |
| Other payables | 14,737 | 13,420 |
| Accrued expenses | 21,430 | - |
| | 44,904 | 56,041 |

## 13. Refundable advance

| | 2026 | 2025 |
|---|---|---|
| Grants Award Program (GAP) | 2,850,443 | 3,384,750 |
| Government Strategic Allocation (GSA) | - | 2,573,530 |
| Management and general | 274,297 | 295,349 |
| | 3,124,740 | 6,253,629 |

Refundable advance represents undisbursed funds received under the Government Strategic Allocation (GSA) and Grants Award Program (GAP) in both current and prior financial years. These funds are classified as liabilities until they are expended in accordance with the specific objectives and terms of the Belize Fund. Operating expenses include amounts utilized for the administration and management of these programs. Funds received from the Belize Blue Investment Co. are initially recorded as refundable advance. Revenue is recognized progressively as programmatic activities are implemented and funds are disbursed in alignment with the Belize Fund's mission and performance obligations, thereby meeting the criteria for revenue recognition.

## 14. Revenue

| | With donor restriction | Without donor restriction | 2026 | 2025 |
|---|---|---|---|---|
| Contributions - Blue Bonds | 9,471,904 | 1,368,691 | 10,840,595 | 9,326,231 |
| Contributions - Special Events | - | 32,920 | 32,920 | - |
| | 9,471,904 | 1,401,611 | 10,873,515 | 9,326,231 |

## 14. Revenue (continued)

A total of BZD $32,920 was raised for an EcoLens event held on 5 March 2026 in collaboration with the Protected Areas Conservation Trust (PACT). The event was organized to support the planning and execution of a national conservation forum promoting Belize's conservation and sustainable development agenda.

Fundraising and event related expenses totaling BZD $27,286 were incurred in connection with the event. The resulting excess of revenues over related expenditures of BZD $5,634 represents funds without donor restriction remaining after completion of the event. Management intends to utilize these remaining funds for a joint team building activity between PACT and the Belize Fund during fiscal year 2027.

## 15. Interest income

| | **2026** | **2025** |
|---|---|---|
| Interest income – without donor restriction | 132,564 | 62,706 |

Investment income comprises interest earned on deposits held with local financial institutions and government securities. Interest income is recognized on an accrual basis over the period in which it is earned.

During the year, the Belize Fund earned interest on call accounts, savings accounts, term deposits, and treasury notes. The HBL business call account earns interest at approximately 2% per annum (effective August 2025), while balances held with Atlantic Bank Ltd. earn approximately 1% per annum. The National Bank of Belize term deposit, which matures on 30 September 2027, earns interest at 3% per annum, of which BZD $15,000 was accrued as of 31 March 2026.

As of 31 March 2026, there were no active investments held with the Central Bank or any TD with HBL, as funds previously invested matured during the first quarter of the year.

There was no investment income restricted by donor during the year, as there are no donor-imposed restrictions on investment income.

## 16. Expenditures

| | **With donor restriction** | **Without donor restriction** | **2026** | **2025** |
|---|---|---|---|---|
| **Program services** | | | | |
| Government Strategic Allocation (GSA) | 6,062,303 | - | 6,062,303 | 4,227,876 |
| Grants Awards Programs (GAP) | 3,409,601 | - | 3,409,601 | 3,808,407 |
| Professional/contractual services | - | 75,188 | 75,188 | - |
| Outreach and capacity building | - | 22,197 | 22,197 | - |
| Monitoring, evaluation & learning | - | 8,623 | 8,623 | - |
| Miscellaneous | - | 4,783 | 4,783 | - |
| | 9,471,904 | 110,791 | 9,582,695 | 8,036,283 |

## 16. Expenditures (continued)

### Management and general

| | With donor restriction | Without donor restriction | 2026 | 2025 |
|---|---|---|---|---|
| Personnel | - | 666,316 | 666,316 | 510,214 |
| Professional/contractual services | - | 190,139 | 190,139 | 309,702 |
| Office and IT | - | 191,326 | 191,326 | 153,441 |
| Communications and marketing | - | 172,826 | 172,826 | 138,183 |
| Outreach and capacity building | - | - | - | 50,536 |
| Monitoring, evaluation & learning | - | - | - | 15,367 |
| Motor vehicles | - | 19,226 | 19,226 | 13,785 |
| Depreciation | - | 51,125 | 51,125 | 38,733 |
| | - | 1,290,958 | 1,290,958 | 1,229,961 |

### Fundraising

| | With donor restriction | Without donor restriction | 2026 | 2025 |
|---|---|---|---|---|
| Special events | - | 27,286 | 27,286 | - |
| | - | 27,286 | 27,286 | - |

The Government Strategic Allocation (“GSA”) supports the Government of Belize in advancing marine conservation commitments under the Belize Blue Bonds. Funding supports government-led initiatives and multi-year projects focused on marine and coastal conservation, including protected areas management, implementation of the Marine Spatial Plan, fisheries management, biodiversity protection, climate resilience, and institutional strengthening.

Under the Grants Award Program (“GAP”), the Belize Fund issues annual calls for proposals to support projects aligned with its thematic areas, including Protection for Biodiversity, Sustainable Fisheries, Climate Resilience, and Blue Business Innovation. Projects primarily focus on Belize’s coastal and marine environments, including terrestrial activities where a direct link exists to marine or coastal outcomes.

## 17. Commitments

The Belize Fund was created to provide financial support for marine and coastal conservation initiatives that are in line with Belize’s national priorities and conservation pledges under the Blue Bonds. The GAP and GSA together are the two main initiatives. While the GSA funds government agencies in charge of maintaining our coastal and marine resources, the GAP largely supports non-profit organizations working on projects that encourage the sustainable use of these resources.

**Notes to the financial statements**
*(In Belize dollars)*

## 17. Commitments (continued)

As of 31 March 2026, the following funds were approved by the Board of Directors to be committed towards the GAP:

| | 2026 | 2025 |
|---|---|---|
| Government Strategic Allocation | - | 3,634,339 |
| Grant Awards Programs | 643,292 | 2,065,118 |
| | 643,292 | 5,699,457 |

## 18. Subsequent events

Management has evaluated subsequent events for recognition and disclosure through to the date the financial statements were available to be issued.

On 29 April 2026, the Belize Fund for a Sustainable Future hosted its 4th Awards Ceremony and announced new grant funding of BZD $643,292 for four projects aimed at strengthening sustainable fisheries, supporting coastal livelihoods and promoting the growth of Belize's blue economy. In addition, new GAP and GSA allocations are expected to be approved subsequent to year end.