

**TOLEDO INSTITUTE FOR DEVELOPMENT AND ENVIRONMENT**

**Financial Statements**

For the year ended 31 December 2017

**TOLEDO INSTITUTE FOR DEVELOPMENT AND ENVIRONMENT**

**Financial statements**

For the year ended 31 December 2017

**Table of Contents**

	<b>Page</b>
Independent auditor's report	1 - 3
Statement of financial position	4
Statement of activities	5
Statement of changes in net assets	6
Statement of cash flows	7
Notes to the financial statements	8 - 21

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## INDEPENDENT AUDITOR'S REPORT

### TO THE BOARD OF DIRECTORS TOLEDO INSTITUTE FOR DEVELOPMENT AND ENVIRONMENT

#### Report on the audit of the financial statements

##### Opinion

We have audited the accompanying financial statements of **Toledo Institute for Development and Environment (TIDE) (the Institution)**, which comprise the statement of financial position as at 31 December 2017, the related statement of activities, statement of changes in net assets, statement of cash flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Institution as at 31 December 2017, its statement of activities, change in net assets and its cash flow for the year then ended in accordance with International Financial Reporting Standards for SMEs.

##### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Institution in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Belize, 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 form a basis for our opinion.

##### Responsibilities 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 International Financial Reporting Standards for Small and Medium-sized enterprises (IFRS for SMEs), 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.

In preparing the financial statements, management is responsible for assessing the Institution's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Institution or to cease operations, or has no realistic alternative but to do so.

## **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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.
- 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 Institution's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institution's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Institution to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activity of the Institution to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

*Moore Stephens Magain LLP.*

**Chartered Accountants  
Belize City, Belize  
18 April 2018**

**TOLEDO INSTITUTE FOR DEVELOPMENT AND ENVIRONMENT**

## Statement of financial position

For the year ended 31 December 2017


In Belize dollars

	Notes	2017	2016
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	4,296,318	4,167,305
Investment in land	5	143,867	143,867
Endowment fund	6	2,655,412	2,678,567
Total non-current assets		7,095,597	6,989,739
<b>Current assets</b>			
Cash and cash equivalents	7	1,378,248	716,326
Accounts receivable and prepayments	8	71,022	44,359
Total current assets		1,449,270	760,684
<b>Total assets</b>		<b>8,544,867</b>	<b>7,750,423</b>
<b>Liabilities and net assets</b>			
<b>Non-current liabilities</b>			
Deferred income	9	977,043	215,099
Severance payable	10	88,893	63,448
Total non-current liabilities		1,065,936	278,546
<b>Current liabilities</b>			
Accounts payable	11	117,966	70,711
Total current liabilities		117,966	70,711
<b>Total liabilities</b>		<b>1,183,902</b>	<b>349,257</b>
<b>Net assets</b>			
Unrestricted		4,214,705	4,214,705
Temporarily restricted		3,146,260	3,186,461
Total net assets		7,360,965	7,401,166
<b>Total liabilities and net assets</b>		<b>8,544,867</b>	<b>7,750,423</b>

The accompanying notes form an integral part of these financial statements.

Approved on behalf of the Board and authorised for issue on 18 April 2018.

Director



Director



**TOLEDO INSTITUTE FOR DEVELOPMENT AND ENVIRONMENT**

Statement of activities

For the year ended 31 December 2017

In Belize dollars

		2017		2016	
	Notes	Unrestricted	Temporarily restricted	Total	Total
<b>Revenue:</b>					
Grants	12	21,070	1,529,082	1,550,152	1,388,066
Contributions		120	-	120	36,546
Net income from tours	14	53,197	-	53,197	129,052
Net income from bar and grill	15	320	-	320	9,547
Interest income	16	-	44,806	44,806	51,294
Other income		150,778	-	150,778	178,214
<b>Total revenue</b>		<b>225,485</b>	<b>1,573,888</b>	<b>1,799,373</b>	<b>1,792,718</b>
<b>Expenditure:</b>					
	13				
Program expenses by protected areas:					
DNS/TIDE Private Lands		-	155,779	155,779	187,132
Payne Creek National Park		236,224	-	236,224	209,045
Port of Honduras Marine Reserve		-	1,172,048	1,172,048	991,209
General and administrative		377,369	-	377,369	324,423
<b>Total expenditure</b>		<b>613,593</b>	<b>1,327,827</b>	<b>1,941,420</b>	<b>1,711,808</b>
<b>Changes in net assets</b>		<b>(388,108)</b>	<b>246,060</b>	<b>(142,047)</b>	<b>80,909</b>

*The accompanying notes form an integral part of these financial statements.*

**TOLEDO INSTITUTE FOR DEVELOPMENT AND ENVIRONMENT**

## Statement of changes in net assets

For the year ended 31 December 2017

In Belize dollars

	Unrestricted	Temporarily restricted	Total
Balance as at 1 January 2016	4,214,705	3,105,552	7,320,256
Changes in net assets	-	80,909	80,909
<b>Balance as at 31 December 2016</b>	<b>4,214,705</b>	<b>3,186,461</b>	<b>7,401,166</b>
Balance as at 1 January 2017	4,214,705	3,186,461	7,401,166
Changes in net assets	-	(142,047)	(142,047)
Contributed capital (Tide Tours)	-	101,846	101,846
<b>Balance as at 31 December 2017</b>	<b>4,214,705</b>	<b>3,146,260</b>	<b>7,360,965</b>

*The accompanying notes form an integral part of these financial statements.*



**TOLEDO INSTITUTE FOR DEVELOPMENT AND ENVIRONMENT**

## Statement of cash flows

For the year ended 31 December 2017

In Belize dollars

	2017	2016
<b>Cash flows from operating activities</b>		
Change in net assets for the year	(142,047)	80,909
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation	175,807	138,292
Loss/(gain) on sale of asset	-	12,434
Severance pay provision	25,445	9,443
Accounts receivables and prepayments	(26,663)	21,309
Trade and other payables	47,255	(78,341)
Deferred income	761,944	(231,018)
Net cash provided/(used in) by operating activities	841,741	(46,973)
<b>Cash flow from investing activities</b>		
Payments for property and equipment	(304,820)	(181,636)
Proceeds on disposal of property, plant and equipment	-	4,400
Investment in endowment funds	23,155	95,778
Paid in capital (Tide Tours)	101,846	-
Net cash used in investing activities	(179,819)	(81,458)
Net change in cash and cash equivalents	661,922	(128,431)
Cash and cash equivalents at the beginning of the year	716,326	844,758
Cash and cash equivalents at the end of the year	1,378,248	716,326
<b>Cash and cash equivalent comprised of:</b>		
Cash at bank	1,378,248	715,256
Cash on hand	-	1,069
<b>Cash and cash equivalent at the end of the year</b>	<b>1,378,248</b>	<b>716,326</b>

The accompanying notes form an integral part of these financial statements.

# TOLEDO INSTITUTE FOR DEVELOPMENT AND ENVIRONMENT

Notes to the financial statements

For the year ended 31 December 2017

In Belize dollars

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## 1. General information

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Toledo Institute for Development and Environment (TIDE) (the Institution) is a non-governmental organisation limited by guarantee, incorporated and domiciled in Belize. The Institution was incorporated in Belize in 1997 and is registered as a non-governmental organisation (NGO) under the Ministry of Human Development Act. No 26 of 2000. The Institution provides leadership in the conservation in natural resources and the protection of sensitive ecosystem in southern Belize.

The Institution's goal is to safeguard biodiversity and natural capital in one of the most pristine parts of the Mesoamerican Biodiversity Hotspot, the Maya Mountain Marine Corridor of Southern Belize. Recognising the interdependent nature of this landscape and its people, the Institution works with stakeholders to implement holistic landscape-level strategies to preserve the natural processes and habitats that sustain biodiversity and people. The Institution manages three protected areas: Port Honduras Marine Reserve, Payne's Creek National Park and TIDE Private Protected Lands.

The Institution is funded by various international conservation groups, international foundations, private contributions and its own revenue-generating small businesses.

The Institution's head office is located at #1 Mile San Antonio, Punta Gorda, Toledo District, Belize. As of 31 December 2017, the Institution had 31 active employees and 5 employees resigned during the year.

## 2. Significant accounting policies

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The significant accounting policies used in the preparation of these financial statements are summarised below.

### 2.1 Statement of compliance

The accompanying financial statements are prepared in accordance with International Reporting Standards (IFRS) for Small and Medium Enterprises (SMEs), adopted by the International Accounting Standards Board.

### 2.2 Basis of preparation

The financial statements have been prepared on the historical cost basis.

### 2.3 Functional and presentation currency

The currency of the primary economic environment in which the Institution operates (the functional currency) is Belize dollars and the financial statements are presented in Belize dollars (BZD), which is the Institution's presentation currency.

### 2.4 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less.

## TOLEDO INSTITUTE FOR DEVELOPMENT AND ENVIRONMENT

Notes to the financial statements

For the year ended 31 December 2017

In Belize dollars

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### 2. Significant accounting policies (continued)

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#### 2.5 Accounts receivable

Accounts receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of accounts receivable is established when there is objective evidence that the Institution will not be able to collect all amounts due according to the original terms of the receivables.

#### 2.6 Property, plant and equipment

Property, plant and equipment comprises of motor vehicles, buildings, boats, furniture and fixtures, and office equipment. Property, plant and equipment are carried at historical cost less accumulated depreciation and subsequent accumulated impairment losses. Historical cost included expenditures directly attributable to its acquisition cost.

Subsequent costs are included in the asset's carrying value or recognised as a separate asset, where appropriate, only when it is likely that the future economic benefits will flow to the Institution and the cost can be effectively measured. All repairs and maintenance are charged to the statement of comprehensive income during the financial period in which these expenses are incurred.

Depreciation on assets, except for land, is calculated using the reducing balance method. The rates listed below differ according to asset class and are implemented according to guidelines outlined in the finance manual.

Category	Percentage
Buildings	2%
Outboard motors	33%
Computer	33%
Motor vehicles	25%
Boat	20%
Equipment	20%
Furniture and equipment	10%

Property, plant and equipment are disposed of by either competitive bids, cost minimising disposal, negotiating sale or donation. The cost and the accumulated depreciation are removed from the statement of financial position and any resulting gain or loss is reflected in the statement of comprehensive income.

At the end of each reporting period, the Institution reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Institution estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

## TOLEDO INSTITUTE FOR DEVELOPMENT AND ENVIRONMENT

Notes to the financial statements

For the year ended 31 December 2017

In Belize dollars

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### 2. Significant accounting policies (continued)

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#### 2.6 Property, plant and equipment (continued)

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 2.7 Investment in land

Investment in land is recorded at cost less impairment.

#### 2.8 Accounts payable

Trade and other payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### 2.9 Other long-term employee benefits

The Institution recognises termination benefits in accordance with the labor laws of Belize and its staff policy document. Labor laws of Belize state "Where an employee who has been continuously employed by any employer for a period of five to ten years and (i) his employment is terminated by the employer or (ii) the worker retires on or after attaining the age of sixty years or on medical grounds, that worker shall be paid a severance pay of one week's wages in respect of each year of service."

An entity shall recognise the net change in the liability during the period, other than a change attributable to benefits paid to employees during the period or to contributions from the employer, as the cost of its other long-term employee benefits during the period. That cost is recognised entirely in the statement of comprehensive income as an expense unless another section of this IFRS requires it to be recognised in the statement of comprehensive income as part of the cost of an asset, such as inventories or property, plant and equipment.

## TOLEDO INSTITUTE FOR DEVELOPMENT AND ENVIRONMENT

Notes to the financial statements

For the year ended 31 December 2017

In Belize dollars

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### 2. Significant accounting policies (continued)

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#### 2.9 Other long-term employee benefits (continued)

##### Disclosures about defined benefit plans

An entity shall disclose the following information about defined benefit plans (except for any defined multi-employer benefit plans that are accounted for as defined contribution plans). If an entity has more than one defined benefit plan, these disclosures may be made in total, separately for each plan, or in such groupings as are considered to be the most useful.

##### Disclosures about termination benefits

For each category of termination benefits that an entity provides to its employees, the entity shall disclose the nature of the benefit, and the amount of its obligation and the extent of funding at the reporting date.

#### 2.10 Provisions

Provisions are liabilities of uncertain timing or amount and are recognised when the Institution has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are measured as the best estimate of the consideration required to settle the present obligation at the reporting date. Significant judgement is required to determine whether a present obligation exists and in estimating the probability, timing and amount of any cash outflows. Provisions are recorded related to litigation, future employee benefits, the allowance for off-balance sheet items and other items. Provisions are recorded on the basis of all available information at the end of the reporting period. In the event that results differ from management expectations, the Institution may incur expenses in excess of the provisions recognised.

#### 2.11 Support and income recognition

Support from contributions, which would include grants, are recognised when received. All support is considered to be available for unrestricted use unless specifically restricted by donors.

A grant which benefits future periods (deferred support) is recognised in the statement of comprehensive income on a systematic basis over the periods in which the Institution recognises the related costs for which the grants are intended to compensate. Grants are not recognised in equity.

A grant receivable as compensation for expenses already incurred is recognised as support when it becomes receivable.

Donated property and equipment are recorded at estimated fair market value and accounted for as support for operations in the year in which these are received. Donated property and equipment which are depreciable are treated as deferred support and allocated to support over the periods and in the proportions in which depreciation on those assets is charged to operations.

The Institution recognises revenue when the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the entity's activities. Interest income is recognised using the effective interest method.

## TOLEDO INSTITUTE FOR DEVELOPMENT AND ENVIRONMENT

Notes to the financial statements

For the year ended 31 December 2017

In Belize dollars

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### 2. Significant accounting policies (continued)

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#### 2.12 In-kind contributions

No amounts have been reflected in the financial statements for contributed services, but the Institution acknowledges that it has benefited from contributed services provided by individuals. The specialised skills provided would typically need to be purchased if not provided by donation.

#### 2.13 Expense recognition

Expenditure is recognised when incurred.

#### 2.14 Translation of foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated in Belize dollars at rates prevailing at the date of the statement of financial position. Foreign exchange gains and losses resulting from the translation and settlement of these items are recognised in the statement of comprehensive income. Non-monetary assets and liabilities in foreign denominations are translated into Belize dollars at historical rates.

### 3. Contributions and grants

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The Institution has entered into grant agreements to deliver specific services or goods to beneficiaries on behalf of donors. The following is a summary of the major project agreements which the Institution has entered into during the year ended 31 December 2016 which are valid through the fiscal year 2017, and new agreements entered during the year ended 31 December 2017. The significant project commitments have been detailed below and are referred to throughout these financial statements using their abbreviated titles.

**3.1 "Tropical Forest Conservation Agreement" (Debt Nature Swap):** The Institution entered into a grant agreement with the Government of Belize (GOB), The Nature Conservancy (TNC), Programme for Belize (PFB), Belize Audubon Society (BAS) and Protected Areas Conservation Trust (PACT). Under the DNS agreement between Government of United States of America (USA) and GOB, USA agreed to cancel certain debts owed by the GOB to the USA in exchange for a commitment by GOB to fund forest conservation activities in Belize. The monies that were to be used for the debt payments were restricted under the FCA to be used to i) provide funds for the Institution, PFB, BAS and PACT foundation to carry out forest conservation activities and (ii) to accumulate funds that can be used to conserve, maintain and restore the protected reserve lands in perpetuity by the establishment of endowment funds.

Activities that are allowed for funding under the agreement include the establishment, restoration and protection of protected areas and reserves; developing and implementing scientifically sound land and ecosystems management practices; training programs that increase the technical, scientific and managerial capacities of the organisations; restoration, protection or sustainable use of diverse animal and plant species and research on medicinal uses of tropical plant life to treat human related illness.

The agreement provides that GOB makes scheduled payments to the Institution beginning in 2002 and ending 2027. In accordance with the agreement, a portion of the funds is designated as "endowment funds" and another as "land management funds".

## TOLEDO INSTITUTE FOR DEVELOPMENT AND ENVIRONMENT

Notes to the financial statements

For the year ended 31 December 2017

In Belize dollars

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### 3. Contributions and grants (continued)

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#### 3.1 "Tropical Forest Conservation Agreement" (continued)

As of 31 December 2017, the total funds received under the agreement amounted to BZD5,559,134. Of this amount, BZD1,833,684 has been placed in the endowment fund account as required by the agreement.

##### **Endowment Fund:**

The agreement provides that there shall be no disbursements or transfers from the Endowment Fund accounts during the "build-up period", that is from 2001 until 31 March 2011. It also stipulates that after the "build-up period", disbursements from the Endowment Fund accounts shall not, in the aggregate, exceed more than five percent of the total amount held on deposit in the Endowment Fund account on the last day of the previous fiscal year or as the parties shall otherwise agree in writing. It provides, furthermore that a maximum of thirty percent of the five percent is allowed to be spent on overhead expenses.

The endowment fund account started with an initial allocation of BZD 28,568 received for the fiscal year 2001/2002. Similar amounts were received in the years 2002/2003 and 2003/2004. Subsequently, the annual endowment allocation was increased to BZD 134,084 in accordance with the scheduled payments.

The Endowment fund had a balance of BZD 2,655,412 at the end of the 2017 fiscal year (2016 - BZD 2,678,567).

Audit work performed did not identify any expense in violation of the authorised purposes as stipulated in the FCA Agreement.

#### 3.2 "Implementation of Mesoamerica Sustainable Fisheries Initiative" (Environment Defense Fund):

The Institution entered into an agreement with the Environment Defense Fund from 1 April 2016 to 31 December 2016. The primary goal of the project is to provide support for a managed access officer to assist the Institution, the Belize Fisheries Department, EDF and other partners with the successful implementation of Managed Access (MA) in Port Honduras Marine Reserve and to assist the science department with data entry and analysis. The total amount of the grant agreement was received in 2016.

#### 3.3 "Implementing Capacity Building in the Mesoamerica Reef MPA Community" (Gulf and Caribbean Fisheries Institute):

The Institution entered into a grant agreement with Gulf and Caribbean Fisheries Institute Inc. to build capacity for effective implementation of marine protected areas in the Mesoamerican Reef. This agreement will be completed in different projects which starting 15 January 2015 to 15 September 2016.

#### 3.4 "Sustainable Financing of Conservation and Development in the Maya Mountain Marine Corridor" (GEF Small Grants Programme):

The Institution entered into an agreement with GEF Small Grants Programme through the United Nations Office for Project Services (UNOPS) from 14 December 2015 to 31 March 2017.

## TOLEDO INSTITUTE FOR DEVELOPMENT AND ENVIRONMENT

Notes to the financial statements

For the year ended 31 December 2017

In Belize dollars

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### 3. Contributions and grants (continued)

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- 3.5 "Increasing the cost-effectiveness of MPA enforcement in the Port Honduras Marine Reserve"** (Mesoamerica Reef Fund): The Institution entered into an agreement with the Mesoamerica Reef Fund (MAR Fund) for the safeguarding of queen conch and sea cucumber fisheries in PHMR through full participation of stakeholders and scientific evidence gathering to inform fisheries regulations and improve management of the species.
- 3.6 "Conservation of Marine Resources in Central America in Port Honduras Marine Reserve"** (MAR Fund/KfW): The Institution entered into an agreement with the Mesoamerican Reef Fund which is financed by the German government for a five year period. The purpose of the project is for: i) the protection and conservation of the coastal eco-systems in the marine area and ii) best management practices and the sustainable use of marine-costal resources.
- 3.7 "Belize Conservation Fund"** (Mass Audubon): The Institution entered into a agreement with Massachusetts Audubon Society for ongoing support of conservation efforts within the Maya Mountain Corridor with a focus on Payne Creek National Park.
- 3.8 'A holistic approach to effective management of the protected areas system in southern Belize'**  
The Protected Areas Conservation Trust (PACT) approved a grant to a number of partnering organisations including the Institution, Belize Audubon Society and Ya'axche Conservation Trust. The project is being lead by the Ya'axche Conservation Trust which is the signatory for the project. The grant was approved on the 27 March 2017.
- 3.9 "Strengthening Fisheries Management in Belize (SFMB)":** The Institution received a grant from The Summit Foundation for the purpose of strengthening fisheries management in Belize which was approved on 15 December 2016, the funds for this grant were received on the 3rd January 2017. The period of grant was from 1 January 2017 to 31 December 2017.
- 3.10 'Advancing the Implementation of Managed Access as a Fisheries Management Tool and No-take Area Expansion in Port Honduras Marine Reserve and Belize (AIMA)'** The Institution was approved a grant from The Summit Foundation on 4 December 2017 for a period of 18 months from 1 January 2018 to 30 June 2019, funds were received in advance on the 21 December 2017 before the year ended.
- 3.11 "Conserving pine woodland biodiversity in Belize through community management":** The Institution entered into a collaboration agreement with The University Court of the University of Edinburgh, a charitable body registered in Scotland. The collaboration agreement began 1 April 2015 and the duration of the project is expected to last until 31 March 2018.
- 3.12 "Empowering Toledo's youth contribute to safer and more productive communities, through building capacity, environmental education, and sports for development"** (CARSI Project): The Institution entered a agreement with the Central America Regional Security Initiative through the US Embassy to fund events, training courses, and workshops for local youth between ages 14 and 25. The project begun on 6 May 2016.



**Toledo Institute for Development and Environment**

Notes to the financial statements

For the year ended 31 December 2017

In Belize dollars

4. Property, plant and equipment 2017	Land	Buildings	Boat and equipment	Other equipment	Motor vehicles	Furniture and fixtures	Construction in progress	Total
	<b>Cost:</b>							
As at 1 January 2017	3,102,286	700,714	654,877	445,776	275,051	57,571	-	5,236,275
Additions	-	52,691	40,657	35,612	175,860	-	-	304,820
Disposals	-	-	-	-	-	-	-	-
<b>As at 31 December 2017</b>	<b>3,102,286</b>	<b>753,405</b>	<b>695,534</b>	<b>481,388</b>	<b>450,911</b>	<b>57,571</b>	<b>-</b>	<b>5,541,095</b>
<b>Accumulated depreciation:</b>								
As at 1 January 2017	-	113,755	475,729	290,389	152,785	36,312	-	1,068,970
Charge for the period	-	12,793	45,954	40,390	74,541	2,129	-	175,807
Disposal	-	-	-	-	-	-	-	-
<b>As at 31 December 2017</b>	<b>-</b>	<b>126,548</b>	<b>521,683</b>	<b>330,779</b>	<b>227,326</b>	<b>38,441</b>	<b>-</b>	<b>1,244,777</b>
<b>Net book value</b>								
<b>As at 31 December 2017</b>	<b>3,102,286</b>	<b>626,857</b>	<b>173,851</b>	<b>150,609</b>	<b>223,585</b>	<b>19,130</b>	<b>-</b>	<b>4,296,318</b>
As at 31 December 2016	3,102,286	586,959	179,148	155,387	122,266	21,259	-	4,167,305

**Toledo Institute for Development and Environment**

Notes to the financial statements

For the year ended 31 December 2017

In Belize dollars

**4. Property, plant and equipment (continued)**

2016	Land	Buildings	Boat and equipment	Other equipment	Motor vehicles	Furniture and fixtures	Construction in progress	Total
<b>Cost:</b>								
As at 1 January 2016	3,102,286	646,757	641,255	438,856	185,051	55,889	23,957	5,094,051
Additions	-	30,000	38,186	19,768	90,000	3,682	-	181,636
Disposals	-	-	(24,564)	(12,847)	-	(2,000)	-	(39,411)
Transfers	-	23,957	-	-	-	-	(23,957)	-
<b>As at 31 December 2016</b>	<b>3,102,286</b>	<b>700,714</b>	<b>654,877</b>	<b>445,777</b>	<b>275,051</b>	<b>57,571</b>	<b>-</b>	<b>5,236,276</b>
<b>Accumulated depreciation:</b>								
As at 1 January 2016	-	101,776	446,434	258,866	112,030	34,150	-	953,256
Charge for the period	-	11,979	42,718	40,130	40,755	2,710	-	138,292
Disposal	-	-	(13,422)	(8,607)	-	(548)	-	(22,578)
<b>As at 31 December 2016</b>	<b>-</b>	<b>113,755</b>	<b>475,729</b>	<b>290,389</b>	<b>152,785</b>	<b>36,312</b>	<b>-</b>	<b>1,068,970</b>
<b>Net book value</b>								
<b>As at 31 December 2016</b>	<b>3,102,286</b>	<b>586,959</b>	<b>179,148</b>	<b>155,388</b>	<b>122,266</b>	<b>21,259</b>	<b>-</b>	<b>4,167,305</b>
As at 31 December 2015	3,102,286	544,981	194,821	179,990	73,021	21,739	23,957	4,140,795

## TOLEDO INSTITUTE FOR DEVELOPMENT AND ENVIRONMENT

Notes to the financial statements

For the year ended 31 December 2017

In Belize dollars

### 5. Investment in land

	2017	2016
1,110 acres of land known as "Mennonite Land" jointly owned with Leanne and Craig Knox et al	143,867	143,867
	<b>143,867</b>	<b>143,867</b>

This value represents an initiative from the Institution to purchase land with Leanne and Craig Knox, however as of 31 December 2017 the Institution is yet to receive titles of part ownership for this land.

### 6. Endowment fund

	2017	2016
Bank term deposits	2,655,412	2,678,567
	<b>2,655,412</b>	<b>2,678,567</b>

Term deposits are held by the Belize Bank Limited, with interest rates of 1.70%, maturity dates vary according to the dates in which each term deposit was renewed.

### 7. Cash and cash equivalents

	2017	2016
Funds held at Belize Bank Limited	1,377,343	715,053
Funds held at Scotia Bank (Belize) Limited	905	203
Funds held in Petty Cash	-	1,069
	<b>1,378,248</b>	<b>716,326</b>

Funds managed by the Institution are kept mostly at the Belize Bank Limited. There are a total of fourteen bank accounts at the Belize Bank Limited 13 of which safeguard mostly project funds and one designated specifically for TIDE Tours. Donors require a separate bank account to be created for their specific projects. The Institution also holds petty cash balances at their premises.

### 8. Accounts receivables and prepayments

	2017	2016
Accounts receivable	783	12,605
Prepayments	8,031	9,021
Interest receivable	21,334	22,732
Other receivable - Southern Environmental Association	40,874	-
	<b>71,022</b>	<b>44,359</b>

**TOLEDO INSTITUTE FOR DEVELOPMENT AND ENVIRONMENT**

Notes to the financial statements

For the year ended 31 December 2017

In Belize dollars

**9. Deferred income**

Deferred support consists of deposits held for the following projects (see notes 3 and 4).

	2017	2016
Balance brought forward	215,099	446,117
Less: Transfers to support	(215,099)	(406,680)
Additions:		
Central American Regional Security Initiative (CARSI)	80,335	-
DNS/GOB	20,178	-
Drake University - Reef to Ridge programme	71,967	-
European Commission	318,760	-
Gulf and Caribbean Fisheries Institute Inc.	32,367	-
Massachusetts Audubon Society	42,412	175,661
OAK Foundation	111,819	-
Overbrook Foundation	13,639	-
Protected Areas Conservation Trust	21,124	-
The Summit Foundation (AIMA)	240,000	-
The University Court of the University of Edinburgh	2,893	-
Walter Payton High School	21,549	-
Balance carried forward	977,043	215,099

**10. Severance payable**

	2017	2016
Beginning balance severance payable	63,448	54,005
Severance charge for the year	25,445	30,956
Severance payments during the year	-	(21,513)
Ending balance severance payable	88,893	63,448

**11. Accounts payable**

	2017	2016
Accounts payable	113,014	59,349
Other payable and accruals	4,952	11,362
	117,966	70,711

**TOLEDO INSTITUTE FOR DEVELOPMENT AND ENVIRONMENT**

Notes to the financial statements

For the year ended 31 December 2017

In Belize dollars

**12. Grant and donation income**

Funds represent grants and donations received from the following projects (see Note 4).

	2017		2016	
	Un-restricted	Temporarily restricted	Total	Total
Australian High Commission	-	-	-	91,521
Belize Enterprise for Sustainable Technology	8,798	-	8,798	-
DNS/GOB	-	98,636	98,636	79,376
Environmental Defense Fund	-	1,758	1,758	14,000
European Union	-	413,056	413,056	-
Gulf and Caribbean Fisheries Institute Inc.	-	57,697	57,697	28,386
GEF Small Grants Programme	-	33,279	33,279	60,430
Mesoamerica Reef Fund	-	44,515	44,515	20,485
Mesoamerica Reef Fund/KFW	-	(24,983)	(24,983)	398,297
Massachusetts Audubon Society	12,000	99,928	111,928	115,574
New England Biolabs	-	1,430	1,430	30,970
OAK-MAR Fund	-	184,181	184,181	-
Overbrook Foundation	-	126,361	126,361	-
Rain Forest Alliance	272	-	272	4,398
Protected Areas Conservation Trust (EG)	-	70,182	70,182	38,062
Protected Areas Conservation Trust (MI)	-	24,636	24,636	-
The Summit Foundation	-	160,000	160,000	200,000
The University Court of the University of Edinburgh	-	74,435	74,435	70,871
United Nations International Children Education Fund	-	-	-	148,252
US Embassy	-	163,971	163,971	87,445
	<b>21,070</b>	<b>1,529,082</b>	<b>1,550,152</b>	<b>1,388,066</b>

## TOLEDO INSTITUTE FOR DEVELOPMENT AND ENVIRONMENT

Notes to the financial statements

For the year ended 31 December 2017

In Belize dollars

### 13. Expenses

					2017	2016
	DNS/ private lands	Payne Creek National Park	Port of Honduras Marine Reserve	General and admin- stration	Total	Total
Administration	1,232	6,108	22,067	45,997	<b>75,404</b>	39,303
Accounting and auditing	-	-	26,920	21,519	<b>48,439</b>	40,276
Bank charges	133	1,106	8,955	4,126	<b>14,320</b>	-
Community development	628	27,423	190,586	10,474	<b>229,111</b>	62,861
Depreciation	43,911	43,911	43,911	43,911	<b>175,644</b>	138,292
Repairs and maintenance	7,140	15,021	36,901	14,679	<b>73,741</b>	52,745
Insurance	1,787	1,007	7,699	9,791	<b>20,284</b>	58,540
Gain/Loss on disposal of Fixed Asset	-	-	-	-	-	12,434
Professional services	-	10,000	59,938	3,066	<b>73,004</b>	209,019
Public awareness and environmental education	-	837	129,509	45,453	<b>175,799</b>	198,850
Research and monitoring	-	1,236	73,989	340	<b>75,565</b>	65,464
Reserves and parks improvement	186	1,953	60	-	<b>2,199</b>	7,688
Salaries and benefits	64,331	78,816	354,188	114,400	<b>611,735</b>	512,897
Severance	-	-	-	25,445	<b>25,445</b>	9,443
Social security	3,080	2,695	10,864	4,212	<b>20,850</b>	24,982
Supplies	10,958	13,501	30,212	10,333	<b>65,004</b>	82,577
Surveillance, Patrol and Enforcement	18,847	20,248	47,904	305	<b>87,304</b>	75,805
Subgrant expense	-	-	70,854	-	<b>70,854</b>	-
Training and networking	148	9,805	32,275	6,965	<b>49,193</b>	70,161
Travel	430	319	11,523	4,778	<b>17,050</b>	17,113
Utilities	2,968	2,238	13,693	11,575	<b>30,474</b>	33,359
	<b>155,779</b>	<b>236,224</b>	<b>1,172,048</b>	<b>377,369</b>	<b>1,941,419</b>	1,711,808

### 14. Net income from tours

	2017	2016
Tours revenue	<b>458,419</b>	654,894
Less: expenses	<b>(405,222)</b>	(525,842)
Net income	<b>53,197</b>	129,052

Included in Tour expenses are direct contributions to the Institution.

## TOLEDO INSTITUTE FOR DEVELOPMENT AND ENVIRONMENT

Notes to the financial statements

For the year ended 31 December 2017

In Belize dollars

### 15. Net income from bar and grill

	2017	2016
Bar and grill revenue	726	407,813
Less: expenses	(406)	(398,266)
Net loss/income	320	9,547

### 16. Interest income

	2017	2016
Interest income on term deposits	44,806	51,294
	44,806	51,294

### 17. Taxation

The Institution is exempted from business tax under the Income and Business Tax Act in Belize as a registered non-governmental organisation. However, business tax is applicable for its income generating entities including Tide Tours and Waluco's Bar and Grill.

### 18. Contingencies and commitments

#### (i) Claims and litigations

Management has expeditiously and thoroughly reviewed the financial position of the Institution and has determined that all current obligations, legal and constructive, have been provided for and disclosed in the Statement of financial position as at 31 December 2017. No contingencies and probable commitments existed at the date of issue of these financial statements.

### 19. Subsequent events

Subsequent events have been evaluated through 18 April 2018, which is the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.