



Accountants &
business advisers

Toledo Institute for Development and Environment

**Financial statements
31 December 2019**

TOLEDO INSTITUTE FOR DEVELOPMENT AND ENVIRONMENT

**CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2019**

INDEX

	Page(s)
Independent auditor's report	1 to 3
Consolidated statement of financial position	4
Consolidated statement of activities	5
Consolidated statement of cash flows	6
Consolidated statement of expenses by functional area	7
Notes to the consolidated financial statements	8 to 17

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Toledo Institute for Development and Environment, which comprise the consolidated statement of financial position as at 31 December 2019, and the consolidated Statement of activities and changes in net assets, the consolidated statement of cash flows and the consolidated statement of functional expenses for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Toledo Institute for Development and Environment and its subsidiary as of 31 December 2019 and of its consolidated statement of activities and change in net assets, cash flows and statement of functional expenses for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS 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 Group 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 consolidated 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 provide a basis for our opinion.

Other Matter

The financial statements of Toledo Institute for Development and Environment for the year ended 31 December 2018, were audited by another auditor who expressed an unmodified opinion on those statements on 31 April 2019.



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INDEPENDENT AUDITOR'S REPORT (continued)

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards for Small and Medium-sized Entities 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 consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 is not a 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 judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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INDEPENDENT AUDITOR'S REPORT (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- 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 Group'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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.


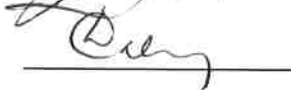
PKF Belize

PKF Belize
Chartered Accountants
Belize City
26 June 2020

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2019**

	Notes	2019	2018 Restated
Assets			
Non-current assets			
Property and equipment	4	4,275,203	4,294,934
Investment in land	5	143,867	143,867
Investment, Endowment Funds	6	2,469,374	2,563,287
		<u>6,888,444</u>	<u>7,002,088</u>
Current assets			
Cash on hand and at bank		1,036,516	677,507
Accounts receivable and prepayments	7	93,240	60,310
		<u>1,129,756</u>	<u>737,817</u>
Total assets		BZ\$ 8,018,200	7,739,905
		=====	=====
Liabilities and net assets			
Current liabilities			
Accounts payable and accruals	8	140,714	122,951
Deferred support	9	715,430	642,990
		<u>856,144</u>	<u>765,941</u>
Non-current liability			
Gratuity payable	10	13,729	-
Severance pay provision	11	111,897	86,268
Total liabilities		<u>981,770</u>	<u>852,209</u>
Net assets			
Unrestricted		3,802,212	4,214,705
Temporarily restricted		3,234,218	2,672,991
Total net assets		<u>7,036,430</u>	<u>6,887,696</u>
Total liabilities and net assets		BZ\$ 8,018,200	7,739,905
		=====	=====

Approved on behalf of the Board of Directors:

 Director
 Director

Independent auditor's report pages 1 to 3

The notes on pages 8 to 17 form an integral part of these financial statements.

**CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED 31 DECEMBER 2019**

	Notes	2019			2018
		Unrestricted	Temporarily Restricted	Total	Total
Public Support					
Contributions and grants:					
Darwin Initiative		-	-	-	52,040
DNS/GOB	12.1	-	73,148	73,148	99,554
European Union	12.2	-	530,789	530,789	318,760
Gulf and Caribbean Fisheries Institute Inc.		-	10,350	10,350	65,147
GEF Small Grants Programme		-	-	-	882
International Community Foundation	12.3	-	21,015	21,015	-
Mesoamerican Reef Fund (MAR Fund)	12.4	-	61,000	61,000	12,985
Massachusetts Audubon Society	12.5	-	174,565	174,565	50,666
New England Bio labs	12.11	-	1,096	1,096	13,600
OAK Foundation- Mesoamerican Reef Fund	12.6	-	406,347	406,347	270,472
Overbrook Foundation	12.7	-	211,804	211,804	60,450
Protected Areas Conservation Trust (PACT)	12.8	-	198,585	198,585	99,355
Seacology capital grant, amortization	12.9	-	1,107	1,107	-
The Summit Foundation	12.10	-	160,495	160,495	157,615
US Embassy		-	-	-	335,596
World Environment Center	12.12	-	68,914	68,914	-
Grants		-	1,919,215	1,919,215	1,537,122
Revenues					
Interest income	13	-	33,860	33,860	43,419
Other revenue		401,905	-	401,905	146,239
TIDE Tours		227,680	-	227,680	354,699
Public support and revenues		629,585	1,953,075	2,582,660	2,081,479
Program expenses by protected areas:					
DNS/Tide Private Lands		-	158,344	158,344	102,407
Payne Creek National Park		199,114	-	199,114	273,530
Port of Honduras Marine Reserve		-	1,104,958	1,104,958	991,818
TIDE Sustainability Initiative		298,565	-	298,565	144,167
		497,679	1,263,302	1,760,981	1,511,922
General and administrative		434,827	-	434,827	450,031
TIDE Tours expenses		238,118	-	238,118	407,614
Total expenses		1,170,624	1,263,302	2,433,926	2,369,567
Change in net assets for the year		(541,039)	689,773	148,734	(288,088)
Net assets, beginning of year, as previously reported					
Restatement	16	4,214,705	2,858,171	7,072,876	7,360,964
		-	(185,180)	(185,180)	(185,180)
Net assets, beginning of year, restated		4,214,705	2,672,991	6,887,696	7,175,784
Change in net assets for the year		(541,039)	689,773	148,734	(288,088)
Transfer from temporarily restricted funds	14	128,546	(128,546)	-	-
Net assets, end of year		BZ\$ 3,802,212	3,234,218	7,036,430	6,887,696

The notes on pages 8 to 17 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED 31 DECEMBER 2019

	Notes	2019	2018 Restated
<i>Cash flows from operating activities -</i>			
Change in net assets		148,734	(473,268)
Adjustments for non-cash items:			
Depreciation	4	133,561	145,994
Loss on disposal of property and equipment		18,006	-
Gratuity provision	10	18,955	-
Severance pay provision	11	25,629	(2,625)
		<u>344,885</u>	<u>(329,899)</u>
(Increase) Decrease in accounts receivable and prepayments		(32,930)	10,711
Increase in accounts payable and accruals		17,763	4,983
Increase (Decrease) in deferred support		72,440	(334,053)
		<u>402,158</u>	<u>(648,258)</u>
Gratuity		(5,226)	-
		<u>396,932</u>	<u>(648,258)</u>
Cash provided by (used in) operating activities			
<i>Cash flows from investing activities -</i>			
Additions to property and equipment	4	(131,836)	(144,608)
Investment in endowment funds		93,913	92,125
		<u>(37,923)</u>	<u>(52,483)</u>
Cash used in investing activities			
		359,009	(700,741)
Increase (Decrease) in cash and cash equivalents			
		677,507	1,378,248
Cash and cash equivalents, beginning of the year			
		BZ\$ 1,036,516	677,507
Cash and cash equivalents, end of year		<u>1,036,516</u>	<u>677,507</u>
Represented by			
Cash on hand and at bank		BZ\$ 1,036,516	677,507
		<u>1,036,516</u>	<u>677,507</u>

The notes on pages 8 to 17 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF EXPENSES BY FUNCTIONAL AREA
YEAR ENDED 31 DECEMBER 2019

	2019						2018	
	PROGRAM SERVICES BY PROTECTED AREAS				SUPPORT SERVICES	TIDE TOURS	Total	Restated
	DNS/Private Lands	TIDE Sustainability Initiative	Payne Creek National Park	Port of Honduras Marine Reserve	General and Administration	Expenses	Total	Total
Administration	802	3,985	5,347	15,860	29,004	38,054	93,052	120,658
Accommodation	-	-	-	-	-	16,536	16,536	37,406
Accounting and auditing	-	470	5,666	30,380	22,151	-	58,667	58,779
Business Tax	-	-	-	-	-	13,396	13,396	11,081
Community Development	-	1,424	124	49,055	60	-	50,663	140,520
Depreciation	-	-	-	-	132,667	894	133,561	145,994
Equipment repairs and maintenance	8,683	23,599	15,432	35,466	18,277	22,518	123,975	111,580
Food and Beverage	-	-	-	-	-	23,873	23,873	45,117
Insurance	593	2,160	6,198	9,829	6,010	-	24,790	21,267
(Gain) Loss on disposal of property and equipment	-	-	-	10,397	7,609	-	18,006	-
Gratuity	-	-	-	2,316	16,639	-	18,955	-
Marketing	-	-	-	-	-	5,193	5,193	17,080
Professional Services	-	-	-	18,075	1,575	6,903	26,553	67,644
Public awareness and	-	119,958	4,128	63,379	24,511	-	211,976	134,484
Research and monitoring	-	4,792	3,197	47,396	220	-	55,605	38,163
Reserves and parks	2,754	2,310	2,477	1,181	-	-	8,722	6,171
Salaries and benefits	107,836	68,478	101,037	362,389	107,934	41,736	789,410	717,416
Severance	-	-	-	-	25,629	-	25,629	-
Social Security	4,268	4,142	3,324	11,667	2,585	426	26,412	25,559
Sub-grants	-	-	150	261,463	-	-	261,613	221,976
Supplies	5,351	6,641	9,235	27,505	17,364	14,767	80,863	98,146
Surveillance patrol and enforcement	24,062	-	31,260	60,385	199	-	115,906	110,238
Tours	-	-	-	-	-	25,714	25,714	39,511
Training and networking	2,070	39,541	8,301	78,551	13,399	-	141,862	146,929
Travel	265	17,799	158	1,761	3,002	23,872	46,857	42,010
Utilities	1,660	3,266	3,080	17,903	5,992	4,236	36,137	29,874
BZ\$	158,344	298,565	199,114	1,104,958	434,827	238,118	2,433,926	2,387,603
	=====	=====	=====	=====	=====	=====	=====	=====

The notes on pages 8 to 17 form an integral part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2019

1. GENERAL INFORMATION

Toledo Institute for Development and Environment (TIDE) is a non-profit organization limited by guarantee, incorporated and domiciled in Belize. TIDE is registered as a non - governmental organization (NGO) under the Non-Governmental Organizations Act, Chapter 315 of the Laws of Belize. TIDE wholly owns a subsidiary, TIDE Tours, a Company limited by guarantee and not having a share capital, which is a licensed tour operator that provides community-based tourism experiences.

TIDE and its wholly owned subsidiary together are referred to as (the Group).

TIDE's mission is to foster community participation in resource management and sustainable use of ecosystems within the Maya Mountain Marine Corridor of Southern Belize. Recognising the interdependent nature of this landscape and its people, TIDE works with stakeholders to implement holistic landscape-level strategies to preserve the natural processes and habitats that sustain biodiversity and people. TIDE manages three protected areas: Port Honduras Marine Reserve, Payne's Creek National Park and TIDE Private Protected Lands.

TIDE is funded by various international conservation groups and international foundations, by private contributions and by its own revenue-generating activities.

These group consolidated financial statements were authorized for issue by the Board of Directors on 26 June 2020.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparing the financial statements

The consolidated financial statements of Toledo Institute for Development and Environment have been prepared in accordance with 'International Financial Reporting Standard for Small and Medium-sized Entities' (IFRS for SMEs). They have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS for SMEs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the TIDE's accounting policies. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimations are significant to the financial statements, are disclosed in Note 3.

2.2 Consolidation**Subsidiaries**

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities, generally accompanying a shareholding of more than half of the voting rights. Subsidiaries, except for those subsidiaries that have been acquired and are held with the intention of selling or disposing of within one year from the acquisition date, are fully consolidated from the date on which control is transferred to the group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the Group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of acquisition, plus costs directly attributable to the business combination. Any adjustments to the cost of the combination that is contingent on future events, is included in the cost of the combination if the adjustment is probable and can be measured reliably. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Intangible assets are not recognised if their fair value cannot be measured reliably without undue cost or effort at the acquisition date; contingent liabilities are not recognised if their fair value cannot be measured reliably. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between TIDE and its subsidiary, which are related parties, are eliminated in full. Intra-group losses are also eliminated but might indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of the subsidiary are consistent with the policies adopted by TIDE.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.3 Foreign currency translation****(a) Functional and presentation currency**

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

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Activities.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Activities 'Other income'. All other foreign exchange gains and losses are presented in the Statement of Activities within expenses.

2.4 Reporting currency

These financial statements are prepared in the currency of Belize. The official exchange rate of the Belize dollar is fixed at BZ\$2 to US\$1.

2.5 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.

2.6 Accounts receivables

Accounts receivables are recognized 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 Group will not be able to collect all amounts due according to the original terms of the receivables.

2.7 Property and equipment

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

The Group adds to the carrying amount of an item of furniture and equipment the cost of replacing parts of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of activities during the period in which they are incurred.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the reducing balance method, at the following rates:

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

When property and equipment are disposed of by sale or scrapping, the cost and related accumulated depreciation are removed from the financial statements and any resulting gain or loss, determined by comparing the proceeds with the carrying amount, are recognised within general administrative expenses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.8 Impairment of non-financial assets**

Assets that are subject to depreciation or amortization are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit (CGU) to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.9 Investment in land

Investment in land is recorded at cost less impairment.

2.10 Accounts payable

Accounts payable are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

2.11 Employee benefit obligations

Termination benefit - severance

The Group recognises termination benefits in accordance with the Labour Act (the Act), Chapter 297 of the Substantive Laws of Belize and the Group's policy.

The Act was revised in April 2011 to require that employees who have been employed for (a) five to ten years be paid severance pay of one week's pay for each year of service if retiring on or after 60 years of age or on medical grounds or if terminated for other than good or sufficient cause and (b) employees with more than ten years be paid severance pay of one week's pay for each year of service prior to 30 April 2011 and two weeks pay for each year of service thereafter. The revision became effective on 1 May 2011.

It is the Group's policy for employees who resign after having been employed for three years to ten years, to be paid a gratuity of one week's pay for each year of service.

2.12 Provisions

Provisions for restructuring costs and legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that a transfer of economic benefits will be required to settle the obligation; and the amount can be reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future losses.

Provisions are measured at the present value of the amount expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.13 Support and revenue recognition

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

Grants which benefit future periods (deferred support) are recognised in the statement of comprehensive income on a systematic basis over the periods in which the Group recognizes 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 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 Group 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.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.14 In-kind contributions**

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

2.15 Business tax

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

Taxes are based on monthly gross revenue receipts earned by TIDE Tours and are payable within the following month.

Complying with deferred taxation accounting pursuant to Section 29 of International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) is not applicable.

2.16 Expenditure recognition

Expenditure is recognized when incurred.

2.17 Comparative information

Where necessary, comparative amounts have been reclassified to conform with changes in presentation in the current year.

3. INFORMATION ABOUT KEY SOURCES OF ESTIMATION UNCERTAINTY AND JUDGEMENTS

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including future expectations.

Key sources of estimation uncertainty:

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year would be the estimated useful lives of property and equipment.

4. PROPERTY AND EQUIPMENT

	Land and buildings	Boat and equipment	Other equipment	Motor vehicles	Furniture, fixtures and office equipment	Total
Cost						
At 1 January 2019	3,966,052	703,297	504,818	450,911	60,626	5,685,704
Additions	42,640	61,033	25,946	-	2,217	131,836
Disposals	(7,700)	(3,000)	(61,520)	(28,662)	(1,696)	(102,578)
At 31 December 2019	4,000,992	761,330	469,244	422,249	61,147	5,714,962
Accumulated depreciation						
At 1 January 2019	141,292	558,182	252,501	283,233	155,562	1,390,770
Additions	15,176	42,823	20,623	41,163	13,776	133,561
Disposals	(1,408)	(2,314)	(12,583)	(25,636)	(42,631)	(84,572)
At 31 December 2019	155,060	598,691	260,541	298,760	126,707	1,439,759

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2019

4. PROPERTY AND EQUIPMENT (continued)

		Land and buildings	Boat and equipment	Other equipment	Motor vehicles	Furniture, fixtures and office equipment	Total
Carrying amount:							
At 1 January 2019	BZ\$	3,824,760	145,115	252,317	167,678	(94,936)	4,294,934
		=====	=====	=====	=====	=====	=====
At 31 December 2019	BZ\$	3,845,932	162,639	208,703	123,489	(65,560)	4,275,203
		=====	=====	=====	=====	=====	=====

5. INVESTMENT IN LAND

			2019	2018
1,110 acres of land known as 'Mennonite Land' jointly owned with Leanne and Craig Knox et al	BZ\$		143,867	143,867
			=====	=====

6. INVESTMENT, ENDOWMENT FUNDS

Bank term deposits with original maturities exceeding three months	BZ\$	2,469,374	2,563,287
		=====	=====

7. ACCOUNTS RECEIVABLE AND PREPAYMENTS

Accounts receivable		56,962	23,711
Prepayments		14,939	13,649
Interest receivable		21,339	22,950
	BZ\$	93,240	60,310
		=====	=====

8. ACCOUNTS PAYABLE AND ACCRUALS

Accounts payable		136,944	120,489
Sundry payables and accruals		3,770	2,462
	BZ\$	140,714	122,951
		=====	=====

9. DEFERRED SUPPORT

Balance brought forward		642,990	1,033,439
Less: transfers to support		(588,830)	(898,172)
Additions		661,270	507,723
Balance carried forward	BZ\$	715,430	642,990
		=====	=====

The following organizations have provided support which will benefit future periods:

Chemeketa- Reef to Ridge programme		8,656	-
DNS/GOB		6,228	-
Drake University - Reef to Ridge programme		-	6,039
European Union		16,995	-
International Community Foundation		-	21,015
Massachusetts Audubon Society		56,182	114,747
New England Bio Labs Foundation, unamortized portion		2,225	-
OAK Foundation- Mesoamerican Reef Fund		-	270,347
Overbrook Foundation		21,385	93,190

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2019

	2019	2018
9. DEFERRED SUPPORT (continued)		
PACT (Port Honduras Marine Reserve and Payne's Creek National Park)	57,226	-
PACT (Emergency funds to replace stolen boat and engine from TIDE's private protected lands)	13,384	-
Seacology capital grant, unamortized portion	54,160	55,267
The Summit Foundation	169,890	82,385
The GETCH Foundation and PACT (see below)	306,054	-
World Environment Center	3,045	-
	BZ\$ 715,430	642,990
	=====	=====
<p>In March 2020, the GETCH Foundation and PACT project was closed as incomplete and arrangements were made to reimburse all unspent funds to PACT.</p>		
10. GRATUITY PAYABLE		
Balance brought forward	-	-
Addition	18,955	-
Pay-outs	(5,226)	-
Balance carried forward	BZ\$ 13,729	-
	=====	=====
11. SEVERANCE PAY PROVISION		
Employee benefits obligation:		
Balance brought forward	86,268	88,892
Addition	25,629	2,332
Pay-outs	-	(4,956)
Balance carried forward	BZ\$ 111,897	86,268
	=====	=====
12. CONTRIBUTIONS AND GRANTS		
12.1 Tropical forest conservation agreement (DNS)		

In September 2001, TIDE signed into a "Tropical Forest Conservation Agreement" (FCA) 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 a Debt for Nature Swap (DNS) agreement between the Government of the United States of America (USA) and GOB, the 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 restructured under the FCA to be used to (i) provide funds for TIDE, 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 organizations; restoration, protection or sustainable use of diverse animal and plant species and research on medicinal uses of tropical plant life to treat human related illnesses.

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

As of 31 December 2019, the total funds received under the agreement amounted to BZ\$5,717,886. Of this amount, BZ\$1,833,684 has been placed in the endowment fund account as required by the agreement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2019

12. CONTRIBUTIONS AND GRANTS (continued)**12.1 Tropical forest conservation agreement (DNS) (continued)**

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 fifteen percent of the five percent is allowed to be spent on overhead expenses.

The endowment fund account started with an initial allocation of BZ\$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 BZ\$134,084 in accordance with the scheduled payments.

The Endowment Fund had a balance of BZ\$2,469,374 at the end of the 2019 fiscal year (2018- BZ\$2,563,287).

During the examination by the auditors, the auditors found no disbursements or expenditures of FCA income in violation of the authorized purposes as stipulated in the FCA agreement.

12.2 European Union

The European Union, represented by the European Commission (the 'Contracting Authority'), signed a contract with TIDE to award a grant of EUR 1,000,000 (BZ\$2,799,621) to finance the implementation of the project entitled: 'Restoring fisheries in the Mesoamerican Barrier Reef System'. The implementation period of the project started upon the signing of the contract on 22 December 2016. The estimated life of the project is 36 months. The execution period of the contract shall end when the payment of the balance is made by the Contracting Authority and, in any event, at the latest 18 months after the end of the implementation period.

Funds received for the period ended 31 December 2017 was BZ\$731,816. An amount of BZ\$547,783 was received in 2019.

12.3 International Community Foundation

In 2018 the International Community Foundation awarded US\$17,000 (BZ\$34,000) for environmental education and outreach. The grant was funded by Mesoamerican Reef Conservation Fund. The project's estimated life was from 1 September 2018 to 31 August 2019. The project's goal was to raise awareness on marine plastic pollution and climate change in 9 schools in 6 coastal community in southern Belize.

TIDE received the entire BZ\$34,000 during the year ended 31 December 2018. The project was completed on 31 July 2019.

12.4 Mesoamerican Reef Fund (MAR Fund)**12.4a** MAR Fund granted a sum of US\$30,000 (BZ\$60,000) for a project entitled 'Reducing the financial gap for the management of Port of Honduras Marine Reserve through income generating activities'. The period of the grant was from 16 July 2018 until 30 January 2019.

A sum of BZ\$54,000 was received in 2018, and the balance of BZ\$6,000 was received in 2019. The project was completed on 30 January 2019.

12.4b MAR- Fish/ Mar Fund

TIDE was awarded a grant of US\$45,000 (BZ\$90,000) for a project entitled 'Contributing to the Knowledge, Monitoring and Protection of the Mesoamerican Reef's Fish Spawning Aggregations and Replenishment'. The life of the project is 1 December 2019 to 30 November 2020.

Funding of BZ\$55,000 was received in 2019.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2019

12. CONTRIBUTIONS AND GRANTS (continued)**12.5 Massachusetts Audubon Society**

12.5a Massachusetts Audubon Society granted US\$50,000 (BZ\$100,000) during 2018 and US\$50,000 (BZ\$100,000) during 2019 to support ongoing conservation efforts within the Maya Mountain Marine Corridor with a focus on Payne Creek National Park. The grant was received in full in 2019.

12.5b Massachusetts Audubon Society granted US\$8,000 (BZ\$16,000) during 2019 for proposal entitled 'A project towards the effective management of Payne Creek National Park'. The funds were received in full during 2019.

12.6 OAK Foundation - MAR Fund

The Mesoamerican Reef Fund with a no objection from Oak Foundation, awarded a grant of US\$400,000 (BZ\$800,000) for the project entitled 'Strengthening financial sustainability initiatives to support management of Port of Honduras Marine Reserve (PHMR)'. The life of the project was from October 2017 to October 2019.

Funds amounting to BZ\$296,000 was received during 2017, BZ\$368,000 was received in 2019, and the remaining balance of BZ\$40,000 was received in 2020.

12.7 Overbrook Foundation

12.7a TIDE received grants for the purpose of conservation and sustainable development. The funds received on 29 January 2018 and on 8 June 2018.

12.7b The Overbrook Foundation awarded a grant of US\$35,000 (BZ\$70,000) in support of TIDE for management of Port of Honduras. The grant period was from 1 December 2018 until 30 November 2019.

The full amount of the grant was received during 2019.

12.7c The Overbrook Foundation awarded a grant of US\$70,000 (BZ\$140,000) in support of TIDE for General operating support. The life of the grant is from 1 March 2019 until 28 February 2021.

The funding of BZ\$70,000 was received in 2019.

12.8 Protected Areas Conservation Trust (PACT)

12.8a TIDE entered into an agreement with PACT, where the Trust agrees to provide funding in the amount of BZ\$353,600 for the project entitled 'Marine Conservation in Southern Belize- Port of Honduras Marine Reserve' within a two-year period starting July 2019. The objective of the project is to expand and establish climate adaptation measures and maintain ecosystems services and environmental value of four marine protected areas in Southern Belize.

Funds amounting to BZ\$319,500 was received during 2019.

12.8b TIDE entered into a partnership agreement with PACT, where the PACT agrees to provide funding in the amount of BZ\$1,752,000 for the program entitled 'Maintaining the effective and sustainable management of the resources within Port Honduras Marine Reserve and Payne's Creek National Park' over a three-year period. The objective of the program is to contribute towards improved protection, biodiversity conservation and increased investments for the benefit of the National Protected Areas System (NPAS) priority ecosystems and their buffering communities.

Funds amounting to BZ\$235,750 was received during 2019.

12.8c PACT awarded a grant of BZ\$20,000 to replace stolen boat and engine from TIDE's Private Protected Lands.

12.9 Seacology

Seacology awarded a capital grant of US\$30,000 (BZ\$60,000), via Philanthropic Ventures Foundation, for the expansion of housing for paying volunteers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2019

12. CONTRIBUTIONS AND GRANTS (continued)

12.10 The Summit Foundation

12.10a The Summit Foundation granted US\$120,000 (BZ\$240,000) in support of advancing the implementation of Managed Access as a fisheries management tool and No-take area expansion in Port Honduras Marine Reserve and Belize. The grant period was from 1 January 2018 to June 30, 2019. The funding was received in full during 2018.

12.10b The Summit Foundation granted US\$124,000 (BZ\$248,000) for general support of effective management of the Port Honduras Marine Reserve. The grant period is from July 1, 2019 to October 31, 2020. The funding was received in full during 2019.

12.11 The New England Bio Labs Foundation

TIDE was approved a grant of BZ\$10,000 from the New England Bio labs Foundation to enhance the visitor's experience and ensure stewardship in Port Honduras Marine Reserve in southern Belize. The period of the grant was from 7 June 2018 to 7 June 2019.

The full amount of the grant was received during 2018.

12.12 World Environmental Center

The World Environmental Center granted US\$43,000 (BZ\$86,000) in 2018 for project entitled "Follow-up investment for four inclusive and sustainable, community-based, natural resource businesses around the Maya Mountain and Columbia River Forest Reserves, Toledo, Belize". The estimate life of the grant was from 1 October 2018 to December 31, 2019.

Funds amounting to BZ\$71,959 was received during 2019.

13. INTEREST INCOME

Interest income on term deposits	BZ\$	33,860	43,419
		=====	=====

14. TRANSFER FROM TEMPORARILY RESTRICTED FUNDS

Budgeted allocation from DNS temporarily restricted funds to be utilised for the period October 2018 to September 2019 (October 2017 to September 2018).	BZ\$	128,546	133,928
		=====	=====

15. TAXATION

The provisions of the Income and Business Tax Act provides for the exemption of receipts of any ecclesiastical, charitable or educational institution of a public character from business tax in so far as such receipts are not derived from a trade or business carried on by the institution.

Tour revenue is chargeable at a rate of 6% and other revenues generated by TIDE Tours are chargeable at a rate of 1.75%.

16. RESTATEMENT

During the year TIDE discovered that the balance for the TIDE Tours Belize Bank account was duplicated in the records. The misstatement resulted in an overstatement of cash and bank balances for the 2018 financial statements and prior and a corresponding overstatement in net assets.

During the year Tide discovered that the capital grant from Seacology was recording incorrectly. The misstatement resulted in an understatement in deferred income for 2018 and prior financial years and a corresponding overstatement in net assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2019

16. RESTATEMENT (continued)

The misstatements have been corrected by restating each of the affected financial statements line items for the periods as follows:

Statement of financial position (extract)	31 December 2018 as previously stated	Adjustment Inc. / (Decr.)	31 December 2018 as restated
Cash on hand and at bank	807,420	(129,913)	677,507
Total assets	BZ\$ 7,869,818	(129,913)	7,739,905
Deferred income	(587,723)	(55,267)	(642,990)
Total net assets	(7,072,876)	185,180	(6,887,696)
Total liabilities and net assets	BZ\$ (7,869,818)	129,913	(7,739,905)

The corrections further affected some of the amounts disclosed in note 9.

17. CONTINGENT LIABILITY

During the year, the Group, received notices of assessment totalling BZ\$123,000 in taxes, penalties and interest for the years 2015 to 2017 in relation to TIDE Tours revenues. The Group has disputed the assessments on the grounds that they are unreasonable and excessive and sought clarity on the basis of the imposition of taxes on a registered NGO. In March 2019, the Group lodged an appeal for hearing, consideration and decision. The appeal is still ongoing and the outcome of the appeal is uncertain.

18. SUBSEQUENT EVENT

Covid-19

A coronavirus (Covid-19) outbreak was first documented in Wuhan, Hubei Province, China in December 2019. Coronaviruses are a large family of zoonotic viruses that cause illness ranging from the common cold to severe respiratory diseases. on 11 March 2020 the WHO declared the novel coronavirus outbreak to be a pandemic. On 23 March 2020, Belize declared its first confirmed case of Covid-19 in Belize. Due to Covid-19, the Government of Belize declared a State of Emergency for the Country of Belize effective midnight 1 April 2020.

The global economic impact is expected to be significant. The Group has no intention to liquidate or cease operations; it expects to continue to generate sufficient revenues to be able to continue to operate for the foreseeable future. The pandemic will impact the Company's 2020 financial results; thus management is in the process of reviewing the budget. The Board of Directors has already taken strategic precautionary measures to cut budget by almost 30% and beginning June of 2020, has made 3 FT positions redundant. Most members of management staff are taking a salary cut based on activities that can be achieved and of course, secured income. Salary cuts will be monitored on a monthly basis and recommended changes will be made as necessary.

The projected income through its subsidiary, TIDE Tours, of over \$300,000 has been lost to the end of 2020. All bookings after 15 March with TIDE Tours, were cancelled and thus, income that we relied on to cover salaries of TIDE Tours staff and other TIDE general support, will no longer be available.