

# OCEANA IN BELIZE

## AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2019)

**OCEANA IN BELIZE**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**  
**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2019)**  
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**SWIFT & ASSOCIATES**

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Chartered Accountant**

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**INDEPENDENT AUDITOR'S REPORT**

**To: The Board of Directors of  
Oceana In Belize**

**OPINION**

**IN MY OPINION**, the financial statements present fairly, in all material respects, the Financial Position of Oceana In Belize as of December 31, 2020 and of its financial performance and its cash flows for the year then ended in accordance with General Accepted Accounting Principles in the United States of America. It is my opinion too, that the Financial Statements comply with the Laws of Belize.

**Report on the Financial Statements**

I have audited the accompanying financial statements of Oceana In Belize (a nonprofit organization), which comprise the Statement of Financial Position as of December 31, 2020, and the related Statement of Activities, Statement of Cash Flows, schedules, summary of significant accounting policies and other explanatory notes.

**Basis for Opinion**

I conducted my audit in accordance with General Accepted Accounting Principles in the United States of America. My responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of my report. I am independent of Oceana In Belize and have fulfilled my responsibilities as auditors professionally and ethically. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Going Concern**

The accounts were prepared on a going concern basis.

**Report on Summarized Comparative Information**

I have previously audited Oceana In Belize's financial statements for the year ended December 31, 2019, and my report dated January 30, 2020, expressed an unqualified opinion on those audited financial statements. In my opinion, the summarized comparative information presented herein for the year ended December 31, 2020 is consistent, in all material respects, with the audited financial statements presented for the previous year.

### **Management's Responsibilities for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with General Accepted Accounting Principles in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedure selected depends on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well evaluating the overall presentation of the financial statements.

*George R. Swift*

**SWIFT & ASSOCIATES**  
**George R. Swift**  
**Chartered Accountant**

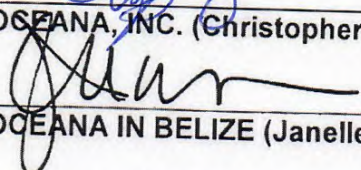
**February 09, 2021**

**OCEANA IN BELIZE**  
**STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2020**  
**(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2019)**

	<u>NOTES</u>	<u>BZE. \$</u> <u>2020</u>	<u>BZE. \$</u> <u>2019</u>
<b>Current Assets:</b>			
Inventory	2(g)	3,786.75	4,254.75
Prepaid and Other Current Assets	3	5,543.78	21,883.88
Cash & Cash Equivalents	2(c),4	1,149,955.41	73,321.45
<b>Total Current Assets</b>		<u><b>1,159,285.94</b></u>	<u><b>99,460.08</b></u>
<b>Non-Current Assets:</b>			
Computer Software		2,701.53	2,701.53
Media/Audio/Video Equipment		29,912.22	19,979.34
Furniture and Equipment		35,175.17	35,175.17
Leasehold Improvement		25,020.82	25,020.82
Computer Equipment		69,404.84	55,639.70
Other Office Fixtures & Equipment		24,616.89	24,616.89
<b>Total Non-Current Assets</b>		186,831.47	163,133.45
Less: Accumulated Depreciation & Amortization		(162,458.34)	(156,357.66)
<b>Total Net Non-Current Assets</b>	2(f), 5	24,373.13	6,775.79
<b>TOTAL ASSETS</b>		<u><b>1,183,659.07</b></u>	<u><b>106,235.87</b></u>
<b>Current Liabilities</b>			
Accounts Payable & Accruals	6	1,076,029.34	7,825.11
<b>Total Current Liabilities</b>		1,076,029.34	7,825.11
Capital Grants	2(h), 7	404.92	1,743.78
Accumulated Fund	8	107,224.81	96,666.98
<b>TOTAL LIABILITIES AND NET ASSETS</b>		<u><b>1,183,659.07</b></u>	<u><b>106,235.87</b></u>

These accounts were approved by the Board on 2nd day of April 2021

  
 OCEANA, INC. (Christopher M. Sharkey, CFO)

  
 OCEANA IN BELIZE (Janelle Chanona, VP)

The accompanying notes form an integral part of these financial statements

**OCEANA IN BELIZE**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**  
**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2019)**

	<u>NOTES</u>	<u>BZE. \$</u> <u>2020</u>	<u>BZE. \$</u> <u>2019</u>
Income	9	<u>1,679,210.15</u>	<u>1,327,050.42</u>
<b><u>EXPENDITURE:</u></b>			
Administrative & General Expenses	10, SCH. 1	1,659,073.01	1,302,452.01
Financial Expenses	11	3,478.63	1,891.14
Depreciation & Amortization	2(f), 5, SCH. 2	<u>6,100.68</u>	<u>13,957.35</u>
<b>TOTAL EXPENDITURE</b>		<u>1,668,652.32</u>	<u>1,318,300.50</u>
<b>Excess of Income Over Expenditure</b>		<u><u>10,557.83</u></u>	<u><u>8,749.92</u></u>

The accompanying notes form an integral part of these financial statements

**OCEANA IN BELIZE**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED DECEMBER 31, 2020**

**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2019)**

	<b><u>NOTES</u></b>	<b><u>BZE. \$</u></b> <b><u>2020</u></b>	<b><u>BZE. \$</u></b> <b><u>2019</u></b>
<b>Cash flows from operating activities</b>			
Net (loss)/profit before taxation, and extraordinary item		10,557.83	8,749.92
<b>Adjustments for:</b>			
Depreciation & Amortization	<b>2(f), 5, SCH. 2</b>	6,100.68	13,957.35
<b>Operating (loss)/profit before working capital changes</b>		16,658.51	22,707.27
Decrease in Inventory		468.00	13,561.92
Increase/(Decrease) in Payables and Accruals		1,068,204.23	(18,261.88)
Decrease/(Increase) in Prepayments & Other Current Assets		16,340.10	(13,983.88)
<b>Cash generated from operations</b>		<u>1,101,670.84</u>	<u>4,023.43</u>
<b>Cash flows from investing activities</b>			
Purchase of Fixed Assets	<b>SCH. 2</b>	<u>(23,698.02)</u>	<u>(1,719.69)</u>
Net cash used in investing activities		<u>(23,698.02)</u>	<u>(1,719.69)</u>
<b>Cash flows from financing activities</b>			
Capital Grants	<b>2(h), 7</b>	<u>(1,338.86)</u>	<u>(1,338.86)</u>
<b>Cash flows from financing activities</b>		<u>(1,338.86)</u>	<u>(1,338.86)</u>
<b>Net Increase(Decrease) in Cash &amp; Cash Equivalents</b>		1,076,633.96	964.88
Cash and cash equivalents at beginning of period		<u>73,321.45</u>	<u>72,356.57</u>
Cash and cash equivalents at end of period		<u><b>1,149,955.41</b></u>	<u><b>73,321.45</b></u>

The accompanying notes form an integral part of these financial statements

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1. NATURE OF ACTIVITIES**

"Oceana in Belize" (OIB, for short) became entitled to conduct its affairs in Belize on October 30, 2009. OIB is a Company limited by guarantee without a Share Capital. It was formed for promoting science, charity and the useful purpose of marine conservation. Prominent among its principal activities as stated in OIB's Memorandum of Association are the protection of all marine life through marine conservation; the engagement in and the support of international and national public advocacy efforts to encourage marine conservation; and, the lobbying of Governments and organizations to adopt laws and policies that protect the marine environment. OIB has non-profit status and is registered under the Non-Governmental Organizations Act, Chapter 315 of the Laws of Belize.

### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### ***(a) Purpose of Financial Statements***

The financial statements are furnished to comply with the provisions of the Companies and the Non-Government Organizations Acts, both of the Laws of Belize. They are also prepared to satisfy the reporting requirements of OIB's principal funding source, Oceana, Inc., an international not for profit organization with a mission of protecting and restoring the World's oceans.

#### ***(b) Basis of Presentation***

- (i) The accrual basis of accounting is used throughout using the historical cost convention.
- (ii) The Financial Statements are prepared and stated in Belize dollars.

#### ***(c) Cash & Equivalents***

For financial statement purposes, cash and equivalents include cash on hand, imprest account balances and bank account balances. Where highly liquid debt instruments purchased with an original maturity of three months or less, these would be included in cash and equivalents.

#### ***(d) Facilities***

The lease for the premises situate at No. 2358 Hibiscus Blvd. Belmopan City, Belize expired on April 01, 2020, and was renewed for another year on like terms and will expire on April 01, 2021.

#### ***(e) Foreign Currency Translation***

Foreign currency transactions are translated or converted at the rate of US\$1.00 to Bze\$ 2.00. Losses or gains arising on conversion are treated in the year they occur directly in the Income and Expenditure statement.

#### ***(f) Furniture, Equipment & Leasehold Improvements***

OIB holds title to all furniture, equipment and leasehold improvements used in its Belize operations. OIB capitalizes all expenditure incurred in the acquisition of furniture, equipment and leasehold improvements provided that the individual cost of the assets exceed Bze. \$1,000.00.



## NOTES TO THE FINANCIAL STATEMENTS

All assets recognized as fixed under this policy are depreciated on a straight-line basis using twenty (20%) in all cases.

Leasehold improvements are depreciated over the lesser of their expected useful lives, on the same basis as owned assets, or the term of the lease. For the purposes of this policy 'term of the lease' is considered without the lease extension options available.

### **(g) Inventory**

Inventory is maintained only in respect of promotional shirts, totes, pencils, and exercise books which are distributed to promote OIB and its programme of works in Belize and abroad. Inventory of T-Shirts and shirts are carried on the books at the lower of cost or market value. Expenditure on stationery and supplies are expensed during the year of acquisition.

### **(h) Capital Grants**

Capital Grants are amortized over the period of the estimated useful lives of the assets they funded.

### **(i) Use of Estimates**

The preparation of financial statements requires management to formulate estimates and assumptions that may affect the reported amounts of assets at the dates of such statements and revenues and expenses for the reporting period. Actual results could differ from those estimates.

## 3. PREPAYMENTS & OTHER CURRENT ASSETS

	<b>BZE. \$ 2020</b>	<b>BZE. \$ 2019</b>
Prepayments	333.78	16,107.32
Long-Term Deposits	5,210.00	5,210.00
Accounts Receivable	-	566.56
	<b>5,543.78</b>	<b>21,883.88</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 4. CASH & CASH EQUIVALENTS

	<b><u>BZE. \$</u></b> <b><u>2020</u></b>	<b><u>BZE. \$</u></b> <b><u>2019</u></b>
Scotia Bank Limited Current Accounts	371,994.61	73,172.22
*Belize Credit Union League Limited	778,094.72	-
Petty Cash	<u>142.60</u>	<u>149.23</u>
	<b><u>1,150,231.93</u></b>	<b><u>73,321.45</u></b>

\*This represents restricted funds held in escrow at Belize Credit Union League Limited to be used solely for Gillnet License Buy-back Program.

### 5. NON-CURRENT ASSETS

Schedule Two to these financial statements sets out Fixed Assets held by OIB at December 31, 2020 and the computation of accumulated depreciation at that same date.

### 6. ACCOUNTS PAYABLE & ACCRUALS

Other Payables	297,749.04	7,825.11
Inter-company - Short-term Deferred Revenue	778,094.72	-
Contract Tax Payable	<u>185.58</u>	<u>-</u>
	<b><u>1,076,029.34</u></b>	<b><u>7,825.11</u></b>

## NOTES TO THE FINANCIAL STATEMENTS

\*\*This item comprises the following:

	<b>BZE. \$</b> <b><u>2020</u></b>	<b>BZE. \$</b> <b><u>2019</u></b>
Consultancy/Outside Services	237,178.00	-
Other Direct Programme Costs	29,969.72	-
Printing/Productions/Duplicating/Publication	16,225.90	-
Professional Fees (Audit, Accounting & Legal)	6,690.00	4,500.00
Comm./Advertising/Publications	4,966.71	-
Office Telecommunications	1,793.41	1,869.91
Meetings	800.00	190.00
Building Utilities & Other Costs	125.30	352.65
Travel/Subsistence	-	333.95
Postage and Delivery	-	224.90
Wireless Telecommunications	-	353.70
	<b><u>297,749.04</u></b>	<b><u>7,825.11</u></b>

\*\*\* This represents the unused balance on a Grant received from Oceana Inc. during the year ended December 31, 2020. The Grant was secured to fund a marine conservation program to promote a ban on gillnets. The Grant Funds were held at the Belize Credit Union League Limited that was charged with the physical distribution of monies and the primary accounting therefor.

### 7. CAPITAL GRANTS

Some Bze. \$6,694.34 was received from Oceana, Inc. as Capital Grants to be amortized over a period of five years.

Capital Grants Received	1,743.78	3,082.64
Amortized (transferred to Revenue)	<u>(1,338.86)</u>	<u>(1,338.86)</u>
Un-amortized Balance	<b><u>404.92</u></b>	<b><u>1,743.78</u></b>

### 8. ACCUMULATED FUND (STATEMENT OF CHANGES)

Fund Balance at the beginning of year	96,666.98	87,917.06
Excess of Income over Expenditure	<u>10,557.83</u>	<u>8,749.92</u>
Fund balance at end of the year	<b><u>107,224.81</u></b>	<b><u>96,666.98</u></b>

## NOTES TO THE FINANCIAL STATEMENTS

### 9. INCOME

	<u>BZE. \$</u> <u>2020</u>	<u>BZE. \$</u> <u>2019</u>
Intercompany Contributions	1,559,153.79	1,285,256.17
Inter-American Development Bank Grant	113,229.00	-
Corporate Contributions	1,995.00	34,200.01
Other Income	2,899.50	4,853.38
Individual Contributions	594.00	1,402.00
Amortized Capital Grant	<u>1,338.86</u>	<u>1,338.86</u>
	<u><b>1,679,210.15</b></u>	<u><b>1,327,050.42</b></u>

### 10. ADMINISTRATIVE & GENERAL EXPENSES

Schedule One sets out Administrative & General Expenses.

### 11. FINANCIAL EXPENSES

Financial expenses are comprised solely of bank and credit card charges.

### 12. OTHER MATTERS

At December 31, 2020, no litigation was pending against OIB.

### 13. SUBSEQUENT EVENTS

OIB has evaluated subsequent events through to February 09, 2021 and has determined that no subsequent events have occurred that require adjustment or disclosure in the financial statements.

**SCHEDULE ONE**  
**ADMINISTRATIVE & GENERAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**  
**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2019)**

	<b><u>BZE. \$</u></b> <b><u>2020</u></b>	<b><u>BZE. \$</u></b> <b><u>2019</u></b>
Salaries	654,537.23	616,802.20
Consultancy/Outside Services	290,038.19	10,966.92
Sub-grants	221,905.28	124,031.25
Comm./Advertising/Publications	110,413.07	120,915.73
Professional Fees (Audit, Accounting & Legal)	66,650.00	61,650.00
Printing/Productions/Duplicating/Publication	66,444.67	19,021.64
Rent	48,000.00	47,999.98
Benefits	40,121.63	35,441.41
Other Direct Programme Costs	37,754.06	24,493.04
Travel/Subsistence	37,686.19	117,913.54
Office Telecommunications	21,083.84	22,828.66
Loss on Foreign Currency	18,102.33	7,575.35
Social Security Expense	13,787.68	11,355.36
Meetings	11,162.48	27,659.05
Software Subscriptions & Maintenance	7,048.22	-
Wireless Telecommunications	5,853.79	4,930.24
Office Maintenance	3,138.88	8,649.18
Building Utilities & Other Costs	1,623.92	5,123.84
Postage and Delivery	1,527.16	5,414.59
Supplies	1,163.98	5,562.07
Conference & Meetings	367.50	9,879.23
Publication/Subscription	362.91	350.00
Storage & Moving	150.00	-
Entry Registration Filing Fee	100.00	100.00
Equipment Rental/Maintenance	50.00	2,362.75
Training and Development	-	150.00
Insurance	-	11,275.98
	<b><u>1,659,073.01</u></b>	<b><u>1,302,452.01</u></b>

**SCHEDULE TWO**  
**FIXED ASSETS/DEPRECIATION AMORTIZATION SUMMARY**  
**AS OF DECEMBER 31, 2020**

	<u>Assets at Cost 01/01/2020</u>	<u>Additions</u>	<u>Assets at Cost 31/12/2020</u>	<u>Accu. Depre./ Amortiz. 01/01/2020</u>	<u>Depre. for 2020</u>	<u>BZE. \$ Net Book Value 31/12/2020</u>
Computer Software	2,701.53	-	2,701.53	2,701.53	-	-
Media/Audio/Video Equipment	19,979.34	9,932.88	29,912.22	18,856.61	1,899.24	9,156.37
Furniture & Equipment	35,175.17	-	35,175.17	33,793.24	473.81	908.12
Leasehold Improvement	25,020.82	-	25,020.82	24,494.41	526.41	-
Computer Equipment	55,639.70	13,765.14	69,404.84	53,384.96	2,307.24	13,712.64
Other Office Fixtures & Equipment	24,616.89	-	24,616.89	23,126.91	893.98	596.00
<b>TOTAL</b>	<b>163,133.45</b>	<b>23,698.02</b>	<b>186,831.47</b>	<b>156,357.66</b>	<b>6,100.68</b>	<b>24,373.13</b>