

**OCEANA IN BELIZE**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**  
**(WITH SUMMARIZED FINANCIAL INFORMATION AS AT DECEMBER 31, 2016)**  
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**SWIFT & ASSOCIATES**  
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## **INDEPENDENT AUDITOR'S REPORT**

**To the Board of Directors of  
Oceana in Belize**

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, 2017 and the related statements of activities and change in net assets and cash flows.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted 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 Responsibility**

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, we 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.

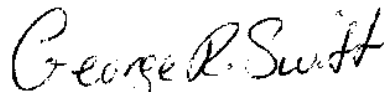
I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Opinion**

**IN MY OPINION**, the financial statements referred to above present fairly, in all material respects, the financial position of Oceana in Belize as of December 31, 2017 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. It is my opinion too, that the Financial Statements comply with the Laws of Belize.

## **Report on Summarized Comparative Information**

I have previously audited the Oceana in Belize's 2016 financial statements, and my report dated March 23, 2017 expressed an unqualified opinion on those audited financial statements. In my opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016 is consistent, in all material respects, with the audited financial statements from which it has been derived.

A handwritten signature in black ink that reads "George R. Swift". The signature is written in a cursive style with a large initial 'G'.

**Swift & Associates  
George R. Swift  
Chartered Accountant  
Belize City, Belize**

**March 06, 2018**

**OCEANA IN BELIZE**

**STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2017**

**(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2016)**

	<b><u>NOTES</u></b>	<b><u>BZE. \$</u></b> <b><u>2017</u></b>	<b><u>BZE. \$</u></b> <b><u>2016</u></b>
<b>Current Assets:</b>			
Inventory	2 g	16,899.75	51,675.54
Prepaid and Other Current Assets	3	22,288.70	30,982.00
Cash & Cash Equivalents	4	<u>95,523.98</u>	<u>31,240.13</u>
<b>Total Current Assets</b>		<b><u>134,712.43</u></b>	<b><u>113,897.67</u></b>
<b>Non-Current Assets:</b>			
Computer Software		2,701.53	2,701.53
Media/Audio/Video Equipment		19,979.34	19,979.34
Furniture and Equipment		35,175.17	32,806.14
Leasehold Improvement		25,020.82	25,020.82
Computer Equipment		53,920.01	53,920.01
Other Office Fixtures & Equipment		<u>21,934.95</u>	<u>21,934.95</u>
		158,731.82	156,362.79
Less: Accumulated Depreciation & Amortization		<u>(124,651.86)</u>	<u>(104,168.75)</u>
<b>Total Non-Current Assets</b>	5	<u>34,079.96</u>	<u>52,194.04</u>
<b>TOTAL ASSETS</b>		<b><u>168,792.39</u></b>	<b><u>166,091.71</u></b>
<b>Current Liabilities</b>			
Accounts Payable & Accruals	6	<u>34,400.95</u>	<u>33,381.09</u>
<b>Total Current Liabilities</b>		34,400.95	33,381.09
<b>Capital Grants</b>	2(h), 7	4,421.50	5,760.36
<b>Accumulated Fund</b>	8	<u>129,969.94</u>	<u>126,950.26</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>		<b><u>168,792.39</u></b>	<b><u>166,091.71</u></b>

These accounts were approved by the Board on

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

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**OCEANA IN BELIZE (Janelle Chanona, VP)**

The notes on pages 6 to 13 form an integral part of these financial statements

**OCEANA IN BELIZE**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**  
**(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2016)**

	<b><u>NOTES</u></b>	<b>BZE. \$</b> <b><u>2017</u></b>	<b>BZE. \$</b> <b><u>2016</u></b>
Income	<b>9</b>	<u>1,255,648.47</u>	<u>1,116,684.84</u>
<b><u>EXPENDITURE:</u></b>			
Administrative & General Expenses	<b>10, SCH. 1</b>	1,229,430.08	1,187,528.84
Financial Expenses	<b>11</b>	2,715.60	2,000.41
Depreciation & Amortization		<u>20,483.11</u>	<u>21,496.40</u>
<b>TOTAL EXPENDITURE</b>		<u>1,252,628.79</u>	<u>1,211,025.65</u>
<b>EXCESS OF INCOME OVER EXPENDITURE</b>		<u><u>3,019.68</u></u>	<u><u>(94,340.81)</u></u>

The notes on pages 6 to 13 form an integral part of these financial statements

**OCEANA IN BELIZE**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**  
**(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2016)**

	<b><u>NOTES</u></b>	<b><u>BZE. \$</u></b> <b><u>2017</u></b>	<b><u>BZE. \$</u></b> <b><u>2016</u></b>
<b>Cash flows from operating activities</b>			
Net profit before taxation, and extraordinary item		3,019.68	(94,340.81)
<b>Adjustments for:</b>			
Prior Year Adjustments		-	136.24
Loss on disposal of fixed assets		-	789.91
Depreciation & Amortization		<u>20,483.11</u>	<u>21,496.40</u>
<b>Operating profit before working capital changes</b>		23,502.79	(71,918.26)
(Increase)/Decrease in Inventory		34,775.79	(48,159.54)
(Decrease)/Increase in Payables		1,019.86	(6,900.99)
(Increase)/Decrease in Prepayments & Other Current Assets		<u>8,693.30</u>	<u>(19,960.72)</u>
<b>Cash generated from operations</b>		<u>67,991.74</u>	<u>(146,939.51)</u>
<b>Cash flows from investing activities</b>			
Proceed from sale of fixed asset		-	800.00
Purchase of Fixed Assets		<u>(2,369.03)</u>	<u>(6,694.35)</u>
Net cash used in investing activities		<u>(2,369.03)</u>	<u>(5,894.35)</u>
<b>Cash flows from financing activities</b>			
Capital Grants	2h, 7	<u>(1,338.86)</u>	<u>5,760.36</u>
<b>Cash flows from financing activities</b>		<u>(1,338.86)</u>	<u>5,760.36</u>
<b>Net cash used in cash equivalents</b>		64,283.85	(147,073.49)
Cash and cash equivalents at beginning of period		<u>31,240.13</u>	<u>178,313.62</u>
Cash and cash equivalents at end of period		<u><b>95,523.98</b></u>	<u><b>31,240.13</b></u>

The notes on pages 6 to 13 form an integral part of these financial statements

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1. Nature of Activities & Summary of Significant Accounting Policies**

“Oceana in Belize” (**Oceana**, for short) became entitled to conduct its affairs in Belize on October 30, 2009. Oceana 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 Oceana’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. Oceana 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 Oceana’s principal funding source, Oceana Inc.

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

The majority of funding received by Oceana during the period reviewed were had from Oceana Inc. These funds are regarded as “Restricted” funds as they were intended for specific use. The accrual basis of accounting is used throughout using the historical cost convention.

#### ***(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, 2017, was renewed for another year on like terms and will expire on April 01, 2018.

#### ***(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***

Oceana holds title to all furniture, equipment and leasehold improvements used in its Belize operations. Oceana 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. All assets recognized as fixed under this policy are depreciated on a straight-line basis using twenty (20%) in all cases.

## **NOTES TO THE FINANCIAL STATEMENTS**

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 Oceana and its programme of works in Belize and abroad. Inventory of T-Shirts, shirts and caps 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. \$</b>	<b>BZE. \$</b>
	<b><u>2017</u></b>	<b><u>2016</u></b>
Accounts Receivable	2,166.94	1,802.72
Long-Term Deposits	5,210.00	5,210.00
Other Receivable	-	1,014.51
Prepayments	<u>14,911.76</u>	<u>22,954.77</u>
	<b><u>22,288.70</u></b>	<b><u>30,982.00</u></b>



## **NOTES TO THE FINANCIAL STATEMENTS**

### **4. Cash & Cash Equivalents**

	<b>BZE. \$</b> <b><u>2017</u></b>	<b>BZE. \$</b> <b><u>2016</u></b>
Petty Cash	828.00	327.65
Scotia Bank Limited Current Accounts	<u>94,695.98</u>	<u>30,912.48</u>
	<b><u>95,523.98</u></b>	<b><u>31,240.13</u></b>

### **5. Non- Current Assets**

Schedule Two to these financial statements sets out Fixed Assets held by Oceana at December 31, 2017 and the computation of accumulated depreciation at that same date.

### **6. Accounts Payable & Accruals**

Utilities	2,832.38	2,908.83
Tax withholdings	179.71	-
Other Payables	<u>31,388.86</u>	<u>30,472.26</u>
	<b><u>34,400.95</u></b>	<b><u>33,381.09</u></b>

### **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	5,760.36	6,694.34
Amortized (transferred to Revenue)	<u>(1,338.86)</u>	<u>(933.98)</u>
Un-amortized Balance	<b><u>4,421.50</u></b>	<b><u>5,760.36</u></b>

## NOTES TO THE FINANCIAL STATEMENTS

### 8. Accumulated Fund

	<b>BZE. \$</b> <b><u>2017</u></b>	<b>BZE. \$</b> <b><u>2016</u></b>
Fund Balance at the beginning of year	126,950.26	221,154.83
Prior Year Adjustments	<u>-</u>	<u>136.24</u>
Adjusted Balance Brought Forward	126,950.26	221,291.07
Excess of Income over Expenditures	<u>3,019.68</u>	<u>(94,340.81)</u>
Fund Balance at end of the year	<b><u><u>129,969.94</u></u></b>	<b><u><u>126,950.26</u></u></b>

### 9. Income

Grants (Wire Transfer from Oceans Inc.)	-	940,042.63
Individual Contributions	13,116.98	-
Corporate Contributions	10,102.00	-
Amortized Capital Grant	1,338.86	933.98
Intercompany Contributions	1,221,930.52	-
Donations	-	1,070.73
Grants (Expenses paid by Oceana Inc.)	-	72,636.98
Oceana Inc. - (Credit Card Payments-Bze.)	-	102,000.52
Other Income	<u>9,160.11</u>	<u>-</u>
	<b><u><u>1,255,648.47</u></u></b>	<b><u><u>1,116,684.84</u></u></b>

### 10. Administrative/Establishment Expenditure

Schedule One sets out expenses that comprise Administrative/General Expenses.

## **NOTES TO THE FINANCIAL STATEMENTS**

### **11. Financial Expenses**

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

### **12. Other Matters**

(i) At December 31, 2017, no litigation was pending against Oceana; and,

(ii) The Financial Statements are prepared and stated in Belize dollars.

### **13. Subsequent Events**

Oceana has evaluated subsequent events through to March 06, 2018 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, 2017****(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2016)**

	<b><u>BZE. \$</u></b> <b><u>2017</u></b>	<b><u>BZE. \$</u></b> <b><u>2016</u></b>
Audio-Visual/Video Production	-	2,000.00
Awards, gifts, etc.	-	125.00
Benefits	27,380.89	37,395.87
Building Utilities & Other Costs	5,069.40	6,206.38
Comm./Advertising/Publications	150,699.51	92,540.52
Conference & Meetings	2,490.15	2,103.98
Consultancy/Outside Services	26,632.00	22,935.00
Design Costs	-	1,672.75
Equipment Rental/Maintenance	17,344.20	3,496.12
Insurance	15,989.59	3,362.14
Loss on Disposal of Fixed Asset	-	789.91
Loss on Foreign Currency	8,505.31	7,057.44
Meetings	47,880.92	29,248.49
Miscellaneous Expenses	256.74	409.66
Office Telecommunications	28,118.45	31,754.91
Other Direct Programme Costs	77,286.07	47,061.28
Postage and Delivery	1,956.77	1,086.79
Printing/Productions/Duplicating/Publication	31,180.94	17,639.38
Professional Fees (Audit, Accounting & Legal)	60,139.50	71,287.50
Publication/Subscription	-	3,684.64
Rent	48,000.00	48,000.00
Repairs & Maintenance	-	12,165.82
<b>Balance carried forward</b>	<b>548,930.44</b>	<b>442,023.58</b>

**SCHEDULE ONE**

**ADMINISTRATIVE & GENERAL EXPENSES**

**FOR THE YEAR ENDED DECEMBER 31, 2017**

**(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2016)**

	<b><u>BZE. \$</u></b> <b><u>2017</u></b>	<b><u>BZE. \$</u></b> <b><u>2016</u></b>
<b>Balance brought forward</b>	<b>548,930.44</b>	<b>442,023.58</b>
Repairs/Maintenance - Fixed Assets	2,770.23	-
Salaries	545,863.40	601,682.57
Security Services	3,325.51	-
Supplies	7,005.14	-
Social Security Expense	9,015.92	9,643.60
Storage & Moving	380.04	40.00
Training and Development	2,080.50	430.00
Travel/Subsistence	105,179.87	128,448.12
Wireless Telecommunications	4,779.03	5,160.97
Entry Registration Filing Fee	<u>100.00</u>	<u>100.00</u>
	<b><u>1,229,430.08</u></b>	<b><u>1,187,528.84</u></b>

**SCHEDULE TWO**  
**FIXED ASSETS/DEPRECIATION AMORTIZATION SUMMARY**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>Assets at Cost <u>01/01/2017</u></b>	<b><u>Additions</u></b>	<b>Assets at Cost <u>12/31/2017</u></b>	<b>Accu. Depre./ Amortiz. <u>2017</u></b>	<b>BZE. \$ Net Book Value <u>12/31/2017</u></b>
Computer Software	2,701.53	-	2,701.53	2,360.48	341.05
Media/Audio/Video Equipment	19,979.34	-	19,979.34	16,244.71	3,734.63
Furniture & Equipment	32,806.14	2,369.03	35,175.17	23,071.26	12,103.91
Leasehold Improvement	25,020.82	-	25,020.82	16,154.14	8,866.68
Computer Equipment	53,920.01	-	53,920.01	45,959.65	7,960.36
Other Office Fixtures & Equipment	<u>21,934.95</u>	<u>-</u>	<u>21,934.95</u>	<u>20,861.62</u>	<u>1,073.33</u>
<b>TOTAL</b>	<b><u>156,362.79</u></b>	<b><u>2,369.03</u></b>	<b><u>158,731.82</u></b>	<b><u>124,651.86</u></b>	<b><u>34,079.96</u></b>