



MOORE

SAN PEDRO TOWN COUNCIL

Financial Statements

For the year ended 31 March 2024



SAN PEDRO TOWN COUNCIL

Financial statements

For the year ended 31 March 2024

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INDEPENDENT AUDITOR'S REPORT

TO THE MANAGEMENT OF San Pedro Town Council

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of **San Pedro Town Council (the Council)**, which comprise the statement of financial position as at 31 March 2024, the statement of activities, changes in net assets, the statement of cash flows for the year then ended, and the notes to the financial statements, comprising a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Council as at 31 March 2024, its financial performance, and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-size 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 consolidated financial statements section of our report. We are independent of the Council 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.

Emphasis of matter

We draw attention to Note 5 of the financial statements, which describes the uncertainty relating to a parcel of land previously appraised at BZD 2.5 million and recognised as investment property. The land is in the process of being transferred to another entity under an arrangement entered into by the previous administration of the Council. As at the date of our report, the final decision of the Lands and Surveys Department regarding the legal ownership of the property has not yet been determined. Our opinion is not modified in respect of this matter.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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 Council'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 Council or to cease operations, or has no realistic alternative but to do so.

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

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 Company'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 Company'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 Company 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 entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of the Company. 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.

The engagement partner on the audit resulting in this independent auditor's report is Orlando Azueta.

Moore Audit Advisory LLC.

**Chartered Accountants
Belize City, Belize, C.A.
10 October 2025**

SAN PEDRO TOWN COUNCIL

Statement of financial position

As at 31 March 2024

In Belize dollars

	Notes	2024	2023
Assets			
Non-current assets			
Property, plant and equipment	4	28,250,568	11,444,629
Investment property	5	8,961,474	8,961,474
Intangible assets	6	36,069	52,101
Other non-current assets		5,800	-
Total non-current assets		37,253,911	20,458,204
Current assets			
Trade and other receivables	7	10,866,611	12,650,248
Cash and cash equivalents	8	1,543,018	2,534,146
Total current assets		12,409,628	15,184,392
Total assets		49,663,540	35,642,597
Liabilities and net assets			
Liabilities			
Non-current liabilities			
Borrowings	9	7,273,796	5,473,324
Severance payable	10	304,575	271,293
Trade and other payables - non-current portion	11	169,594	169,594
Deferred purchase	4	-	15,000
Total non-current liabilities		7,747,964	5,929,211
Current liabilities			
Borrowings - current portion	9	674,696	564,377
Severance payable - current portion	10	6,150	26,972
Trade and other payables	11	9,769,400	973,748
Deferred purchase - current portion	4	15,000	60,000
Unearned revenues	12	3,139,455	2,187,319
Total current liabilities		13,604,701	3,812,415
Total liabilities		21,352,666	9,741,626
Total net assets		28,310,874	25,900,971
Total liabilities and net assets		49,663,540	35,642,597

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

Approved on behalf of the Council and authorised for issue on 10 October 2025.

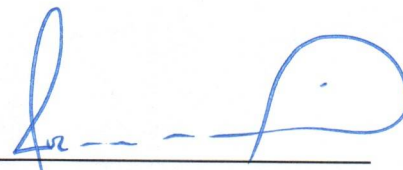
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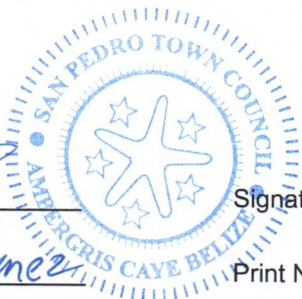
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Signature: _____



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Porfírio Rene Gorman



SAN PEDRO TOWN COUNCIL

Statement of activities

For the year ended 31 March 2024

In Belize dollars

	Notes	2024	2023
Revenues	13	13,819,277	16,543,223
Other income	14	5,357,506	1,265,466
Total revenues and other income		19,176,783	17,808,689
Operating costs	15	(3,731,570)	(3,238,334)
General and administrative expenses	16	(12,401,251)	(13,741,744)
Loss on disposal of assets		(9,858)	-
Finance costs	17	(624,202)	(70,465)
Total expenditures		(16,766,880)	(17,050,542)
Increase in net assets		2,409,903	758,146
Prior period adjustments		-	(4,786)
Net assets at the beginning of the year		25,900,971	25,147,611
Net assets at the end of the year		28,310,874	25,900,971

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

SAN PEDRO TOWN COUNCIL

Statement of cash flows

For the year ended 31 March 2024

In Belize dollars

	Notes	2024	2023
Cash flows from operating activities			
Surplus for the year		2,409,903	758,146
Adjustments for:			
Depreciation and amortisation	4	928,841	192,216
Interest expense	17	750,787	21,123
Bad debt expense	16	3,800,785	7,550,978
Fair value gain on contributed assets	4	(1,625,000)	-
Withholding of subvention	9	(64,200)	(64,200)
Recognition of artwork		-	(28,900)
Prior period adjustments		-	(4,786)
Cash flow before working capital changes		6,201,116	8,424,577
Movements in working capital:			
Trade and other receivables		(2,017,149)	(5,883,242)
Trade and other payables		8,795,652	(104,494)
Severance payable	10	12,460	48,865
Unearned revenues		952,136	502,121
Cash flows generated by operating activities		13,944,216	2,987,826
Cash flows from investing activities			
Payments for property, plant and equipment		(16,131,213)	(7,474,285)
Proceeds from disposals of property, plant and equipment		31,668	8,814
Deferred purchase	4	(60,000)	(25,000)
Cash flows (used in) investing activities		(16,159,545)	(7,490,471)
Cash flows from financing activities			
Proceeds from borrowings		7,139,000	5,000,000
Repayment of borrowings		(5,164,009)	(245,739)
Interest paid		(750,787)	(21,123)
Cash flows provided by financing activities		1,224,203	4,733,138
Net change in cash and cash equivalents		(991,126)	230,493
Cash and cash equivalents at the beginning of the year		2,534,146	2,303,653
Cash and cash equivalents at the end of the year		1,543,019	2,534,146
Composed of:			
Cash in banks	8	1,518,959	2,503,295
Undeposited funds	8	18,462	28,400
Cash on hand	8	5,596	2,451
Cash and cash equivalents at the end of the year		1,543,019	2,534,146

Significant non-cash investing activities

During the reporting period, the Council received three parcels of land from the Government of Belize, with a total fair value of BZD 1,625,000 (Note 4).

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

SAN PEDRO TOWN COUNCIL

Notes to the financial statements

For the year ended 31 March 2024

In Belize dollars

1. General information

San Pedro Town Council (the Council) was constituted on 27 November 1984 and is governed by the Town Councils Act Chapter 87 of Belize. The Council's registered office is located at Barrier Reef Drive, San Pedro Town. The Council consists of 7 members: a Mayor and six councillors, who serve for a term of three years in accordance with the provisions of the Town Councils Act. Primary council duties include maintaining the welfare of San Pedro by maintenance/construction of public properties and infrastructure and enhancing the social environment for citizens and tourists within the town. Primary revenue producing functions include waste disposal management, business and property taxes administration, traffic control as well as business licensing.

During the years ended 31 March 2024 and 31 March 2023, the Mayor of San Pedro Town was Mr. Gualberto Nuñez. As of 31 March 2024, the Council had 195 employees (31 March 2023: 174).

2. Material accounting policies

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

2.1 Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium Enterprises ("IFRS for SMEs"), which comprise standards and interpretations approved by the International Accounting Standards Board ("IASB"). The Council continues to apply the IFRS for SMEs framework with the approval of the Financial Services Commission of Belize. The date of transition to IFRS for SMEs was 01 April 2022.

2.2 Basis of preparation

The financial statements have been prepared under historical cost.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.3 Functional and presentation currency

The currency of the primary economic environment in which the Council operates (the functional currency) is Belize dollars and the financial statements are presented in Belize dollars (BZD), which is the Council's presentation currency. All amounts are rounded to the nearest dollar unless otherwise indicated.

2.4 Going concern

These financial statements have been prepared based on the going concern assumption, which means that assets are realised and liabilities are settled in the course of normal business operations. These financial statements do not include any adjustments which would be required had the Council been unable to continue as a going concern.

SAN PEDRO TOWN COUNCIL

Notes to the financial statements

For the year ended 31 March 2024

In Belize dollars

2. Material accounting policies (continued)

2.5 Property, plant and equipment

(i) Recognition and measurement

Property, plant and equipment are primarily used for administrative purposes. Land and buildings are stated in the financial position at their revalued amounts. For purposes of establishing a basis for land and buildings in the absence of historical values, independent appraisal valuations as of February 2023 were retroactively applied to initial balances established as of 31 March 2021. Other asset values were established based on estimated values from reputable sources for assets where the available cost basis less depreciation was not available. Additions during 2023 and 2024 were recorded at cost including expenditures that are directly attributable to the acquisition of the asset.

(ii) Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Council and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. Repair and maintenance expenses are charged to the statement of activities as incurred.

(iii) Depreciation

Depreciation is calculated to write-off items of property, plant and equipment less their estimated residual values over their useful lives, using the straight line method. Land is not depreciated. Items of property, plant and equipment are depreciated from the date they are available for use or, in respect of self-constructed assets, from the date that the asset is completed and ready for use. The estimated useful lives, residual values, and depreciation method are reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.

(iv) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal of an item of property, plant and equipment calculated as the difference between the net proceeds from disposal and the carrying amount of the item is recognised in the statement of activities.

2.6 Intangible assets

Intangible assets are recorded at cost less any impairment losses.

Intangible assets represent amounts invested by the Council to acquire a non-exclusive, perpetual, and non-transferable right to use the NeoMunicipalities computer software. Depreciation is calculated using the straight-line method over a period of five years.

The useful life of intangible assets is reviewed each reporting period by Management to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset.

SAN PEDRO TOWN COUNCIL

Notes to the financial statements

For the year ended 31 March 2024

In Belize dollars

2. Material accounting policies (continued)

2.7 Impairment of non-financial assets

At each reporting date, the Council reviews the carrying amounts of tangible and intangible assets to determine whether there is any indication that the carrying amount may not be recoverable. 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). 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 and the risks specific to the asset. Where it is not possible to estimate the recoverable amount of an individual asset, the Council estimates the recoverable amount of cash-generating unit to which the asset belongs.

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 (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of activities. Where an impairment loss subsequently reverses, the carrying amount of the asset (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 (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of activities.

2.8 Trade and other receivables

Trade receivables consists of taxes and fees due from customers and are stated at their nominal value. Where there is objective evidence that the carrying amounts of receivables are not recoverable, an impairment loss is recognised in the statement of activities.

2.9 Cash and cash equivalents

Cash and cash equivalents include deposits held at call with banks, cash on hand, undeposited funds and other short-term highly liquid investments with original maturities of three months or less. Cash and cash equivalents include credit card that is repayable on demand and forms an integral part of the Council's cash management. Cash and cash equivalents are carried at amortised cost which approximates fair value.

2.10 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred, and are subsequently carried at amortised cost using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets. All other borrowing costs are recognised in the profit or loss in the period in which they are incurred.

SAN PEDRO TOWN COUNCIL

Notes to the financial statements

For the year ended 31 March 2024

In Belize dollars

2. Material accounting policies (continued)

2.11 Trade and other payables

Trade and other payables are accrued when the counterparty performs its obligations under the contract and are recognised initially at fair value and subsequently carried at amortised cost using the effective interest method. Trade and other payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

2.12 Provisions

Provisions are recognised when the Council has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the date of the statement of financial position, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some of all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Severance payable

In accordance with the Labour (Amendment) Act 2011 section 183, an employee continuously employed for the period from 5 to 10 years and terminated by the employer or retires is entitled to severance pay of one week's wages for each year of service. An employee continuously employed for 10 years is entitled to severance pay of two week's wages for each year of service. The Council has established a provision to reflect its liability for all existing employees with over 5 years of continuous service.

2.13 Revenue

The Council measures revenue at the fair value of the consideration received or receivable, for the period services are rendered by the Council, representing amounts for services and taxes levied. The Council recognises revenue when the amount of revenue can be reliably measured and when it is probable that future economic benefits will flow to the Council.

The Councils' source of revenues includes the following: property tax, traffic related revenue, trade license fees, building permits, liquor license fees, other fees and services.

Deferred revenues

Revenue collected pursuant to legislation or agreement (trade licenses, property taxes, liquor permits) in a period prior to which the fees related are reported as unearned revenue. Unearned revenues are recognised as revenue in the year for which these prepayments apply.

SAN PEDRO TOWN COUNCIL

Notes to the financial statements

For the year ended 31 March 2024

In Belize dollars

2. Material accounting policies (continued)

2.14 Other income

Other income is recognised when it is probable that the economic benefits will flow to the entity and the amount can be measured reliably. Other income is measured at the fair value of the consideration received or receivable.

2.15 Taxation

Business tax

In accordance with provisions of the Income and Business Tax Act, Chapter 55 of the Laws of Belize, the Council is exempted from business tax.

2.16 Government grants

Government grants represent assistance received from the Government of Belize, normally in the form of cash or transfers of non-monetary assets, to support the Council's activities.

Grants related to income

Government grants that provide immediate financial support with no future related costs, or that compensate the Council for expenses or losses already incurred, are recognised as income in the period in which they become receivable, provided that the grant does not impose future performance or other conditions. If the grant relates to future periods or is subject to performance or other conditions, it is deferred and recognised as income over the periods in which the related costs are incurred or when the conditions are met.

Grants related to assets

When the Council receives an asset from the Government of Belize for free or at below market value, the asset is recognised at its fair value at the date of receipt, with a corresponding credit to deferred income. The deferred income is recognized as income in the statement of activities on a systematic basis over the useful life of the related asset, consistent with the depreciation charged on that asset. The Council has elected to account for grants related to assets using the deferred income method. For assets that are not depreciated, such as land, the related grant is recognised as income when the asset is received, unless the grant imposes specific future performance or other conditions, in which case income is recognised when those conditions are met.

2.17 Foreign currency translation

Assets and liabilities held in United States dollars are translated at a rate of USD 1.00 to BZD 2.00. Transactions in currencies other than the functional currency of the Council (foreign currencies) are recorded at the exchange rates at the dates of the transactions. At each statement of financial position date monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates at the date of statement of financial position. Exchange differences arising from changes in exchange rates are recognised in the statement of activities. Non-monetary items carried at historical cost are translated at the exchange rate on the date of transaction. Non-monetary items measured at fair value in a foreign currency are translated at the exchange rate on the date on which the most recent fair value was determined. Effects of exchange rate changes on non-monetary items measured at fair value in a foreign currency are recorded as part of the fair value gain or loss.

SAN PEDRO TOWN COUNCIL

Notes to the financial statements

For the year ended 31 March 2024

In Belize dollars

2. Material accounting policies (continued)

2.18 Financial instruments

(i) Financial assets

Initial recognition and measurement

Financial assets are initially measured at the transaction price (this includes transaction cost except in the initial measurement of financial assets that will be measured at fair value through profit or loss). If however the arrangement constitutes a financing transaction it is then measured at the present value of the future payments, discounted at a market related interest rate.

At the end of each reporting period, management assesses whether there is objective evidence of impairment on accounts receivable and prepayments. Objective evidence includes significant financial difficulty of the debtor, breach in contract and probability of bankruptcy and repayment trends. Impairment is measured as the difference between the carrying value and the discounted estimated future cash flows. When objective evidence exists, the impairment is recorded immediately.

Derecognition

A financial asset or, where applicable a part of a financial asset or part of a group of similar financial assets is derecognised when the contractual rights to the cash flows from the asset expire, or when the Council transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

If the Council neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Council recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Council retains substantially all the risks and rewards of ownership of a transferred financial asset, the Council continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that have been recognised in the other comprehensive income and accumulated in equity is recognised in profit and loss.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified as either financial liabilities at fair value through profit or loss, or other financial liabilities, as appropriate. The Council determines the classification of its financial liabilities at initial recognition.

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The Council derecognises financial liabilities when, and only when, the Council's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of activities.

SAN PEDRO TOWN COUNCIL

Notes to the financial statements

For the year ended 31 March 2024

In Belize dollars

2. Material accounting policies (continued)

2.18 Financial instruments (continued)

(ii) Financial liabilities (continued)

Initial recognition and measurement (continued)

As at 31 March 2024 and 31 March 2023, the Council did not hold any financial assets or financial liabilities at fair value through profit or loss.

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Council's accounting policies, Management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed by Management on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements, including those involving estimations (see as follows), that Management has made in the process of applying the Council's accounting policies and that have the most significant effect on the amounts recognised in the financial statements and affect the amounts of assets and liabilities within the next financial year; and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that affect the amounts recognised in the financial statements and have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3.1 Useful life of property, plant and equipment

The Council's property, plant and equipment are depreciated using the straight-line method over their estimated useful lives which are based on Management's business plans and operational estimates, related to those assets. The factors that could affect the estimation of useful lives include the following: (i) changes in asset utilisation rates, (ii) changes in maintenance technology, (iii) changes in regulations and legislation and (iv) unforeseen operational issues. Any of the above could affect prospective depreciation of property, plant and equipment and their carrying and residual values. Management periodically reviews the appropriateness of assets' useful economic lives. The review is based on the current condition of the assets and the estimated period during which they will continue to bring economic benefits to the Council.

SAN PEDRO TOWN COUNCIL

Notes to the financial statements

For the year ended 31 March 2024

In Belize dollars

3. Critical accounting judgements and key sources of estimation uncertainty (continued)

3.1 Useful life of property, plant and equipment (continued)

The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

Category	Useful lives, years
Buildings	40 - 50
Infrastructure (Boca del Rio bridge)	20
Infrastructure (Roads)	3 - 10
Furniture and office equipment	5 - 10
Motor vehicles	5 - 10
Land	indefinite
Artwork	5 - 10

3.2 Impairment allowance on trade receivables

Management assesses the recoverability of trade receivables on an ongoing basis and has established a policy of creating an impairment allowance for trade receivables based on the age and collectability of the balances. For trade receivables that are more than 5 years old, a 100% impairment allowance is recorded. This policy reflects management's assessment that receivables of this age are not likely to be collected.

3.3 Impairment of property, plant and equipment

At each reporting date the Council's management assesses whether there is any indication of impairment of property, plant and equipment. If at least one such indication exists, Management estimates the recoverable amount of assets, which is calculated as a higher of fair value less costs to sell and the value in use. An asset's carrying amount is written down to its recoverable amount and the difference is charged as impairment to loss to the statement of profit or loss and other comprehensive income in the period when the fact of impairment was established. If the circumstances change and management decides that the value of property, plant and equipment and assets under construction has increased, the provision for impairment will be fully or partially reversed.

The estimation of the recoverable amount requires the Council to make judgements regarding long-term forecasts of future revenues and costs related to the assets subject to review. In turn, these forecasts are uncertain in that they require assumptions about demand for products and future market conditions. Significant and unanticipated changes to these assumptions and estimates included within the impairment reviews could result in significantly different results than those recorded in the financial statements.

SAN PEDRO TOWN COUNCIL

Notes to the financial statements

For the year ended 31 March 2024

In Belize dollars

4. Property, plant and equipment

	Land	Buildings	Infrastructure	Furniture and office equipment	Machinery	Motor vehicles	Artwork	Work in progress	Total
Cost:									
As at 01 April 2023	2,814,703	700,650	-	344,742	48,069	936,368	28,900	6,859,587	11,733,019
Additions	1,625,000	18,224	12,531,283	157,777	18,076	266,613	-	3,133,444	17,750,417
Transfers	-	-	3,647,750	-	-	-	-	(3,647,750)	-
Disposals	-	-	-	-	-	(61,323)	-	-	(61,323)
As at 31 March 2024	4,439,703	718,874	16,179,034	502,519	66,145	1,141,658	28,900	6,345,281	29,422,114
Accumulated depreciation:									
As at 01 April 2023	-	(35,032)	-	(38,726)	(4,056)	(210,576)	-	-	(288,390)
Charge	-	(17,601)	(603,306)	(70,542)	(5,659)	(212,811)	(2,890)	-	(912,810)
Disposals	-	-	-	-	-	29,654	-	-	29,654
As at 31 March 2024	-	(52,633)	(603,306)	(109,268)	(9,715)	(393,733)	(2,890)	-	(1,171,545)
Net book value:									
As at 31 March 2024	4,439,703	666,241	15,575,728	393,251	56,430	747,925	26,010	6,345,281	28,250,568
As at 31 March 2023	2,814,703	665,618	-	306,016	44,013	725,792	28,900	6,859,587	11,444,629

SAN PEDRO TOWN COUNCIL

Notes to the financial statements

For the year ended 31 March 2024

In Belize dollars

4. Property, plant and equipment (continued)

	Land	Buildings	Infrastructure	Furniture, fixture and equipment	Machinery and equipment	Motor vehicles	Artwork	Work in progress	Total
Cost:									
As at 01 April 2022	2,714,703	700,650	-	93,056	21,269	470,425	-	243,231	4,243,334
Additions	100,000	-	-	251,686	26,800	479,443	28,900	6,616,356	7,503,185
Disposals	-	-	-	-	-	(13,500)	-	-	(13,500)
As at 31 March 2023	2,814,703	700,650	-	344,742	48,069	936,368	28,900	6,859,587	11,733,019
Accumulated depreciation:									
As at 01 April 2022	-	(17,516)	-	(7,309)	(958)	(91,111)	-	-	(116,894)
Charge	-	(17,516)	-	(31,417)	(3,098)	(124,153)	-	-	(176,184)
Disposals	-	-	-	-	-	4,688	-	-	4,688
As at 31 March 2023	-	(35,032)	-	(38,726)	(4,056)	(210,576)	-	-	(288,390)
Net book value:									
As at 31 March 2023	2,814,703	665,618	-	306,016	44,013	725,792	28,900	6,859,587	11,444,629
As at 31 March 2022	2,714,703	683,134	-	85,747	20,311	379,314	-	243,231	4,126,440

SAN PEDRO TOWN COUNCIL

Notes to the financial statements

For the year ended 31 March 2024

In Belize dollars

4. Property, plant and equipment (continued)

Impairment testing

As at 31 March 2024, for the purpose of impairment testing, Management analysed changes in the economic environment and concluded that no impairment indicators were identified for the items of the Entity's property, plant and equipment (2023: no impairment indicators).

Non-monetary acquisition of assets

During the reporting period, the Council acquired three parcels of land at no cost from the Government of Belize. Based on an independent appraisal, the land was recognised at its fair value of BZD 1,625,000.

Deferred purchase

In February 2023, the Council entered into the contract over purchase of land in San Pedro Town. Purchase price per contract is BZD 100,000. In 2024, the Council made payments to the seller for the total amount of BZD 60,000 (2023: BZD 25,000). In fiscal year 2025, prior to the date these financial statements were authorised for issue, payments in the total amount of BZD 15,000. For the purpose of these financial statements this purchase was recognised as a deferred purchase. Management submitted an application for registration of title with the Lands and Surveys Department in April 2025.

Infrastructure work in progress

In October 2021, the Council entered into the agreement with JV Precast Supply/RJB Construction Company Ltd. for the design, financing, erection and part maintenance of the new bridge to be known as "Sir Barry Bowen Bridge" and resurfacing and upgrade of the streets of San Pedro Town.

Substantial completion of the project involving the construction of a 3-span concrete land highway bridge complete with pedestrian walkway and barriers was established as of March 2023.

In February 2023, the Supplementary Agreement was signed by the Council and JV Precast/RJB Construction Company Ltd ("JV") for *inter alia* San Pedro Road Enhancement. The Council proposed an expansion in capital movements, namely, cementing and enhancement of roads subject to the same prior terms and conditions. The parties reiterated that 12% per annum will be added for any sum due that remains unpaid, late or pending. The Council agreed to pay all costs and overdraft interest (fixed or variable) of 9% that the JV incurs due to the JV's commencement without payment as soon as JV spends BZD 2 mln of its capital on the project while waiting for the Council to procure its financing. The Council further agreed to assign all income revenue control, management and governance of the bridge towards repayment of any outstanding debt at the written option of the JV.

As of the date of these financial statements, the project for resurfacing and upgrading the streets in San Pedro Town is still in progress. Management estimates the project's completion date to be November 2025.

In 2024, the amount of capitalised borrowing costs comprised BZD 192,354 (2023: BZD 363,580).

SAN PEDRO TOWN COUNCIL

Notes to the financial statements

For the year ended 31 March 2024

In Belize dollars

5. Investment property

	2024	2023
Investment property	8,961,474	8,961,474
	8,961,474	8,961,474

Investment property comprise of land parcels held by the Council for capital appreciation.

In 2025, the Council identified that a parcel of land, previously appraised at BZD 2.5 million and recognised as part of investment property, is in the process of being transferred to another entity. This arrangement originated under the previous administration and is currently under review by the Department of Land and Survey, Ministry of Natural Resources.

As at the date these financial statements were authorised for issue, the legal ownership of the property remains uncertain pending the Lands and Surveys Department's decision. The outcome of this decision may affect both the Council's legal title to the land and the accounting treatment of the asset in future reporting periods. Management is monitoring the matter and will take appropriate action once the decision is finalised.

6. Intangible assets

	2024	2023
Cost		
As at 01 April	80,156	80,156
Additions	-	-
Disposals	-	-
Total cost	80,156	80,156
Accumulated amortisation		
As at 01 April	(28,055)	(12,023)
Charge	(16,032)	(16,032)
Disposals	-	-
Total accumulated amortisation	(44,087)	(28,055)
	36,069	52,101

SAN PEDRO TOWN COUNCIL

Notes to the financial statements

For the year ended 31 March 2024

In Belize dollars

7. Trade and other receivables

	2024	2023
<i>Financial assets</i>		
Property tax receivables	22,222,308	19,552,610
Trade license fees receivable	2,430,710	2,888,287
Garbage collection fees receivable	1,107,430	1,075,139
Liquor license fees receivable	723,819	941,230
Miscellaneous fees receivable	50,128	52,531
	26,534,396	24,509,797
Less: impairment allowance	(15,759,698)	(11,958,913)
	10,774,697	12,550,884
<i>Non-financial assets</i>		
Advances and prepayments	91,914	99,364
	91,914	99,364
	10,866,611	12,650,248

8. Cash and cash equivalents

	2024	2023
<i>Current accounts</i>		
The Belize Bank Limited	914,302	1,221,066
Atlantic Bank Limited	606,485	1,291,795
	1,520,787	2,512,862
<i>Credit cards</i>		
The Belize Bank (credit card)	(1,828)	(9,567)
	(1,828)	(9,567)
Cash in banks	1,518,959	2,503,295
Undeposited funds	18,462	28,400
Cash on hand	5,596	2,451
	1,543,018	2,534,146

Credit card

Town Council utilises a credit card with The Belize Bank Limited, with an interest rate of 22% (2023: 18%), and a credit limit of BZD 10,000 (2023: BZD 10,000). The facility is unsecured.

SAN PEDRO TOWN COUNCIL

Notes to the financial statements

For the year ended 31 March 2024

In Belize dollars

9. Borrowings

	2024	2023
Atlantic Bank Limited (i)	6,776,235	4,776,817
Government of Belize (ii)	945,019	1,009,219
Private party (iii)	227,238	251,665
	7,948,492	6,037,701
Less: current portion	(674,696)	(564,377)
Total long-term borrowings	7,273,796	5,473,324

Terms and conditions of borrowings:

(i) Atlantic Bank Limited

In December 2022, Atlantic Bank Limited provided the Council with a loan to assist with the costs of a new bridge connecting San Pedro Town and North Ambergris Caye, and for the resurfacing of main roads and upgrades in San Pedro Town. The facility bore interest at 8.5% per annum. The loan was repayable over a term of 96 months with monthly blended payments to principal and interest of BZD 71,961. Original maturity date was September 2030. In August 2023, the loan was fully repaid through a new refinancing arrangement: a loan in the amount of BZD 7,139,000 issued by Atlantic Bank Limited.

In August 2023, the Council obtained a loan from Atlantic Bank Limited in the total amount of BZD 7,139,000. The loan was provided to assist the Council with payoff of a loan provided by the bank in December 2022, costs of a new bridge connecting San Pedro Town and North Ambergris Caye, and for the resurfacing of main roads and upgrades in San Pedro Town plus loan closing costs. The facility bears interest at 8.5% per annum and is subject to change at the sole discretion of the lender. The loan is repayable over a term of 108 months with monthly blended payments to principal and interest of BZD 94,801. Maturity date is July 2032. The loan is secured by various properties that are held as collateral under a charge in the name of the San Pedro Town Council.

(ii) Government of Belize

As of 31 March 2024 and 2023, the Council's books reflect a loan with the Government of Belize (GOB) which was obtained under the Council's previous management in September 2011 for the total of BZD 1,500,000 with an interest rate of 9% with an initial instalment of 25,395 followed by 59 instalments of BZD 31,140. When previous management defaulted on loan repayment terms, GOB issued a letter dated 29 November 2012 stating that the Council's monthly governmental subvention would be withheld and applied to outstanding loan amounts due. Monthly subventions are recognised as other income when due in the amount of BZD 5,750. Out of that amount BZD 5,350 are applied to the current loan balance. In November 2024, the Council had requested the waiver of the outstanding balance of the loan from the Government of Belize. As of the date these financial statements were authorised for issue, the Council is awaiting a response to this request.

SAN PEDRO TOWN COUNCIL

Notes to the financial statements

For the year ended 31 March 2024

In Belize dollars

9. Borrowings (continued)

(iii) Private party

As of 31 March 2024 and 2023, the Council held one loan with a private third party. The Council obtained this loan under the previous management in December 2020 for the total of BZD 300,000. The loans bears an interest rate of 8% per annum is repayable over a period of 10 years with monthly payments including interest and principal of BZD 3,639. The maturity date is December 2030. The loan is unsecured.

10. Severance payable

	2024	2023
Severance payable	310,725	298,265
Less: current portion	(6,150)	(26,972)
Non-current portion of severance payable	304,575	271,293

Movement in severance payable

	2024	2023
Balance at the beginning of the year	298,265	249,400
Accruals during the year	39,060	92,765
Payments during the year	(26,600)	(43,900)
Balance at the end the year	310,725	298,265

11. Trade and other payables

	2024	2023
<i>Financial liabilities</i>		
Accounts payable	9,563,859	552,282
Unidentified deposits	126,405	195,101
	9,690,264	747,383
<i>Non-financial liabilities</i>		
Employee withholdings	227,755	376,204
Other payables and accruals	20,976	19,755
	248,730	395,959
	9,938,994	1,143,342
Less: non-current portion of accounts payable	(169,594)	(169,594)
	9,769,400	973,748

Non-current portion of accounts payable represent obligations to suppliers that are due beyond the next 12 months from the reporting date. The non-current classification is based on the agreed payment terms, which extend the settlement of these obligations over a longer period.

SAN PEDRO TOWN COUNCIL

Notes to the financial statements

For the year ended 31 March 2024

In Belize dollars

12. Unearned revenues

	2024	2023
Property tax	1,462,800	831,422
Trade license fees	1,305,298	991,253
Liquor license fees	298,888	271,051
Garbage collection fees	72,470	93,594
	3,139,455	2,187,319

13. Revenues

	2024	2023
Property tax	7,801,146	11,187,694
Traffic related revenue	3,244,131	2,861,396
Trade license fees	1,423,015	1,399,080
Other fees and services	886,643	472,303
Building permits	310,444	393,137
Liquor license fee	153,900	229,613
	13,819,277	16,543,223

14. Other income

	2024	2023
Funding from Government of Belize	3,569,000	1,069,000
Fair value gain on contributed assets (Note 4)	1,625,000	-
Rent and concessions	76,940	99,668
Donations	69,566	96,798
Miscellaneous	17,000	-
	5,357,506	1,265,466

Funding from Government of Belize

In 2024, funding from the Government of Belize received by the Council comprised of contributions towards payments due to road rehabilitation/construction project in the total amount of BZD 3,500,000 and subvention in the total amount of BZD 69,000.

In 2023, funding from the Government of Belize received by the Council comprised of contributions towards payments due to San Pedro Bridge construction project in the total amount of BZD 1,000,000 and subvention in the total amount of BZD 69,000.

SAN PEDRO TOWN COUNCIL

Notes to the financial statements

For the year ended 31 March 2024

In Belize dollars

15. Operating costs

	2024	2023
Council supported events	1,135,812	1,250,574
Repairs and maintenance	1,240,546	944,727
Social assistance and contributions	728,262	473,162
Fuel	354,493	338,383
Other operating costs	91,832	75,871
Traffic accessories	85,994	98,151
Advertising and public relations expenses	52,090	13,344
Delivery costs	42,541	44,121
	3,731,570	3,238,334

16. General and administrative expenses

	2024	2023
Salaries and wages	5,311,111	3,835,866
Bad debt expense	3,800,785	7,550,978
Depreciation and amortisation	928,841	192,216
Repairs and maintenance	714,670	552,249
Travel and subsistence	323,619	245,632
Legal and consultancy fees	291,895	287,182
Office supplies	260,004	143,505
Social security expense	230,048	164,877
Computer and internet	184,736	180,803
Utilities	123,470	106,513
Bank charges	59,309	66,056
Accounting and audit fees	50,775	17,039
Severance and gratuity	42,160	92,765
Office improvements	24,295	56,629
Licenses and insurance	24,234	16,056
Rent	14,909	10,534
Training and entertainment	10,613	13,065
Tax reassessments and penalties	5,803	209,630
Cash shortage/(overage)	(27)	151
	12,401,251	13,741,744

SAN PEDRO TOWN COUNCIL

Notes to the financial statements

For the year ended 31 March 2024

In Belize dollars

17. Finance costs

	2024	2023
Interest expense on loans	558,434	21,123
Credit card charges	65,768	49,342
	624,202	70,465

18. Related parties

The Mayor, Councillors, Town Administrator of the Council, their close family members, entities controlled or significantly influenced by these individuals, and the Government of Belize are considered related parties of the Council.

Details of balances and transactions with related parties as at 31 March 2024 and 2023 and during the years then ended are set out as follows:

Balances outstanding

Trade and other receivables	2024	2023
Key management	9,939	55,953
Other related parties	12,775	14,300
	22,714	70,253

Trade and other payables	2024	2023
Other related parties	19,162	6,992
	19,162	6,992

Unearned revenues	2024	2023
Key management	912	-
Other related parties	2,850	1,225
	3,762	1,225

Borrowings	2024	2023
Other related parties	945,019	1,009,219
	945,019	1,009,219

The amounts outstanding are unsecured and will be settled in cash.

SAN PEDRO TOWN COUNCIL

Notes to the financial statements

For the year ended 31 March 2024

In Belize dollars

18. Related parties (continued)**Transactions during the period**

Revenues	2024	2023
Key management	5,075	2,146
Other related parties	5,950	4,795
	11,025	6,941

Other income	2024	2023
Other related parties	3,569,000	1,069,000
	3,569,000	1,069,000

Operating costs	2024	2023
Key management	40,150	51,700
Other related parties	499,056	136,272
	539,206	187,972

General and administrative expenses	2024	2023
Key management	823,614	660,668
Other related parties	511,305	174,067
	1,334,919	834,735

The total amount of key management remuneration (included in general and administrative expenses) accrued in 2024 comprised BZD 743,875 (2023: BZD 564,450).

19. Categories for financial instruments**Financial instruments**

Financial assets at amortised cost

	2024	2023
Trade and other receivables	10,774,697	12,550,884
Cash and cash equivalents	1,543,018	2,534,146
Total financial assets	12,317,715	15,085,029

SAN PEDRO TOWN COUNCIL

Notes to the financial statements

For the year ended 31 March 2024

In Belize dollars

19. Categories for financial instruments (continued)

Financial instruments (continued)

Financial liabilities at amortised cost

	2024	2023
Borrowings	7,948,492	6,037,701
Trade and other payables	9,938,994	1,143,342
Total financial liabilities	17,887,485	7,181,042

20. Financial risk management

The Council has exposure to the following risks from its use of financial instruments:

- Liquidity risk
- Credit risk
- Market risk
- Operational risk

The Government of Belize has overall responsibility for the establishment and oversight of the Council's efficient management. Management is responsible for directing and managing the affairs of the Council.

The Council's financial instruments consist mainly of cash and cash equivalents, accounts receivable and payable, borrowings.

(i) Liquidity risk

Liquidity risk is the risk that the Council will not be able to settle all liabilities as they fall due. The ultimate responsibility for liquidity risk rests with management. The Council's liquidity position is carefully monitored and managed.

(ii) Credit risk

Credit risk refers to the risk that one party to a financial instrument will default on its contractual obligations resulting in a financial loss to the Council. Credit risk arises from cash and cash equivalents and deposits with banks, as well as, credit exposures to customers and other counterparties, including outstanding uncollateralised accounts receivable and other receivables.

The Council's maximum exposure to credit risk is represented by the carrying amount of financial assets recorded in the financial statements, net of any impairment losses.

(iii) Market risk

The Council is exposed to market risks arising from changes in foreign exchange rates and interest rates. While the Council does not use derivative instruments to hedge these risks, management regularly reviews its exposures and considers potential impacts on the financial position and performance when making financial decisions.

SAN PEDRO TOWN COUNCIL

Notes to the financial statements

For the year ended 31 March 2024

In Belize dollars

20. Financial risk management (continued)

(iv) Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Council's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Council's operations.

The Council's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Council's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit. This responsibility is supported by the development of overall Council standards for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties, including the independent authorisation of transactions;
- requirements for the reconciliation and monitoring of transactions;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- training and professional development; and
- ethical and business standards.

21. Commitments and contingencies

Claims and litigations

As per Management of San Pedro Town Council and its legal counsel there have been no significant litigation, claims or assessments brought against the Council, other than those disclosed in Note 22.

22. Subsequent events

Overdraft

In August 2024, the Council obtained a temporary overdraft facility of BZD 4,000,000 from Atlantic Bank Limited. The facility was provided to assist the Council with working capital for the ongoing street upgrades in San Pedro Town. It bore interest at 9.5% per annum, subject to change at the sole discretion of the lender. Initially repayable over a term of two months, the facility was extended for an additional three months in October 2024 and for one more month in December 2024. It was fully repaid and closed in January 2025.

SAN PEDRO TOWN COUNCIL

Notes to the financial statements

For the year ended 31 March 2024

In Belize dollars

22. Subsequent events (continued)

Acquisition of assets

In September 2024, the Council acquired three parcels of land and other properties from the Government of Belize for a consideration of BZD 1 each. In accordance with an independent valuation, the fair value of the acquired properties was determined to be BZD 14,255,831.

Claims and litigations

Subsequent to the reporting date, the Council became involved in legal proceedings relating to a property acquired in 2023. In April 2025, the Court confirmed the Council's ownership of the property and awarded damages to the claimant in the amount of BZD 92,823. In July 2025, the Council recognised a liability for the full amount, which was agreed to be settled in monthly instalments of BZD 20,000. As of the date these financial statements were authorised for issue, the liability has been fully settled.

Municipal bonds

In August 2023, the Council approved a Public Investment Program (PIP) for the overall development of San Pedro Town with the estimated cost of BZD 28,000,000, the financing of the PIP through the issuance of approximately BZD 28,000,000 in bonds and the use of the proceeds from the bonds issuance exclusively for the purpose outlined in Reconstruction and Development Corporation (RECONDEV) Public Investment Program.

In August 2023, the Council approved the issuance of San Pedro Town Council 2024 Series I Municipal Bond up to an aggregate sum of BZD 28,000,000 to be issued for its Public Investment Programs, including retirement of an existing loan to finance infrastructure works (13 miles of all-weather road in San Pedro, renovations and improvement of the Sir Barry Bowen Bridge, construction of a new Bridge at Boca del Rio of San Pedro Town) and Construction of 13 concrete streets equivalent to 8 miles.

In January 2024, the Council obtained an approval from Ministry of Finance to issue municipal bonds.

Legacy Fund Limited acts as the lead Financial Advisor, and Alpha Capital LLP acts as the secondary Financial Advisor for the Council under the 2024 Series I Municipal Securities offering. Heritage Financial Services Limited is the Fiscal Agent for the SPTC 2024 Series I Municipal Securities.

In March 2024, the Council approved the following transfers of the gross aggregate of property tax revenue, trade license revenue and traffic related fees to the sinking fund (segregated account held under the custody of the Fiscal Agent) starting in the year ended 31 March 2025: a) Year 1 to Year 2 - 8.7%, Year 3 to Year 5 - 11.5%, Year 6 to Year 10 - 14.8%, Year 11 to Year 15 - 12.8%, Year 16 to Year 20 - 0%.

In May 2024, the Council approved that The SPTC Series I Municipal Securities would initially be exclusively issued to accredited investors. The Councils plans to broaden the Municipal Securities offering to retail investors upon submission of the 2022/2023 and 2023/2024 audited financial statements to the Financial Services Commission.

SAN PEDRO TOWN COUNCIL

Notes to the financial statements

For the year ended 31 March 2024

In Belize dollars

22. Subsequent events (continued)

Municipal bonds (continued)

In November 2024, Final Public Prospectus was issued. In accordance with the terms of initial public offering:

- The Council will issue the 2024 Series I Municipal Securities with a total face value of BZD 28,000,000.
- The subscription period for the SPTC Bonds initially opened from 22 July 2024 to 22 November 2024, was extended to 31 March 2025.
- The expected total number of issued certificates of the 2024 Series I Municipal Securities is anticipated at 5,600 for accredited investors.
- The 2024 Series I Municipal Securities are issued in denominations of BZD 5,000 and integrals thereof, but not less than BZD 100,000 for accredited investors.

The 2024 Series I Municipal Securities are semi-tradable bonds structured as follows:

Tranches	Amount (BZD '000)	Maturity (Years)	Coupon rate (%)
1	5,000	5	5.00
2	5,000	10	6.00
3	8,000	15	6.25
4	10,000	20	6.50
Total/weighted average (*)	28,000	14	6.07

(*) Total face value of BZD 28,000,000 and weighted average coupon of 6.07%.

The expenses for the issuance of the 2024 Series I Municipal Securities amount to BZD 1,200,000. The net proceeds available from the issue after deducting expenses incurred is BZD 26,880,000.

Seventeen percent of the proceeds from the Bonds will be allocated by the Council for the retirement of the existing infrastructure work loan.

Interest on the Municipal Securities will be payable semi-annually on the 1st of March and September. Interest payments commenced in March 2025.

Under the Municipal Securities Act, 2023, the Council must maintain a debt limit as follows:

- The Council may not borrow additional money (whether it be loan or debt securities) for any purpose if the interest payments to service the total borrowings in any year exceeds twenty percent (20.0%) of the Council's average recurrent revenue during the previous 3 fiscal years;
- The Council shall not incur total debt at any one time that shall exceed in aggregate the sum of four times (4x) its average recurrent revenue during the previous 3 fiscal years.

The Council will maintain a one-year Interest Reserve Fund (IFR) in a segregated account under the custody of the Fiscal Agent. These funds may be drawn on by the Fiscal Agent on behalf of the municipal security holders to meet debt servicing requirements if the Council is unable to make payment of any interest that may become due and payable as a result of force majeure.

SAN PEDRO TOWN COUNCIL

Notes to the financial statements

For the year ended 31 March 2024

In Belize dollars

22. Subsequent events (continued)

Municipal bonds (continued)

In accordance with the Municipal Securities Act, 2023 a municipal security holder may, if the Council defaults on the payment of any interest or principal payable to that municipal security holder, deduct the equivalent sum from any payment due to the Council in respect of any trade license fee, property tax, traffic-related or other fees due by that municipal security holder to the Council.

The SPTC 2024 Series I Municipal Securities have not been rated by any international or regional rating agency.

As of the date these financial statements were authorized for issue, the Council had raised a total of BZD 21,400,000 from the bond issuance.

As at the date these financial statements were authorised for issue, the Council does not expect to issue additional municipal securities until the retirement of Tranche 1 of the outstanding municipal securities in 2029. Additional future bond issues would be tied to medium to long-term urban development plans; but these issues would be limited or constrained to the debt limit as required under the Municipal Securities Act, 2023.

Subsequent events have been evaluated through 10 October 2025. Management is unaware of any events after that date that they believe would materially and adversely affect these financial statements. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

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