



CENTRAL BANK OF BELIZE

Financial Statements

For the years ended 31 December 2025 and 2024
and Independent Auditor's Report



CENTRAL BANK OF BELIZE

Table of contents

	Page
Independent auditor's report	1 - 4
Statements of financial position	5
Statements of comprehensive income	6
Statements of changes in capital and reserves	7
Statements of cash flows	8
Notes to the financial statements	9 - 64



Moore Belize LLP
New Horizon Building
3 ½ Miles Philip S. W. Goldson Hwy
Belize City, Belize
T +501 223 2144
T +501 223 2139
E r.magana@moore-belize.bz
www.moore-belize.bz

INDEPENDENT AUDITOR'S REPORT
TO THE BOARD OF DIRECTORS OF THE
CENTRAL BANK OF BELIZE

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Central Bank of Belize (the Bank)**, which comprise the statement of financial position as at 31 December 2025, the statement of comprehensive income, the statement of changes in capital and reserves, the statement of cash flows for the year then ended and explanatory 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 Bank as at 31 December 2025, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Bank 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 the statement of comprehensive income and Note 25 to the financial statements, which show the effects of Section 50 of the Central Bank of Belize Act Revised Edition 2020, which requires the profits or losses from any revaluation of the Bank's net assets or foreign securities as a result of any change in the par value of the Belize dollar, or of any change in the par value of the currency unit of any other country shall be excluded from the computation of the annual profits and losses of the Bank. International Financial Reporting Standards require any foreign exchange gains and losses on monetary assets and liabilities to be recognised in profit or loss contrary to Section 50 of the Central Bank of Belize Act. Our opinion is not modified in respect of this matter.

Other information

Other information consists of the information included in the Annual Report 2025, other than the financial statements and our auditor's report thereon. Management is responsible for the other information. Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 IFRSs, 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 Bank'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 Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank'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 Bank'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 Bank'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 Bank 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 Bank to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.



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

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

Moore Belize LLP.

**Chartered Accountants
Belize City, Belize, C.A.
22 April 2026**

Central Bank of Belize

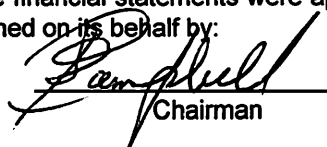
Statements of financial position as at 31 December 2025 and 2024

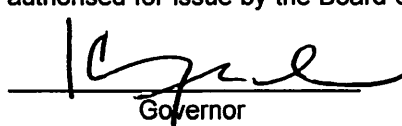
(in Belize dollars)


	Notes	2025	2024
Assets			
Approved external assets			
Balances with foreign banks and foreign currency notes	2h,2i,3	15,322,159	7,292,750
Reserve Tranche and balances with the International Monetary Fund	2h,2j,4	119,559,267	114,035,336
Other foreign credit instruments	2h,2k,5	267,316,394	242,776,768
Cash-in-transit	2h,2l,6	250,058	278,174
Marketable securities issued or guaranteed by foreign governments and managed by international financial institutions	2h,2m,7	704,662,137	617,749,419
Total approved external assets		1,107,110,014	982,132,446
Domestic assets			
Balances with local banks and cash on hand	2h,2n,8	2,780,374	1,839,142
Government of Belize securities	2h,2o,9	798,908,702	743,612,167
Other assets	10	48,429,448	37,566,580
Equity instruments	2h,2r,11	20,000,000	20,000,000
Property and equipment	2s,2u,12	35,280,468	35,504,172
Intangible assets	2t,2u,13	2,882,913	2,351,300
Total domestic assets		908,281,905	840,873,361
Total assets		2,015,391,920	1,823,005,808
Liabilities			
Demand liabilities			
Notes and coins in circulation	14	781,338,779	738,073,839
Deposits by licensed financial institutions	2h,2v,15	800,640,750	741,991,005
Deposits by and balances due to Government and Public sector entities in Belize	2h,2v,16	134,081,504	116,998,056
Deposits by international agencies	2h,2v,17	214,632	605,014
Total demand liabilities		1,716,275,666	1,597,667,914
Balances due to CARICOM central banks	2h,18	10,000	92,622
Short-term credit facility	19	60,000,000	-
Other liabilities	20	36,320,966	30,987,470
Defined benefit plan net obligation	2w,21	830,000	830,000
International Monetary Fund SDR Allocations	2h,22	119,646,305	114,057,277
Commercial banks' discount fund	2h,23	1,654,034	1,654,034
Total liabilities		1,934,736,970	1,745,289,317
Capital and reserves			
Capital account	2y,24	40,000,000	40,000,000
Revaluation account	2z,25	1,257,714	313,455
Assets revaluation reserve	26	163,732	163,732
Post employment obligation reserve	2w,21	745,398	745,398
General reserve fund	2aa,	38,488,105	36,493,906
Total capital and reserves		80,654,949	77,716,491
Total liabilities, capital and reserves		2,015,391,920	1,823,005,808

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

The financial statements were approved and authorised for issue by the Board of Directors on 23 April 2026 and are signed on its behalf by:


Chairman


Governor


Deputy Governor
Finance and Administration

Central Bank of Belize

Statements of comprehensive income for the years ended 31 December 2025 and 2024

(in Belize dollars)

	Notes	2025	2024
Interest income	2ab		
Approved external assets	27	39,240,537	35,051,691
Government of Belize securities	28	16,518,641	16,403,264
		55,759,178	51,454,954
Interest expense	2ab,29	(4,264,896)	(4,624,569)
Net interest income		51,494,282	46,830,385
Other income			
Discount on Government of Belize securities		775,588	1,001,280
Commissions and other income	30	4,333,329	4,787,981
Dividends on equity instruments	11	1,040,000	900,000
Gain on sale of financial instruments		240,908	-
Total other income		6,389,825	6,689,261
Other expenses			
Printing of notes and minting of coins	31	(7,932,206)	(5,065,834)
Salaries and wages, including superannuation contribution and gratuities	32	(21,142,084)	(19,987,868)
Depreciation and amortisation	2s,2t,12,13	(3,688,102)	(3,569,515)
Administrative and general expenses	2ac,33	(14,885,427)	(10,578,791)
Loss on sale of financial instruments	7	(3,588,956)	-
Total other expenses		(51,236,776)	(39,202,007)
Profit for the year		6,647,331	14,317,639
Transfers			
General reserve fund	2aa	1,994,199	4,295,292
Consolidated revenue fund	2aa	4,653,132	10,022,347
		6,647,331	14,317,639
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Revaluation	24, 36(ii)	944,258	147,603
Post employment obligation reserve	20	-	1,511,500
Artwork	25	-	-
Other comprehensive income for the year		944,258	1,659,103
Total comprehensive income for the year		7,591,589	15,976,742

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

Central Bank of Belize

Statements of changes in capital and reserves for the years ended 31 December 2025 and 2024

(in Belize dollars)

	Capital account	Revaluation account	Asset revaluation reserve	Post employment obligation reserve (Note 20)	General reserve	Total
Balance as at 01 January 2025	40,000,000	313,455	163,732	745,398	36,493,905	77,716,491
Comprehensive income						
Profit for the year	-	-	-	-	6,647,331	6,647,331
Other comprehensive income	-	944,258	-	-	-	944,258
	-	944,258	-	-	6,647,331	7,591,589
Transfer to consolidated revenue fund	-	-	-	-	(4,653,131)	(4,653,131)
Balance as at 31 December 2025	40,000,000	1,257,714	163,732	745,398	38,488,105	80,654,949
Balance as at 01 January 2024	40,000,000	165,853	163,732	(766,102)	32,198,614	71,762,097
Comprehensive income						
Profit for the year	-	-	-	-	14,317,639	14,317,639
Other comprehensive income	-	147,603	-	1,511,500	-	1,659,102
Total comprehensive income	-	147,603	-	1,511,500	14,317,639	15,976,741
Transfer to consolidated revenue fund	-	-	-	-	(10,022,347)	(10,022,347)
Balance as at 31 December 2024	40,000,000	313,455	163,732	745,398	36,493,905	77,716,491

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

Central Bank of Belize

Statements of cash flows for the years ended 31 December 2025 and 2024

(in Belize dollars)

	Notes	2025	2024
Cash flows from operating activities			
Profit for the year		6,647,331	14,317,639
Adjustments to reconcile profit to net cash provided by operating activities:			
Depreciation of property and equipment	12	2,951,910	2,816,839
Amortisation of intangible assets	13	736,192	752,676
Gain on disposal of property and equipment		22,888	(56,524)
Loss on sale of financial instruments		3,348,048	-
Assets revaluation reserve		-	-
Change in expected credit loss, net		61,453	56,852
Accrued interest expense	29	4,264,896	4,624,569
Cash provided by operating activities before operating assets and liabilities		18,032,719	22,512,051
Changes in:			
Government of Belize securities		45,330,258	(43,543,186)
Marketable securities issued or guaranteed by foreign governments and managed by international financial institutions		(90,330,718)	(46,512,005)
Reserve tranche in the International Monetary Fund		(798,558)	487,025
Other assets		(10,862,970)	(7,110,260)
Other liabilities		5,333,496	2,066,799
Net cash used in operating activities		(33,295,774)	(72,099,575)
Cash flows from investing activities			
Acquisition of property and equipment	12	(2,751,093)	(3,811,905)
Acquisition of intangible assets	13	(1,267,805)	(1,010,697)
Proceeds from sale of assets		-	230,081
Net cash used in investing activities		(4,018,898)	(4,592,521)
Cash flows from financing activities			
Net deposits (disbursements) made by CARICOM central banks		(82,622)	(132,951)
Net disbursements made by Government and Public sector entities in Belize		12,430,317	(42,636,461)
Net (disbursements) made by international agencies		(390,382)	(1,863,579)
Net (disbursements) deposits made by licensed financial institutions		58,649,745	(5,874,969)
Net change in International Monetary Fund SDR Allocations		5,685,099	(3,264,420)
Net change in notes and coins in circularisation		43,264,940	51,604,688
Short Loan Facility		60,000,000	-
Interest paid		(4,360,967)	(4,799,871)
Net cash provided by financing activities		175,196,129	(6,967,564)
Cash and cash equivalents at the beginning of the year		836,485,418	919,997,476
Net decrease in cash and cash equivalents		137,881,457	(83,659,660)
Effect of revaluation of foreign funds and marketable securities		944,258	147,603
Cash and cash equivalents at the end of the year		975,311,134	836,485,418
Cash and cash equivalents comprise of the following:			
External assets			
Balances with foreign banks and foreign currency notes	3	15,322,159	7,292,750
Other foreign credit instruments	5	267,341,508	242,810,484
Cash-in-transit	6	250,058	278,174
SDR Holdings	4	102,531,263	97,805,891
		385,444,988	348,187,299
Domestic assets			
Balances with local banks and cash on hand	8	2,780,374	1,839,142
Current portion of Government of Belize securities	37	587,085,774	486,458,981
		589,866,149	488,298,123
		975,311,134	836,485,418

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

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

1. General information

Central Bank of Belize (the Bank), was established under the Central Bank of Belize Act (the Act), Chapter 262 of the Substantive Laws of Belize. Legislation covering the Bank's operations were revised in 2020 and includes the Central Bank of Belize Act and its related amendments, the Domestic Banks and Financial Institutions Act, the International Banking Act, Credit Unions Act, the Money Laundering and Terrorism (Prevention) Act, Treasury Bills Act, the Financial Intelligence Unit Act along with associated Statutory Instruments, Circulars and Guidance Notes, the Exchange Control Regulations Act, the National Payment Systems Act along with associated Practice Directions, Circulars, Requirements and Statutory Instruments. The principal objectives of the Bank are to foster monetary stability, especially regarding the exchange rate, and to promote banking, credit and exchange conditions conducive to the growth of the economy of Belize. The address of the Bank's registered office is Gabourel Lane, Belize City, Belize, C.A.

2. Summary of material accounting policies

a. Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and the financial reporting provisions of the Central Bank of Belize Act. These and any amendments thereto have been used as a model for the presentation and disclosure framework to provide additional information and analysis of key items in the financial statements.

b. Basis of preparation

The financial statements have been prepared on an accrual basis and under the historical cost convention except for the revaluation of investments. All amounts are rounded to the nearest dollar unless otherwise indicated.

c. Functional and presentation currency

The financial statements are presented in Belize dollars, which is the Bank's functional currency and is the primary economic currency of the environment in which the Bank operates.

d. Foreign currency transactions and translations

Transactions in foreign currencies are translated into Belize dollars at exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in the statement of other comprehensive income. Non-monetary items are not retranslated at year-end and are measured at historical cost, except for non-monetary items measured at fair value which are translated using the exchange rates when fair value was determined.

e. Foreign investment policy

Section 25(1) of the Act requires that the Bank shall, at all times, hold assets of an amount in value sufficient to cover the value of the total amount if its notes and coins fully for the time being in circulation. As at 31 December 2025, the ratio of total assets to the value of notes and coins in circulation was 2.6 (2024: 2.5) (Note 14).

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

2. Summary of material accounting policies (continued)

e. Foreign investment policy (continued):

Section 25(2) of the Act requires that the Bank maintains at all times a reserve of external assets of not less than 40.0% of the aggregate amount of notes and coins in circulation and of the Bank's liabilities to customers in respect of its sights and time deposits. As at 31 December 2025, total approved external assets approximated 64.5% of such liabilities (2024: 61.5%).

Section 25(3) of the Act requires that the reserve shall consist of any of the following:

- Gold in any form and at such a valuation as may be determined by the Bank;
- Foreign exchange in the form of demand or time deposits with foreign central banks, agents and correspondents, documents and instruments customarily used for making payments or transfers in international transactions;
- Notes and coins;
- Marketable securities issued or guaranteed by foreign governments and managed by international financial institutions;
- Belize's drawing facility equivalent to its reserve position in the International Monetary Fund;
- Belize's holdings of special drawing rights in the International Monetary Fund.

f. Significant accounting judgments and estimates

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ materially from those estimates.

Information about estimates and assumptions that may have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Defined benefit obligation (DBO)

The estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the defined benefit expenses.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change information technology equipment and software.

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

2. Summary of material accounting policies (continued)

f. Significant accounting judgments and estimates (continued)

Fair value measurement

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible, but this is not always available. In that case, management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

g. Changes in accounting policies

The accounting policies adopted are consistent with those used in the previous financial year except that the Bank has adopted the following standards, amendments and interpretations which did not have a material effect on the financial performance or position of the Bank. Some, however, may give rise to additional disclosures or changes to the presentation of the financial statements in future periods.

The following amendments to IFRSs have become effective for the annual periods commencing on or after 01 January 2025 and have been adopted:

- Amendments to IAS 21 - Lack of Exchangeability

The following standards and amendments will become effective for the annual periods beginning on or after 01 January 2026:

- IFRS 18 – Presentation and Disclosure in Financial Statements;
- IFRS 19 – Subsidiaries without Public Accountability: Disclosures;
- Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments;
- Amendments to IFRS 9 and IFRS 7 – Contracts referencing Nature-dependent Electricity;
- Amendments to IAS 21 - Translation to a Hyperinflationary Presentation Currency;
- Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture;
- Annual Improvements to IFRS Accounting Standards – Volume 11 (Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7).

The amendments will be adopted when they become effective. Their effects, if any, will be quantified at that time.

h. Financial instruments

Recognition and derecognition of financial assets

Financial assets are recognised when the Bank becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

2. Summary of material accounting policies (continued)

h. Financial instruments (continued)

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost;
- fair value through other comprehensive income (FVTOCI);
- fair value through profit or loss (FVTPL).

All income and expenses relating to financial assets that are recognised in profit or loss are presented within administrative and general expenses.

Subsequent measurement of financial assets

Financial assets at amortised cost (AC)

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows;
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. Fair value of assets stated at amortised cost is close to their carrying value as at the reporting date.

Financial assets at fair value through other comprehensive income (FVTOCI)

A debt instrument is measured at fair value through other comprehensive income only if it meets both of the following conditions and is not designated as at fair value through profit or loss:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Bank may irrevocably elect to present subsequent changes in fair value in other comprehensive income. This election is made on an investment-by-investment basis.

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

2. Summary of material accounting policies (continued)

h. Financial instruments (continued):

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL.

Impairment of financial assets

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

The Bank uses forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. The Bank considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument. In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2');
- financial assets that have objective evidence of impairment at the reporting date ('Stage 3').

The mechanics of the ECL calculations are outlined below and the key elements are as follows:

$ECL = EAD \times LGD \times PD$. See also Note 37(i).

EAD – The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

LGD – The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral.

PD – The Probability of Default is an estimate of the likelihood of default over a given period of time.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

2. Summary of material accounting policies (continued)

h. Financial instruments (continued):

Impairment of financial assets (continued):

The Bank recognises loss allowances for ECL on the following financial instruments that are not measured at the fair value through profit or loss:

- financial assets that are debt instruments;
- financial guarantee contracts issued; and
- loan commitments issued.

No impairment loss is recognised on equity investments.

For regular receivables, the Bank applies a simplified model of recognising lifetime expected credit losses as these items do not have a significant financing component.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as follows:

- financial assets measured at amortised cost: as a deduction from gross carrying amount of the assets;
- loan commitments and financial guarantee contracts: generally as a provision;
- debt instruments measured at fair value through other comprehensive income: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the fair value reserve.

Recognition and derecognition of financial liabilities

Financial liabilities are recognised when the Bank becomes a party to the contractual provisions of the financial instrument. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and measurement of financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities, which are measured at amortised cost.

Financial liabilities are classified at fair value through profit or loss if they are either held for trading or they are otherwise designated within this classification. Gains and losses on such financial liabilities are recognised in the statement of comprehensive income.

A financial liability is classified as held for trading if (a) it has been acquired principally for the purposes of subsequent short-term repurchase; (b) on initial recognition it is part of a portfolio of identified financial instruments which have a pattern of short-term profit taking; or (c) it is a derivative financial instrument that is not designated and effective as a hedging instrument.

Other financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using effective interest method, with interest expense recognised on an effective yield basis in the statement of comprehensive income.

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

2. Summary of material accounting policies (continued)

h. Financial instruments (continued):

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously. Such a right of set off (a) must not be contingent on a future event and (b) must be legally enforceable in all of the following circumstances: (i) in the normal course of business, (ii) in the event of default and (iii) in the event of insolvency or bankruptcy.

i. Bank balances and deposits with foreign bankers

Comprises of cash at overseas correspondent banks and demand deposits including highly liquid investments maturing within 90 days from the date of acquisition that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

j. Reserve tranche and balances with the International Monetary Fund (IMF)

The Reserve Tranche represents the difference between the assigned quota and the IMF currency holdings. The Reserve Tranche can be accessed at any time without fees or economic reform conditions. The remainder of the quota is held in Special Drawing Rights (SDR) which is a supplementary international reserve asset.

The SDR interest rate provides the basis for calculating the interest charged and the interest paid to members of the IMF for the use of their resources for regular (nonconcessional) IMF loans. It is also the interest paid to members on their SDR holdings and charged on their SDR allocation. The SDR interest rate is determined weekly and is based on a weighted average of representative interest rates on short-term debt instruments in the money markets of the SDR basket currencies.

k. Other foreign credit instruments

Comprises of short-term financial assets including fixed deposits and overnight deposits held at overseas financial institutions with maturities of a year or less. The Bank's intention is to hold these until maturity.

Other foreign credit instruments are measured at amortised cost using the effective interest method. If there is objective evidence that the investment is impaired, by reference to external credit ratings, the instrument is then measured at the present value of its estimated future cash flows.

l. Cash-in-transit

Comprises of cash on hand held for shipment and in transit.

m. Marketable securities issued or guaranteed by foreign governments and managed by international financial institutions

Comprises of short-term financial assets including bonds, debentures and US Treasury notes with maturities beyond a year.

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

2. Summary of material accounting policies (continued)

n. Balances with local banks and cash on hand

Comprises of cash on hand and deposits held at local financial institutions that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

o. Government of Belize securities

Comprises of locally held financial assets including treasury bills and treasury notes issued and guaranteed by the Government of Belize.

Section 35 of the Act permits the Bank to purchase or sell treasury bills or notes issued or guaranteed by the Government of Belize for a period of maturity not exceeding 10 years. The Central Bank of Belize Amendment Act No. 28 of 2017 amended Section 35(2) of the principal Act on 31 March 2017 to stipulate that the Bank shall not at any time hold Government of Belize securities in an aggregate amount exceeding thirty times the aggregate amount at that time of the paid-up capital and general reserves of the Bank. As at 31 December 2025 the Bank's aggregate holding of these Government of Belize securities approximated 10.18 times (2024: 9.72 times), respectively, the amount of paid-up capital and general reserves of the Bank.

p. Advances to Government of Belize

Comprises of advances made to the Government of Belize as governed by section 33 and 34 of the Act. During 2025, GOB's current account remained as a deposit account, and continued to operate as a deposit account.

q. Other assets

Loans and other receivables

Loans are recognised when cash is advanced. It is stated at amortised cost using the effective interest method. Loans receivable are derecognised when the rights to receive cash flows from the financial assets have expired or extinguished. Their net carrying value is considered a reasonable approximation of fair value as these financial assets are callable.

Inventory of notes and coins

Inventory of notes and coins are measured at cost upon initial recognition. After initial recognition, they are measured at the lower of cost and net realisable value. Cost is determined on the weighted average cost method.

Supplies

Stationary, computer, building, kitchen and administrative supplies are held at cost and expensed when used.

Collectible coins inventory

Collectible coins, which are minted or packaged as collector items, are legal tender. New purchases of special coins are held as inventory and are charged against income when they are sold.

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

2. Summary of material accounting policies (continued)

r. Equity instruments

Equity instruments are measured at FVTPL. Fair value of equity instruments held by the Bank cannot currently be measured reliably; thus, the cost is considered the best estimate of fair value. Impairment charges are recognised in profit or loss.

s. Property and equipment

Land

Land held for use in the ordinary course of business is stated at costs. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction.

Property (buildings), equipment, vehicles

Buildings, equipment and vehicles are initially recognised at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by the Bank's management. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing items and restoring the site on which they are located. The cost of software that is integral to the functionality of the related equipment is capitalised as part of that equipment. Buildings, equipment and vehicles are subsequently carried at cost less accumulated depreciation and impairments. Depreciation is recognised on a straight-line basis to write down the cost less estimated residual value of the asset. The following rates are applied:

Category	Percentage
Property	1% – 5%
Furniture	10%
Equipment	10% – 25%
Vehicles	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. Assets that are subject to depreciation are reviewed at each reporting date to assess whether there is any indication that an asset may be impaired. An asset's carrying amount is written down immediately to its recoverable amount if the carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of the asset's fair value (less costs to sell) and value in use. Gains or losses arising on the disposal of property and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss within other income or other expenses.

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

2. Summary of material accounting policies (continued)

t. Intangible assets

Application software and licenses

Costs that are directly attributable to acquiring application software and licenses asset are recognised as intangible assets, provided they meet the following recognition requirements:

Category	Percentage
Application Software	33.3% – 10%
Application License	33.3% – 10%
Website	20%

Initial recognition of other intangible assets

- the costs can be measured reliably;
- the asset is technically and commercially feasible;
- the Bank intends to and has sufficient resources to complete the asset and the Bank has the ability to use or sell the application or licenses;
- the software will generate probable future economic benefits.

Costs not meeting these criteria for capitalisation are expensed as incurred.

Subsequent measurement

All finite-lived intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing annually.

Application software are amortised over a useful life of 3-10 years. Application licenses are amortised over the period the license is granted. Amortisation has been included within depreciation, amortisation and impairment of non-financial assets.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognised in profit or loss within other income or other expenses.

u. Impairment of non-financial assets

At each reporting date, the Bank reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those non-financial assets have suffered an impairment loss. If any such indication exists, the recoverable of the non-financial asset is estimated in order to determine the extent of the impairment loss if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Bank estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

2. Summary of material accounting policies (continued)

u. Impairment of non-financial assets (continued)

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. Impairment losses are recognised as an expense immediately. 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 increase 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 as income immediately, unless the relevant non-financial asset is carried at a revalued amount, in which case the reversal of the impairment loss will be treated as an increase in the revaluation.

v. Deposits

Comprised of deposits accepted on behalf of licensed banks, other licensed financial institutions including Government of Belize and Public Sector entities. Their carrying value is considered a reasonable approximation of fair value.

Under the revised provisions of Domestic Banks and Financial Institutions Act (No. 11 of 2012), it stipulates that every licensed bank shall maintain on account in its name with the Central Bank a minimum balance which on average shall be equivalent to at least five per centum of its average deposit liabilities represented by demand deposits, plus at least three per centum of its average deposit liabilities not represented by demand deposits, or such higher proportion of such demand deposits or other deposit liabilities as may from time to time be prescribed or specified by the Central Bank.

w. Defined benefit plan

Under the Bank's defined benefit plan, the amount of pension benefit that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The legal obligation for any benefits remains with the Bank, even if plan assets for funding the defined benefit plan have been set aside.

The liability recognised in the statement of financial position for defined benefit plans is the present value of the defined benefit obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO every 3 years with the assistance of independent actuaries. This is based on standard rates of inflation, salary growth rate and mortality.

x. Short-term employee benefits

Gratuity - the Bank is liable to pay gratuity for contract employees who are not eligible to participate in the pension scheme. In order to meet this liability, a provision is carried forward in the statements of financial position equivalent to an amount calculated on 20% of the annual salary for each completed year of service, commencing from the first year of service.

The resulting difference between the brought forward provision at the beginning of a year and the carried forward provision at the end of a year is dealt within the statement of income. The gratuity liability is neither funded nor actuarially valued.

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

2. Summary of material accounting policies (continued)

x. Short-term employee benefits (continued)

Severance benefits payable – severance obligations are recognised at the point of not being able to withdraw from provision of the benefit to qualifying employees. The provision is calculated in accordance with the Labour Act of Belize Chapter 297.

Other short-term employee benefits – short-term employee benefits, including holiday entitlement, are current liabilities included in pension and other employee obligations, measured at the undiscounted amount that the Bank expects to pay as a result of the unused entitlement.

y. Capital account

In 2022, amendment was made to the Central Bank of Belize Act, approved on 31 March 2022 and gazetted on 02 April 2022. In accordance with Section 8, 'Capital of the Bank', the authorised capital was increased to \$50,000,000 and the paid-up capital was increased to \$40,000,000.

z. Revaluation account

Section 50 of the Act requires the Bank to exclude profits or losses from any revaluation of the Bank's net assets or liabilities from the computation of the annual profits and losses of the Bank. All such profits or losses are carried in a special account called the revaluation account.

The Act also requires that no profits shall be credited to the General Reserve Fund or paid to Government of Belize under section 9 of the Act whenever the Revaluation Account shows a net loss. Such profits shall be credited to the Revaluation Account in an amount sufficient to cover the loss.

aa. General reserve fund

The profits of the Bank shall be distributed in accordance with the Central Bank of Belize Act, Chapter 262, Section 8(4) (Amendment 2022) and Section 9(1).

In 2022, Section 9 of the Central Bank of Belize Act, which provides for the establishment of a General Reserve Fund, was amended to indicate that 30 percent of the Bank's profit shall be paid into the General Reserve Fund and the remainder to the Consolidated Revenue Fund.

The Consolidated Revenue Fund is established under Section 114(1) of the Belize Constitution. It serves as the central account into which all revenues or other moneys raised or received by Belize are deposited, unless specified by law to be placed into another public fund. This fund is utilized to finance government expenditures, ensuring that withdrawals are made in accordance with legal authorizations and appropriations.

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

2. Summary of material accounting policies (continued)

ab. Interest income and expense

Interest income and expense for all interest-bearing financial instruments are recognised in the statement of profit or loss at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Bank estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest to discount the future cash flows for the purpose of measuring the impairment loss.

ac. Administrative and general expense

Administrative and general expense are recognised in the profit or loss upon utilisation of the service or as incurred.

ad. Taxation

In accordance with Section 52 of the Central Bank of Belize Act, the Bank is exempt from the provision of any law relating to income tax or customs duties and from the payment of stamp duty.

ae. Segment-reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The Bank has one operating segment for financial reporting purposes.

3. Balances with foreign banks and foreign currency notes

	<u>2025</u>	<u>2024</u>
Foreign currency notes	9,031,690	626,056
Balances with other central banks and foreign banks	6,290,469	6,666,694
	<u>15,322,159</u>	<u>7,292,750</u>

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

4. Reserve tranche and balances with the International Monetary Fund

Belize joined the International Monetary Fund (IMF) on 16 March 1982. As at 31 December its financial position in the IMF was as follows:

	2025	2024
SDR Holdings	102,531,263	97,805,891
Reserve Tranche	17,028,004	16,229,445
	119,559,267	114,035,336

SDRs are converted at an exchange rate of BZD 2.739006 to SDR 1.0 at 31 December 2025 (2024: BZD 2.608269 to SDR 1.0).

5. Other foreign credit instruments

	2025	2024
Fixed deposits	174,628,561	210,597,387
Overnight deposits	92,712,947	32,213,097
Expected credit losses	(25,114)	(33,716)
	267,316,394	242,776,768

Other foreign credit instruments are held with foreign banks and other foreign financial institutions.

Movements in expected credit losses on other foreign credit instruments were as follows:

	2025	2024
1 January	(33,716)	(23,561)
(Charge)/release during the year	8,602	(10,155)
31 December	(25,114)	(33,716)

6. Cash-in-transit

	2025	2024
Cash-in-transit	250,058	278,174
	250,058	278,174

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

7. Marketable securities issued or guaranteed by foreign governments and managed by foreign financial institutions

Amounts comprise debt securities at amortised cost:

	2025	2024
Bonds	353,441,126	116,243,013
US Treasury notes	350,250,103	500,302,885
Debenture	1,057,310	1,219,971
Expected credit losses	(86,402)	(16,450)
	704,662,137	617,749,419

US Treasury Notes represent securities issued by the government of the United States of America that bear a weighted average interest of 3.33% (2024: 2.99%) and mature through 2031.

During the year, the Bank sold low yielding US treasuries realizing a loss of \$3,588,956. The Bank reinvested the proceeds into higher yielding bonds.

Bonds represent bonds managed by foreign financial institutions that bear an average interest of 3.37% (2024: 3.37%) maturing through 2034.

Debenture represents a foreign government debenture that bears an interest of 3.5% and matures in 2034.

Movements in expected credit losses on marketable securities issued or guaranteed by foreign governments and managed by international financial institutions were as follows:

	2025	2024
1 January	(16,450)	(14,380)
Charge during the year	(69,951)	(2,070)
31 December	(86,402)	(16,450)

8. Balances with local banks and cash on hand

	2025	2024
Balances with local financial institutions	2,581,152	1,655,476
Cash on hand	199,222	183,666
	2,780,374	1,839,142

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

9. Government of Belize securities

Amounts comprise debt securities at amortised cost:

	<u>2025</u>	<u>2024</u>
Treasury notes	679,915,334	574,257,420
Treasury bills	118,993,368	169,354,747
	<u>798,908,702</u>	<u>743,612,167</u>

10. Other assets

	<u>2025</u>	<u>2024</u>
<u>Financial assets</u>		
Staff loans receivable	11,433,807	9,612,349
Accounts receivable	1,389,649	1,148,767
Expected credit losses	(1,143)	(47,460)
Subtotal (Note 2h)	<u>12,822,313</u>	<u>10,713,656</u>
	<u>2025</u>	<u>2024</u>
<u>Non-financial assets</u>		
Prepayments	14,784,802	13,335,047
Escrow accounts (Note 20)	9,857,025	9,477,025
Inventory of circulation notes and coins	9,046,319	1,962,165
Collectible coins inventory	945,311	1,051,485
Other assets	361,173	515,049
Supplies	434,233	333,883
Artwork	178,270	178,270
Subtotal (Note 2u)	<u>35,607,135</u>	<u>26,852,924</u>
	<u>48,429,448</u>	<u>37,566,580</u>

Movements in expected credit losses on accounts receivable and staff loans receivable were as follows:

	<u>2025</u>	<u>2024</u>
1 January	(47,460)	(2,834)
Charge/release during the year	46,317	(44,626)
31 December	<u>(1,143)</u>	<u>(47,460)</u>

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

11. Equity instruments

	<u>2025</u>	<u>2024</u>
Belize Telemedia Limited	20,000,000	20,000,000

The equity instruments represent the Bank's investment of 4,000,000 shares in Belize Telemedia Limited at a value of \$5.00 per share totaling \$20,000,000. Share certificates numbered 3165, 3166, 3167, 2668 and 2669 dated 17 June 2011 for 800,000 shares each have been received by the Bank. If the Bank chooses to sell, it can dispose of the shares at the rate of one million shares per annum and it shall offer the Government of Belize the right of first refusal and the right to object to any buyer before concluding the sale of any of the shares.

These instruments are secured by the Government of Belize with no valuation exposure to the Bank. As at 31 December 2025, BTL had declared dividends for the fiscal year 2025 at \$0.26 (2024: \$0.225) per share for a total of \$1,040,000 (2024: \$900,000).

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

12. Property and equipment

	Property	Furniture	Equipment	Vehicle	Work in progress	Total
Cost						
Balance at 01 January 2025	36,595,746	2,038,337	18,117,521	1,019,475	2,155,190	59,926,270
Additions	-	339,583	1,752,659	50,000	608,851	2,751,093
Disposals	-	(132,202)	(939,748)	-	-	(1,071,950)
Transfers	1,607,934	486,874	-	-	(2,094,808)	-
Balance as at 31 December 2025	38,203,680	2,732,592	18,930,432	1,069,475	669,233	61,605,413
Accumulated depreciation						
Balance at 01 January 2025	(9,115,361)	(1,556,065)	(13,401,768)	(348,903)	-	(24,422,097)
Charge for the year	(1,009,939)	(135,788)	(1,599,768)	(206,415)	-	(2,951,910)
Disposals	-	115,929	933,133	-	-	1,049,062
Balance as at 31 December 2025	(10,125,300)	(1,575,924)	(14,068,403)	(555,318)	-	(26,324,945)
Net book value as at 31 December 2025	28,078,380	1,156,668	4,862,028	514,157	669,233	35,280,468
Cost						
Balance at 01 January 2024	35,480,950	2,034,910	18,197,126	1,070,011	304,700	57,087,698
Additions	1,114,796	109,011	322,958	109,950	2,155,190	3,811,905
Disposals	-	(105,584)	(707,263)	(160,486)	-	(973,333)
Transfers	-	-	304,700	-	(304,700)	-
Balance as at 31 December 2024	36,595,746	2,038,337	18,117,521	1,019,475	2,155,190	59,926,269
Accumulated depreciation						
Balance at 01 January 2024	(8,230,651)	(1,542,539)	(12,461,367)	(316,847)	-	(22,551,404)
Charge for the year	(884,710)	(98,722)	(1,640,865)	(192,542)	-	(2,816,839)
Disposals	-	85,196	700,464	160,486	-	946,146
Balance as at 31 December 2024	(9,115,361)	(1,556,065)	(13,401,768)	(348,903)	-	(24,422,097)
Net book value as at 31 December 2024	27,480,385	482,272	4,715,753	670,572	2,155,190	35,504,172

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

13. Intangible assets

	Application software and licenses	Work in progress	Total
Cost			
Balance at 01 January 2025	7,864,402	798,969	8,663,371
Additions	1,193,990	73,815	1,267,805
Disposals	-	-	-
Transfers	798,969	(798,969)	-
Balance as at 31 December 2025	9,857,361	73,815	9,931,176
Accumulated amortisation			
Balance at 01 January 2025	(6,312,071)	-	(6,312,071)
Charge for the year	(736,192)	-	(736,192)
Disposals	-	-	-
Balance as at 31 December 2025	(7,048,263)	-	(7,048,263)
Net book value as at 31 December 2025	2,809,098	73,815	2,882,913
Cost			
Balance at 01 January 2024	7,675,842	128,249	7,804,091
Additions	211,728	798,969	1,010,697
Disposals	(151,417)	-	(151,417)
Transfers	128,249	(128,249)	-
Balance as at 31 December 2024	7,864,402	798,969	8,663,371
Accumulated amortisation			
Balance at 01 January 2024	(5,564,442)	-	(5,564,442)
Charge for the year	(752,676)	-	(752,676)
Disposals	5,047	-	5,047
Balance as at 31 December 2024	(6,312,071)	-	(6,312,071)
Net book value as at 31 December 2024	1,552,331	798,969	2,351,300

14. Notes and coins in circulation

	2025	2024
Notes in circulation	732,054,786	691,598,957
Coins in circulation	49,283,993	46,474,882
	781,338,779	738,073,839

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

15. Deposits by licensed financial institutions

As at 31 December 2025 and 2024 deposits by local financial institutions comprised deposits of licensed financial institutions located in Belize.

16. Deposits by and balances due to Government and Public sector entities of Belize

	2025	2024
Government of Belize accounts	129,222,548	110,844,078
Public sector entities accounts	4,858,956	6,153,978
	134,081,504	116,998,056

17. Deposits by international agencies

The Bank acts as an agent for and accepts deposits from international financial agencies.

	2025	2024
International Monetary Fund	185,381	176,533
Caribbean Development Bank	28,711	398,741
International Bank for Reconstruction and Development	540	29,740
	214,632	605,014

18. Balances due to CARICOM central banks

	2025	2024
Bank of Jamaica	10,000	81,200
Bank of Guyana	-	11,422
	10,000	92,622

19. Short-term credit facility

During the period the Bank received a short-term credit facility from Raymond James & Associates of \$60 million at a rate averaging 5.22% to provide funding to meet financial requirement for the Government of Belize, repayable within one year or less. As of 31 December 2025 the principal was \$60 million. The facility was repaid in full in February 2026 (Note 39).

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

20. Other liabilities

	<u>2025</u>	<u>2024</u>
<u>Financial liabilities</u>		
Abandoned property	10,987,485	8,559,349
Deposits by licensed international offshore financial institutions (i)	3,723,528	3,723,528
Accounts payable	3,589,481	832,913
Contribution (deposit insurance) (ii)	1,000,000	1,000,000
Corozal Freezone Municipals Bonds – Sinking Fund	144,131	259,349
Unclaimed balances of Belize Unit Trust	45,986	45,986
<u>Subtotal (Note 2h)</u>	19,490,611	14,421,125
<u>Non-financial liabilities</u>		
Escrow accounts (Note 10)	9,857,025	9,477,025
Severance and gratuities	5,146,286	4,909,168
Other staff costs payable	1,280,859	1,341,429
Deferred income	546,183	838,723
<u>Subtotal</u>	16,830,354	16,566,345
	36,320,964	30,987,470

(i) Under Section 21 A (1) of the International Banking Act, licensed international offshore financial institutions are required to maintain an account of a minimum balance of \$200,000 with the Bank. At 31 December 2025 total amount of such deposits included \$ 3,114,462 (2024: \$3,114,462) that relate to balances with international offshore financial institutions with active licenses and \$609,066 (2024: \$609,066) that relate to the Bank's liabilities in respect of minimal balances of such financial institutions, whose licensed have been revoked/surrendered by the Bank.

(ii) In accordance with Section 19 of the Deposit Insurance Act, 2020, the Central Bank is holding in escrow its contribution due on the commencement of the Deposit Insurance Corporation.

21. Defined benefit plan net obligation

The Bank operates a defined benefit pension scheme that receives contributions from the Bank and its eligible employees. The scheme is financially separate from the Bank and is managed by a Board of Trustees. Under the plan, the employees are entitled to annual retirement benefits capped at a maximum of 66 percent of the final pensionable salary on attaining the retirement age of 60. In addition, the Bank provides an optional post-retirement medical benefit. During the year under review, the Bank contributed \$1,527,810 (2024: \$1,451,328) to the scheme.

Significant actuarial assumptions used in the valuation were:	<u>2024</u>	<u>2021</u>
I. Discount rate at the end of the year (pa)	7.5%	6.0%
II. Future salary increases (pa)	3.5%	3.5%
III. Future pension increases (pa)	0.0%	0.0%

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

21. Defined benefit plan net obligation (continued)

The Bank has performed an actuarial valuation on its defined benefit pension scheme for the year ended 31 December 2024. The results of the valuation are presented below:

Reconciliation of defined benefit plan net obligation	
Defined benefit plan net (liability) as at 01 January 2024	(2,341,500)
Fair value of plan assets	29,986,000
Present value of defined benefit obligation	(27,936,000)
Adjusted defined benefit plan net asset as at 01 January 2024	<u>2,050,000</u>
Fair value of plan assets	31,655,000
Present value of defined benefit obligation	(32,485,000)
Defined benefit plan net (liability) as at 31 December 2024	<u>(830,000)</u>
Net change in defined benefit plan net obligation	<u>1,511,500</u>
Reconciliation of fair value of plan assets	
Fair value of plan assets at 01 January 2024	29,986,000
Interest income on plan assets	2,269,000
Members' contributions	200,000
Employer's contributions	1,451,000
Benefits paid	(1,091,000)
Reasurements - experience adjustments	(1,160,000)
Fair value of plan assets at 31 December 2024	<u>31,655,000</u>
Reconciliation of present value of defined benefit net obligation	
Present value of obligation at 01 January 2024	(27,936,000)
Interest cost	(2,062,000)
Service cost	(2,820,000)
Benefits paid	1,091,000
Members' contributions	(200,000)
Reasurements - experience adjustments	(558,000)
Present value of obligation at 31 December 2024	<u>(32,485,000)</u>
Defined benefit plan net (liability) as at 31 December 2024	<u>(830,000)</u>
Movement in net (liability)/asset	
Defined benefit plan net asset at 01 January 2024	2,050,000
Net interest income on plan assets	207,000
Service cost	(2,820,000)
Employer's contributions	1,451,000
Reasurements - experience net adjustments	(1,718,000)
Non-current pension liability 31 December 2024	<u>(830,000)</u>

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

21. Defined benefit plan net obligation (continued)

Revaluation of the pension plan is done on a 3-year rotation. An IAS 19 valuation was done during 2024 for the 2024 fiscal year, which shows a defined benefit plan net obligation of the plan of \$830,000. Full revaluation of the plan will be done in the 2027 fiscal year.

Reconciliation of post employment obligation reserve

Reserve as at 01 January 2024	(766,102)
Reasurements - net adjustments 2023	4,391,500
Reasurements - net adjustments 2024	(2,880,000)
Reserve as at 31 December 2024	745,398

22. International Monetary Fund SDR Allocations

	2025	2024
IMF SDR Allocations	119,105,687	113,420,588
Interest payable	540,618	636,689
	119,646,305	114,057,277

A general allocation of Special Drawing Rights (SDRs) equivalent to approximately US\$ 250 billion became effective on 28 August 2009. The allocation is designed to provide liquidity to the global economic system by supplementing the Fund's member countries' foreign exchange reserves. The general SDR allocation was made to IMF members that are participants in the Special Drawing Rights Department (currently all 186 members) in proportion to their existing quotas in the Fund, which are based broadly on their relative size in the global economy. The Quota for the country of Belize is SDR 26,700,000 (2024: SDR 26,700,000) based on this Quota, the allocation for the country of Belize stood at SDR 43,485,004 (2024: SDR 43,485,004). At 31 December 2025, the SDR's were revalued at SDR 2.739006 to BZ\$ 1.00 (2024: 2.608269 to BZ\$ 1.00).

23. Commercial banks' discount fund

	2025	2024
Interest paid to United States Agency for International Development	(2,311,316)	(2,311,316)
Interest received by the Bank	3,965,350	3,965,350
	1,654,034	1,654,034

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

23. Commercial banks' discount fund (continued)

Commercial Bank Discount Fund (Fund) is a facility which was established by an agreement signed in March 1983 by the Government of Belize and the United States of America, providing for a discount fund to be operated through the Bank. The United States Government acting through United States Agency for International Development (USAID) earmarked US\$ 5 million in loan funds up to 30 June 1987 to finance this facility. The facility enabled commercial banks in Belize to discount with the Bank up to 100% of loans made to sub-borrowers for projects approved by the Bank and USAID. The Bank is expected to accumulate significant net interest earnings over the repayment term of the USAID loan to form a permanent fund. In 1993, USAID and the Bank agreed that \$2 million and \$1.5 million from the reflows to the Discount Fund could be used as a line of credit to National Development Foundation of Belize and Development Finance Corporation, respectively.

24. Capital account

	<u>2025</u>	<u>2024</u>
Authorised capital	50,000,000	50,000,000
Paid-up capital	40,000,000	40,000,000

25. Revaluation account

	<u>2025</u>	<u>2024</u>
1 January	313,456	165,853
Revaluation of foreign funds and marketable securities	944,258	147,603
31 December	1,257,714	313,456

26. Assets revaluation reserve

At 31 December 2025, management conducted an assessment of its historical and contemporary pictures and paintings and determined that they hold the carrying amount assessed by an independent appraiser, Carlos Bardalez, of Belize City whose report is dated 09 November 2009.

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

27. Interest on approved external assets

	2025	2024
Marketable securities issued or guaranteed by foreign governments and managed by international financial institutions	22,864,002	18,117,733
Fixed deposits with foreign financial institutions	8,001,063	10,169,252
Overnight deposits with foreign financial institutions	4,925,573	2,335,880
International Monetary Fund' facilities	3,398,804	4,362,748
Other balances with foreign financial institutions	51,095	66,078
	39,240,537	35,051,691

28. Interest on Government of Belize securities

	2025	2024
Treasury notes	16,518,641	16,403,264

29. Interest expense

	2025	2024
International Monetary Fund facilities	4,086,388	4,449,021
Other interest expense	178,508	175,548
	4,264,896	4,624,569

30. Commissions and other income

	2025	2024
Commissions	1,777,387	902,159
License and examination fees	1,123,023	992,270
Automated Payment and Securities Settlement System (APSSS) transaction fees	456,151	599,491
Cash shipment income	404,370	1,157,810
Sales of collectible coins	225,438	43,544
Fiscal agency fees	161,138	-
Interest on staff loans	115,208	147,296
Penalty fees	41,500	715,000
Miscellaneous income	29,114	230,411
	4,333,329	4,787,981

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

31. Printing of notes and minting of coins

	2025	2024
Printing of currency notes	6,058,791	3,179,150
Minting of circulation coins	1,868,005	1,842,825
Currency publicity campaign expenses	5,410	43,859
	7,932,206	5,065,834

32. Salaries and wages, including superannuation contribution and gratuities

	2025	2024
Salaries and wages	12,566,260	12,289,499
Employee benefits expenses	6,709,085	5,915,303
Pension contributions	1,527,810	1,451,328
Social security costs	338,929	331,738
	21,142,083	19,987,868

At the end of 2025 the Bank staff count was 246 employees (2024: 224).

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

33. Administrative and general expenses

	2025	2024
Computer software licenses	3,399,159	2,256,409
Professional services and technical support	3,060,667	1,024,003
Repairs and maintenance	1,320,897	1,156,231
Miscellaneous	1,313,730	1,006,087
Meetings and conferences	1,200,419	880,812
Utilities	947,385	991,832
Supplies and small equipment	747,101	638,277
Commission fees for foreign exchange purchases	682,780	-
Foreign investment professional fees	515,096	379,573
Directors' fees	355,588	285,012
Membership fees	230,537	391,886
Insurance	189,080	179,840
Legal fees	155,159	368,940
Donations	107,776	67,260
Audit fees	107,667	131,999
Freight charges	75,796	130,585
Surveys	75,647	56,193
Expected credit losses on financial instruments	61,453	56,852
Bank charges	63,231	70,897
Advertising	48,824	72,480
Subscriptions	45,000	57,660
Entertainment	41,778	29,630
Business continuity	37,723	31,893
Corporate communications	35,453	200,243
Books and publications	25,423	23,271
Firearm license and ammunition	24,866	27,987
Travel	17,193	62,939
	14,885,427	10,578,791

34. Related party transactions

The Bank considers a party to be related if control or significant influence over the Bank is exercised. The Bank's related parties include the Governor of the Central Bank, members of the Board of Directors (key management personnel) Government of Belize and other related public sector entities and the Bank's Defined Benefit Plan. Unless otherwise stated, none of the transactions include special terms and conditions and no guarantees were given or received.

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

34. Related party transactions (continued)

Transactions with key management personnel

Transactions with key management personnel includes short-term benefits, post employment benefits and termination benefits. The following is an analysis of these amounts.

	2025	2024
Short-term benefits	1,712,069	1,299,873
Termination benefits	233,819	206,256
	1,945,888	1,506,129

As part of its normal operations, the Bank also makes loans and advances to key management personnel. As at 31 December 2025, a total of \$525,518 (2024: \$193,567) was receivable from key management personnel as approved advances made by the Bank. No expected credit losses have been recognised in respect of loans given to related parties. The amount of collateral in respect of loans to related parties as at 31 December 2025 \$742,300 (2024: \$742,300). The Bank has a residential mortgage loan program for qualifying permanent staff. This facility is available for a maximum period of 25 years with a variable interest rate initially set at 0.50% (2024: 0.50%).

Transactions with the Government of Belize and public sector entities in Belize

Receivables and payables to the Government of Belize and other related public sector entities arise mainly from the Bank carrying out one of its key functions as a fiscal agent for all transactions with International financial institutions (Section 31, 33, 34 and 35 of the Central Bank of Belize Act Revised Edition 2020). Section 24 also permits the Bank to make direct advances to the Government of Belize. Below is an analysis of the transactions with the Government and other related public sector entities:

	01 January 2025	Disburse- ments	Deposits	31 December 2025
Social Security Board	(114,470)	188,710	(247,121)	(172,881)
Development Finance Corporation	(32,880)	15,110,348	(15,135,589)	(58,121)
Financial Intelligence Unit	(1,537,478)	3,121,721	(3,200,000)	(1,615,757)
Belize Tourism Board	(1,429,903)	17,017,783	(16,930,608)	(1,342,728)
Belize Electricity Limited	(24,925)	5,070,434	(5,070,434)	(24,925)
Belize City Council Sinking Fund	(1,510,595)	6,580,682	(5,070,087)	-
Belize Water Services Limited Sinking Fund	(17,541)	30,518,003	(30,658,822)	(158,360)
Financial Services Commission	(1,486,184)	-	-	(1,486,184)
Government of Belize (current account)	(47,961,352)	1,044,161,309	(1,036,353,053)	(40,153,096)
	(54,115,328)	1,121,768,990	(1,112,665,714)	(45,012,052)

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

34. Related party transactions (continued)

Transactions with the Government of Belize and public sector entities in Belize (continued)

	01 January 2024	Disburse- ments	Deposits	31 December 2024
Social Security Board	(3,569)	249,099	(360,000)	(114,470)
Development Finance Corporation	(94,637)	23,231,757	(23,170,000)	(32,880)
Financial Intelligence Unit	(1,051,277)	2,713,799	(3,200,000)	(1,537,478)
Belize Tourism Board	(1,795,148)	13,232,885	(12,867,640)	(1,429,903)
Belize Electricity Limited	(24,925)	4,134,793	(4,134,793)	(24,925)
Belize City Council Sinking Fund	(310,082)	85,000	(1,285,513)	(1,510,595)
Belize Water Services Limited Sinking Fund	(128)	20,969,178	(20,986,591)	(17,541)
Financial Services Commission	(1,786,184)	300,000	-	(1,486,184)
Government of Belize (current account)	(68,457,293)	714,867,790	(694,371,849)	(47,961,352)
	<u>(73,523,243)</u>	<u>779,784,300</u>	<u>(760,376,386)</u>	<u>(54,115,328)</u>

Transactions with the Central Bank of Belize Pension Scheme

The Bank accumulates the pension contributions for the Scheme's members and remits it to the Scheme on a monthly basis along with its own contributions. In addition, the Bank acts as an intermediary for payments of benefits to the Scheme's members and payment of professional fees. The Scheme periodically reimburses the Bank for such expenses.

In 2025, the total amount of contributions paid by the Bank to the Scheme amounted to \$1,527,810 (2024: \$1,451,328).

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

35. Analysis of financial assets and liabilities by measurement basis

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies on Note 2h describes how financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised. The following table analyses the financial assets and liabilities in the statement of financial position by the class of financial instrument to which they are assigned, and therefore by the measurement basis:

As at 31 December 2025	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Financial assets at fair value through other comprehensive income	Total
<u>Financial assets</u>				
Balances with foreign banks and foreign currency notes	-	15,322,159	-	15,322,159
Reserve Tranche and balances with the International Monetary Fund	-	-	119,559,267	119,559,267
Other foreign credit instruments	-	267,316,394	-	267,316,394
Cash-in-transit	-	250,058	-	250,058
Marketable securities issued or guaranteed by foreign governments and international financial institutions	-	704,662,137	-	704,662,137
Balances with local banks and cash on hand	-	2,780,374	-	2,780,374
Government of Belize securities	-	798,908,702	-	798,908,702
Other assets	-	12,822,313	-	12,822,313
Equity instruments	20,000,000	-	-	20,000,000
Total financial assets	20,000,000	1,802,062,138	119,559,267	1,941,621,404

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

35. Analysis of financial assets and liabilities by measurement basis (continued)

As at 31 December 2025		Financial assets at fair value through profit or loss	Financial assets at amortised cost	Total
<u>Financial liabilities</u>				
Notes and coins in circulation	-	781,338,779		781,338,779
Deposits by licensed financial institutions	-	800,640,750		800,640,750
Deposits by and balances due to Government and Public sector entities in Belize	-	134,081,504		134,081,504
Deposits by international agencies	-	214,632		214,632
Balances due to CARICOM central banks	-	10,000		10,000
Other liabilities	-	19,490,611		19,490,611
International Monetary Fund' SDR Allocations	-	119,646,305		119,646,305
Commercial banks' discount fund	-	1,654,034		1,654,034
Total financial liabilities	-	1,857,076,615		1,857,076,615
<hr/>				
As at 31 December 2024	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Financial assets at fair value through other compre- hensive income	Total
<u>Financial assets</u>				
Balances with foreign banks and foreign currency notes	-	7,292,750	-	7,292,750
Reserve Tranche and balances with the International	-	-	114,035,336	114,035,336
Other foreign credit instruments	-	242,776,768	-	242,776,768
Cash-in-transit	-	278,174	-	278,174
Marketable securities issued or guaranteed by foreign governments and managed by international financial institutions	-	617,749,419	-	617,749,419
Balances with local banks and cash on hand	-	1,839,142	-	1,839,142
Government of Belize securities	-	743,612,167	-	743,612,167
Other assets	-	10,713,656	-	10,713,656
Equity instruments	20,000,000	-	-	20,000,000
Total financial assets	20,000,000	1,624,262,075	114,035,336	1,758,297,411

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

35. Analysis of financial assets and liabilities by measurement basis (continued)

As at 31 December 2024	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Total
<u>Financial liabilities</u>			
Notes and coins in circulation	-	738,073,839	738,073,839
Deposits by licensed financial institutions	-	741,991,005	741,991,005
Deposits by and balances due to Government and Public sector entities in Belize	-	116,998,056	116,998,056
Deposits by international agencies	-	605,014	605,014
Balances due to CARICOM central banks	-	92,622	92,622
Other liabilities	-	14,421,125	14,421,125
International Monetary Fund' SDR Allocations	-	114,057,277	114,057,277
Commercial banks' discount fund	-	1,654,034	1,654,034
Total financial liabilities	-	1,727,892,973	1,727,892,973

36. Fair value measurement

Determination of fair value and fair value hierarchy

The Bank uses the following hierarchy for determining and disclosing their fair value of financial instruments by valuation technique:

Level 1: quotes (unadjusted prices in active markets for identical assets or liabilities).

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The Bank recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

36. Fair value measurement (continued)

Determination of fair value and fair value hierarchy (continued)

The following table provides the fair value measurement hierarchy of the Bank's assets and liabilities.

As at 31 December 2025	Notes	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVOCI</u>					
Reserve Tranche and balances with the International Monetary Fund	4	119,559,267	-	-	119,559,267
<u>Financial assets at FVTPL</u>					
Equity instruments	11	-	-	20,000,000	20,000,000
Total financial assets measured at fair value		119,559,267	-	20,000,000	139,559,267
As at 31 December 2024	Notes	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVOCI</u>					
Reserve Tranche and balances with the International Monetary Fund	4	114,035,336	-	-	114,035,336
<u>Financial assets at FVTPL</u>					
Equity instruments	11	-	-	20,000,000	20,000,000
Total financial assets measured at fair value		114,035,336	-	20,000,000	134,035,336

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

37. Financial risk management

By its nature, the Bank's activities are principally related to the use of financial instruments. The strategy for using these financial instruments is embedded in the mission of the Bank to foster an economic and financial environment conducive to sustainable economic growth and development.

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

- Credit risk
- Currency risk
- Liquidity risk
- Interest rate risk
- Operational risk

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. It has established two committees for this purpose:

- (i) Investment Committee, which is responsible for providing oversight on the conversion of investment strategy into performance, risk exposure for the Bank's Foreign Reserves, financial structure, and performance of the portfolio and investments.
- (ii) Audit Committee, which is responsible for monitoring compliance with the Bank's risk management policies and procedures and for reviewing the adequacy of the risk management framework in relation to the risks faced by the Bank. The Audit Committee is assisted in these functions by the Internal Audit Department. This department undertakes both regular and ad hoc reviews of management controls and procedures, the results of which are reported to the Board of Directors and the Audit Committee.

(i) Credit risk

The Bank is exposed to credit risk, which is the risk of loss arising from the failure of a borrower, issuer, counterparty or customer to meet its financial obligations to the Bank. Credit risk arises in the Bank's management of its financial assets, for example in the investment of the Bank's own funds and in the course of the banking services it provides to its customers and employees.

Credit risk is managed on a portfolio basis consisting of both foreign, local and internal designations. Credit risk in respect of foreign designations, are managed via diversification of investments and held by major reputable financial institutions. In respect of local securities, the Bank transacts primarily with or investments related to the Government of Belize. Internal designations are managed using internal policies of eligibility and security for employee loans.

Central Bank of Belize
Notes to the financial statements for the years ended 31 December 2025 and 2024
(in Belize dollars)

37. Financial risk management (continued)

(i) Credit risk (continued)

In measuring the expected credit losses, the Bank's foreign and local investments are considered to have low credit risk and the loss allowance recognised is based on the 12 months expected loss. Low credit risk are those with high-quality external credit ratings. The Bank has developed a model utilising external credit ratings to develop the probability of default (PD) against a loss given default of 25%.

Security

The Bank holds collaterals in respect of its internally designated financial assets as follows:

At 31 December 2025	Maximum exposure	Stamped value	Appraised value
Staff mortgage loans	8,893,035	11,836,224	16,034,357
Staff consumer loans (bills of sale)	913,939	1,324,409	1,359,000
Staff consumer loans (regular)	1,626,875	-	-
	11,433,849	13,160,633	17,393,357

At 31 December 2024	Maximum exposure	Stamped value	Appraised value
Staff mortgage loans	7,214,454	10,041,724	13,905,359
Staff consumer loans (bills of sale)	789,735	1,079,109	1,083,900
Staff consumer loans (regular)	2,405,086	-	-
	10,409,275	11,120,833	14,989,259

Significant increase in credit risk

The Bank continuously monitors all assets subject to ECL's. The Bank assesses whether there has been a significant increase in credit risk since initial recognition to determine whether a financial instrument is subject to 12 months ECL or life-time ECL.

Central Bank of Belize
Notes to the financial statements for the years ended 31 December 2025 and 2024
(in Belize dollars)

37. Financial risk management (continued)

(i) Credit risk (continued)

Significant increase in credit risk (continued)

The following table details the gross carrying amounts and the corresponding ECL's by stage:

As at 31 December 2025	Notes	Level 1	Level 2	Level 3	Total
Other foreign credit instruments		267,341,508	-	-	267,341,508
Expected credit loss	5	(25,114)	-	-	(25,114)
		267,316,394	-	-	267,316,394
Marketable securities issued or guaranteed by foreign governments and managed by foreign financial institutions		704,748,538	-	-	704,748,538
Expected credit loss	7	(86,402)	-	-	(86,402)
		704,662,137	-	-	704,662,137
Other assets		12,823,456	-	-	12,823,456
Expected credit loss	10	(1,143)	-	-	(1,143)
		12,822,313	-	-	12,822,313
Total net amounts		984,800,844	-	-	984,800,844
ECL as a % of carrying amounts		0.01%	-	-	0.01%

Central Bank of Belize
Notes to the financial statements for the years ended 31 December 2025 and 2024
(in Belize dollars)

37. Financial risk management (continued)

(i) Credit risk (continued)

Significant increase in credit risk (continued)

As at 31 December 2024	Notes	Level 1	Level 2	Level 3	Total
Other foreign credit instruments	5	242,810,484	-	-	242,810,484
Expected credit loss		(33,716)	-	-	(33,716)
		242,776,768	-	-	242,776,768
Marketable securities issued or guaranteed by foreign governments and managed by foreign financial institutions	7	617,765,869	-	-	617,765,869
Expected credit loss		(16,450)	-	-	(16,450)
		617,749,419	-	-	617,749,419
Other assets	10	10,761,116	-	-	10,761,116
Expected credit loss		(47,460)	-	-	(47,460)
		10,713,656	-	-	10,713,656
Total net amounts		871,239,843	-	-	871,239,843
ECL as a % of carrying amounts		0.01%	-	-	0.01%

Geographical concentration

The following tables break down the Bank's main credit exposure at their carrying amounts, as categorised by geographical regions as of 31 December 2025 and 31 December 2024. The Bank has allocated exposure to regions based on the country of domicile of the counterparties.

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

37. Financial risk management (continued)

(i) Credit risk (continued)

Geographical concentration (continued)

As at 31 December 2025

Financial assets	Belize	USA	Canada	UK	Europe	Dominica	Total
Balances with foreign banks and foreign currency notes	9,031,690	3,440,990	157,228	1,297,394	1,394,857	-	15,322,159
Reserve Tranche and balances with the International Monetary Fund	-	119,559,267	-	-	-	-	119,559,267
Other foreign credit instruments	-	244,570,920	-	22,745,474	-	-	267,316,394
Cash-in-transit	-	250,058	-	-	-	-	250,058
Marketable securities issued or guaranteed by foreign governments and managed by foreign financial institutions	-	703,605,192	-	-	-	1,056,945	704,662,137
Balances with local banks and cash on hand	2,780,374	-	-	-	-	-	2,780,374
Government of Belize securities	798,908,702	-	-	-	-	-	798,908,702
Other assets	12,822,313	-	-	-	-	-	12,822,313
Equity instruments	20,000,000	-	-	-	-	-	20,000,000
	843,543,080	1,071,426,427	157,228	24,042,868	1,394,857	1,056,945	1,941,621,405

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

37. Financial risk management (continued)

(i) Credit risk (continued)

Geographical concentration (continued)

As at 31 December 2025 (continued)

Financial liabilities	Belize	USA	Barbados	Jamaica	Guyana	Trinidad & Tobago	Total
Notes and coins in circulation	781,338,779	-	-	-	-	-	781,338,779
Deposits by licensed financial institutions	800,640,750	-	-	-	-	-	800,640,750
Deposits by and balances due to Government and Public sector entities in Belize	134,081,504	-	-	-	-	-	134,081,504
Deposits by international agencies	-	185,922	28,711	-	-	-	214,632
Balances due to CARICOM central banks	-	-	-	10,000	-	-	10,000
Short term credit facility	-	60,000,000	-	-	-	-	60,000,000
Other liabilities	19,490,611	-	-	-	-	-	19,490,611
International Monetary Fund' SDR Allocations	-	119,646,305	-	-	-	-	119,646,305
Commercial banks' discount fund	-	1,654,034	-	-	-	-	1,654,034
	1,735,551,644	181,486,261	28,711	10,000	-	-	1,917,076,615

Central Bank of Belize
Notes to the financial statements for the years ended 31 December 2025 and 2024
(in Belize dollars)

37. Financial risk management (continued)

(i) Credit risk (continued)

Geographical concentration (continued)

As at 31 December 2024

Financial assets	Belize	USA	Canada	UK	Europe	Dominica	Total
Balances with foreign banks and foreign currency notes	626,056	4,665,259	60,250	659,681	1,281,503	-	7,292,750
Reserve Tranche and balances with the International Monetary Fund	-	114,035,336	-	-	-	-	114,035,336
Other foreign credit instruments	-	200,953,292	-	41,823,476	-	-	242,776,768
Cash-in-transit	-	278,174	-	-	-	-	278,174
Marketable securities issued or guaranteed by foreign governments and managed by foreign financial institutions	-	616,529,869	-	-	-	1,219,550	617,749,419
Balances with local banks and cash on hand	1,839,142	-	-	-	-	-	1,839,142
Government of Belize securities	743,612,167	-	-	-	-	-	743,612,167
Other assets	10,713,656	-	-	-	-	-	10,713,656
Equity instruments	20,000,000	-	-	-	-	-	20,000,000
	776,791,020	936,461,930	60,250	42,483,157	1,281,503	1,219,550	1,758,297,411

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

37. Financial risk management (continued)

(i) Credit risk (continued)

Geographical concentration (continued)

As at 31 December 2024 (continued)

Financial liabilities	Belize	USA	Barbados	Jamaica	Guyana	Trinidad & Tobago	Total
Notes and coins in circulation	738,073,839	-	-	-	-	-	738,073,839
Deposits by licensed financial institutions	741,991,005	-	-	-	-	-	741,991,005
Deposits by and balances due to Government and public sector entities in Belize	116,998,056	-	-	-	-	-	116,998,056
Deposits by international agencies	-	206,273	398,741	-	-	-	605,014
Balances due to CARICOM central banks	-	-	-	81,200	11,422	-	92,622
Other liabilities	14,421,125	-	-	-	-	-	14,421,125
International Monetary Fund SDR allocations	-	114,057,277	-	-	-	-	114,057,277
Commercial banks' discount fund	-	1,654,034	-	-	-	-	1,654,034
	1,611,484,025	115,917,584	398,741	81,200	11,422	-	1,727,892,973

(ii) Currency risk

Currency risk is the risk that the market value of, or cash flow from, financial instruments will vary because of exchange rate fluctuations. The Bank takes on exposure to fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. Because of its conservative nature, the Bank's exposure is limited since a significant portion of its external assets are held in US funds and in SDR funds necessary to meet Belize's quota with the IMF and SDR allocations. Other external asset funds are kept at a minimum. Management seeks to manage this risk by monitoring the levels of exposure by currency.

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

37. Financial risk management (continued)

(ii) Currency risk (continued)

As at 31 December 2025

Financial assets	BZD	USD	SDR	EUR	CAD	GBP	Total
Balances with foreign banks and foreign currency notes	-	14,436,377		613,784	157,228	114,770	15,322,159
Reserve Tranche and balances with the International Monetary Fund	-	-	119,559,267	-	-	-	119,559,267
Other foreign credit instruments	-	267,316,394	-	-	-	-	267,316,394
Cash-in-transit		250,058					250,058
Marketable securities issued or guaranteed by foreign governments and managed by foreign financial institutions	-	704,662,137	-	-	-	-	704,662,137
Balances with local banks and cash on hand	2,780,374	-	-	-	-	-	2,780,374
Government of Belize securities	798,908,702	-	-	-	-	-	798,908,702
Other assets	12,822,313	-	-	-	-	-	12,822,313
Equity instruments	20,000,000	-	-	-	-	-	20,000,000
	834,511,390	986,664,966	119,559,267	613,784	157,228	114,770	1,941,621,404

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

37. Financial risk management (continued)

(ii) Currency risk (continued)

As at 31 December 2025 (continued)

Financial liabilities	BZD	USD	SDR	EUR	CAD	GBP	Total
Notes and coins in circulation	781,338,779	-	-	-	-	-	781,338,779
Deposits by licensed financial institutions	800,640,750	-	-	-	-	-	800,640,750
Deposits by and balances due to Government and Public sector entities in Belize	119,297,552	14,783,953	-	-	-	-	134,081,505
Deposits by international agencies	-	29,251	185,381	-	-	-	214,632
Balances due to CARICOM central banks	-	10,000	-	-	-	-	10,000
Short term credit facility	-	60,000,000	-	-	-	-	60,000,000
Other liabilities	19,490,611	-	-	-	-	-	19,490,611
International Monetary Fund' SDR Allocations	-	-	119,646,305	-	-	-	119,646,305
Commercial banks' discount fund	1,654,034	-	-	-	-	-	1,654,034
	1,722,421,726	74,823,204	119,831,686	-	-	-	1,917,076,616
Net currency position	(887,910,336)	911,841,761	(272,420)	613,784	157,228	114,770	24,544,788

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

37. Financial risk management (continued)

(ii) Currency risk (continued)

As at 31 December 2024

Financial assets	BZD	USD	SDR	EUR	CAD	GBP	Total
Balances and deposits with foreign banks	-	6,682,784		532,350	60,250	17,366	7,292,750
Reserve Tranche and balances with the International Monetary Fund	-	-	114,035,336	-	-	-	114,035,336
Other foreign credit instruments	-	242,776,768	-	-	-	-	242,776,768
Cash-in-transit	-	278,174	-	-	-	-	278,174
Marketable securities issued or guaranteed by foreign governments and managed by foreign financial institutions	-	617,749,419	-	-	-	-	617,749,419
Balances with local banks and cash on hand	1,839,142	-	-	-	-	-	1,839,142
Government of Belize securities	743,612,167	-	-	-	-	-	743,612,167
Other assets	10,713,656	-	-	-	-	-	10,713,656
Equity instruments	20,000,000	-	-	-	-	-	20,000,000
	776,164,964	867,487,146	114,035,336	532,350	60,250	17,366	1,758,297,411

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

37. Financial risk management (continued)

(ii) Currency risk (continued)

As at 31 December 2024 (continued)

Financial liabilities	BZD	USD	SDR	EUR	CAD	GBP	Total
Notes and coins in circulation	738,073,839	-	-	-	-	-	738,073,839
Deposits by licensed financial institutions	741,991,005	-	-	-	-	-	741,991,005
Deposits by and balances due to Government and public sector entities in Belize	112,334,968	4,663,088	-	-	-	-	116,998,056
Deposits by international agencies	-	428,481	176,533	-	-	-	605,014
Balances due to CARICOM central banks	-	92,622	-	-	-	-	92,622
Other liabilities	14,421,125	-	-	-	-	-	14,421,125
International Monetary Fund SDR allocations	-	-	114,057,277	-	-	-	114,057,277
Commercial banks' discount fund	1,654,034	-	-	-	-	-	1,654,034
	1,608,474,971	5,184,191	114,233,810	-	-	-	1,727,892,972
Net currency position	(832,310,007)	862,302,955	(198,474)	532,350	60,250	17,366	30,404,440

Central Bank of Belize**Notes to the financial statements for the years ended 31 December 2025 and 2024**

(in Belize dollars)

37. Financial risk management (continued)**(ii) Currency risk (continued)****Statement of revaluation as at 31 December 2025**

	Foreign currency	Year-end rate	Belize dollar value
Euro Dollar Fund	261,296	2.34900	613,784
Canadian Fund	107,705	1.45980	157,228
SDR Fund	43,457,206	2.73901	119,029,548
USD Fund	493,116,607	2.00000	986,233,213
Sterling Fund	42,650	2.69100	114,770
Belize Dollar Fund	(1,105,204,285)	1.00000	(1,105,204,285)
Revaluation gain for the year	-	-	944,258
Revaluation balance as at 01 January 2025	-	-	313,456
Increase in revaluation	-	-	944,258
Revaluation balance as at 31 December 2025	-	-	1,257,714

Central Bank of Belize
Notes to the financial statements for the years ended 31 December 2025 and 2024
(in Belize dollars)

37. Financial risk management (continued)

(ii) Currency risk (continued)

Statement of revaluation as at 31 December 2024

	Foreign currency	Year-end rate	Belize dollar value
Euro Dollar Fund	256,283	2.07720	532,350
Canadian Fund	43,376	1.38900	60,250
SDR Fund	43,720,696	2.60827	114,035,336
USD Fund	433,944,354	2.00000	867,888,707
Sterling Fund	6,928	2.50660	17,366
Belize Dollar Fund	(982,386,406)	1.00000	(982,386,406)
Revaluation loss for the year	-	-	147,603
Revaluation balance as at 01 January 2024	-	-	165,853
Decrease in revaluation	-	-	147,603
Revaluation balance as at 31 December 2024	-	-	313,456

The following table demonstrates the sensitivity of profit and equity to a reasonably possible change in the foreign exchange rates, with all other variables held constant.

A 10% strengthening of the Belize dollar against the following currencies as at 31 December would have increased/(decreased) equity and profit or loss by the following amounts (in \$BZD'000):

Central Bank of Belize**Notes to the financial statements for the years ended 31 December 2025 and 2024**

(in Belize dollars)

37. Financial risk management (continued)**(ii) Currency risk (continued)**

	2025		2024	
	Profit or loss Effect of 10% increase/(decrease)	Equity Effect of 10% increase/(decrease)	Profit or loss Effect of 10% increase/(decrease)	Equity Effect of 10% increase/(decrease)
Financial assets				
SDR	-	27	-	44
CAD	-	16	-	6
EUR	-	61	-	53
USD	-	-	-	-
GBP	-	11	-	2
	-	115	-	105

(iii) Interest rate risk

Interest rate risk arises from the possibility that changes in market interest rates will affect the future cash flows or fair values of financial instruments. CBB's objective in the management of interest rate risk is to reduce the sensitivity of its earnings and overall portfolio value to variations in interest rates. The strategy employed to achieve this involves keeping a significant portion of all financial assets in Belize and United States dollars. The only other major category is Special Drawing Rights (SDRs) that are necessary to meet Belize's requirements and quota with the IMF. Other financial assets are kept at a minimum.

Central Bank of Belize
Notes to the financial statements for the years ended 31 December 2025 and 2024
(in Belize dollars)

37. Financial risk management (continued)

(iii) Interest rate risk (continued)

The following tables present interest rate gap analysis in BZD'000.

As at 31 December 2025	On demand/less than 1 month	1-3 Months	3-6 Months	6-12 Months	1-5 Years	Over 5 years	Total
Rate sensitive assets							
Fixed deposits	-	-	428	856	-	-	1,285
Treasury bills	-	-	-	-	-	-	-
Treasury notes	-	-	1,013	2,700	4,388	6,076	14,177
Bonds	-	-	-	-	-	3,867	3,867
Debenture	-	-	-	-	-	1	1
Reserve Tranche and balances with the International Monetary Fund	-	-	-	-	-	234	234
Total rate sensitive assets	-	-	1,441	3,557	4,388	10,177	19,563
Rate sensitive liabilities							
International Monetary Fund' SDR Allocations	-	-	-	-	-	239	239
Total rate sensitive liabilities	-	-	-	-	-	239	239
Interest sensitivity surplus	-	-	1,441	3,557	4,388	9,938	19,324

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

37. Financial risk management (continued)

(iii) Interest rate risk (continued)

As at 31 December 2024	On demand/less than 1 month	1-3 Months	3-6 Months	6-12 Months	1-5 Years	Over 5 years	Total
Rate sensitive assets							
Fixed deposits	-	-	514	1,029	-	-	1,543
Treasury bills	-	-	-	-	-	-	-
Treasury notes	-	-	855	2,279	3,703	5,127	11,963
Bonds	-	-	-	-	2,352	-	2,352
Debenture	-	-	-	-	-	1	1
Reserve Tranche and balances with the International Monetary Fund	-	-	-	-	-	964	964
Total rate sensitive assets	-	-	1,369	3,307	6,055	6,092	16,823
Rate sensitive liabilities							
International Monetary Fund' SDR Allocations	-	-	-	-	-	2,042	2,042
Total rate sensitive liabilities	-	-	-	-	-	2,042	2,042
Interest sensitivity surplus	-	-	1,369	3,307	6,055	4,050	14,781

Central Bank of Belize
Notes to the financial statements for the years ended 31 December 2025 and 2024
(in Belize dollars)

37. Financial risk management (continued)

(iii) Interest rate risk (continued)

The table below analyses the average interest rates for the Bank's foreign deposit accounts and investments.

	2025	2024
Balances and deposits with foreign banks	3.39%	4.52%
Other foreign credit instruments - fixed deposits	4.01%	5.02%
Other foreign credit instruments - overnight deposits	4.12%	5.11%
Marketable securities - US Treasury notes	2.65%	2.99%
Marketable securities - bonds	4.30%	3.37%
Marketable securities - debentures	3.50%	3.50%

(iv) Liquidity risk

Liquidity risk is the risk that the Bank will not be able to meet its financial liabilities as they fall due. Prudent liquidity management requires maintaining sufficient cash and marketable securities, and ensuring the availability of funding through an adequate amount of committed standby credit facilities to meet commitments.

IFRS 7 requires an analysis of the Bank's assets and liabilities at the Statements of Financial Position date into relevant maturity groupings based on the remaining period to the contractual maturity date. This requirement is not relevant to the Central Bank which is the ultimate source of Belize dollar liquidity. In managing the foreign currency liquidity risk, the Bank makes every effort to hold appropriate cash balances by forecasting and monitoring liquidity through cash flow matching and holding a portfolio of liquid foreign exchange reserves. The table below analyses the Bank's assets into relevant maturity grouping based on the remaining period at the statements of financial position date to the contractual maturity date.

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

37. Financial risk management (continued)

(iv) Liquidity risk (continued)

As 31 December 2025

Financial assets	On demand/less than 1 month	1-3 Months	4-6 Months	6-12 Months	1-5 Years	Over 5 years	Total
Balances with foreign banks and foreign currency notes	15,322,159	-	-	-	-	-	15,322,159
Reserve Tranche and balances with the International Monetary Fund	-	-	-	-	-	119,559,267	119,559,267
Other foreign credit instruments	92,721,561	71,528,605	47,730,872	55,335,355	-	-	267,316,394
Cash-in-transit	250,058	-	-	-	-	-	250,058
Marketable securities issued or guaranteed by foreign governments and managed by foreign financial institutions	-	-	-	-	221,121,697	483,540,439	704,662,137
Balances with local banks and cash on hand	2,780,374	-	-	-	-	-	2,780,374
Government of Belize securities	9,996,890	232,523,467	73,634,793	270,930,624	197,153,558	14,669,370	798,908,702
Other assets	-	-	-	12,822,313	-	-	12,822,313
Equity instruments	-	-	-	-	-	20,000,000	20,000,000
Total	121,071,042	304,052,073	121,365,665	339,088,292	418,275,255	637,769,076	1,941,621,404

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

37. Financial risk management (continued)

(iv) Liquidity risk (continued)

As 31 December 2025 (continued)

Financial liabilities	On demand/less than 1 month	1-3 Months	4-6 Months	6-12 Months	1-5 Years	Over 5 years	Total
Notes and coins in circulation	-	-	-	-	-	781,338,779	781,338,779
Deposits by licensed financial institutions	-	-	-	800,640,750	-	-	800,640,750
Deposits by and balances due to Government and public sector entities in Belize	-	134,081,504	-	-	-	-	134,081,504
Deposits by international agencies	-	214,632	-	-	-	-	214,632
Balances due to CARICOM central banks	10,000	-	-	-	-	-	10,000
Short term credit facility	-	-	60,000,000	-	-	-	60,000,000
Other liabilities	-	-	-	19,490,611	-	-	19,490,611
International Monetary Fund SDR allocations	-	-	-	-	-	119,646,305	119,646,305
Commercial banks' discount fund	-	-	-	-	-	1,654,034	1,654,034
Total	10,000	134,296,137	60,000,000	820,131,361	-	902,639,118	1,917,076,615
Net liquidity position	121,061,042	169,755,936	61,365,665	(481,043,069)	418,275,255	(264,870,041)	24,544,788

Central Bank of Belize
Notes to the financial statements for the years ended 31 December 2025 and 2024
(in Belize dollars)

37. Financial risk management (continued)

(iv) Liquidity risk (continued)

As 31 December 2024

Financial assets	On demand/less than 1 month	1-3 Months	4-6 Months	6-12 Months	1-5 Years	Over 5 years	Total
Balances with foreign banks and foreign	7,292,750	-	-	-	-	-	7,292,750
Reserve Tranche and balances with the International Monetary Fund	-	-	-	-	-	114,035,336	114,035,336
Other foreign credit instruments	55,623,463	68,462,184	65,676,531	53,014,590	-	-	242,776,768
Cash-in-transit	278,174	-	-	-	-	-	278,174
Marketable securities issued or guaranteed by foreign governments and managed by foreign	-	-	-	-	435,735,923	182,013,496	617,749,419
Balances with local banks and cash on hand	1,839,142	-	-	-	-	-	1,839,142
Government of Belize securities	65,360,520	223,697,705	75,325,528	122,075,228	182,240,727	74,912,459	743,612,167
Other assets	-	-	-	10,713,656	-	-	10,713,656
Equity instruments	-	-	-	-	-	20,000,000	20,000,000
Total	130,394,049	292,159,889	141,002,059	185,803,474	617,976,650	390,961,291	1,758,297,412

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

37. Financial risk management (continued)

(iv) Liquidity risk (continued)

As 31 December 2024 (continued)

Financial liabilities	On demand/less than 1 month	1-3 Months	4-6 Months	6-12 Months	1-5 Years	Over 5 years	Total
Notes and coins in circulation	-	-	-	-	-	738,073,839	738,073,839
Deposits by licensed financial institutions	-	-	-	741,991,005	-	-	741,991,005
Deposits by and balances due to Government and public sector entities in Belize	-	116,998,056	-	-	-	-	116,998,056
Deposits by international agencies	-	605,014	-	-	-	-	605,014
Balances due to CARICOM central banks	92,622	-	-	-	-	-	92,622
Other liabilities	-	-	-	14,421,125	-	-	14,421,125
International Monetary Fund SDR allocations	-	-	-	-	-	114,057,277	114,057,277
Commercial banks' discount fund	-	-	-	-	-	1,654,034	1,654,034
Total	92,622	117,603,070	-	756,412,130	-	853,785,150	1,727,892,973
Net liquidity position	130,301,427	174,556,819	141,002,059	(570,608,657)	617,976,650	(462,823,859)	30,404,439

Central Bank of Belize

Notes to the financial statements for the years ended 31 December 2025 and 2024

(in Belize dollars)

37. Financial risk management (continued)

(v) Operational risk

The Bank is exposed to operational risk which can lead to financial losses through error, fraud or inefficiencies. The Bank mitigates this risk by constantly revisiting internal controls, adhering to its fraud policy and reliance on the internal audit function.

38. Commitments and contingencies

(i) Claims and litigations

The Bank is subject to certain legal proceedings and claims that arise in the ordinary course of business operations. Management believes that the amount of liability, if any, from these actions would not have a material effect on the financial statement of the Bank.

(ii) Printing of notes and minting of coins

The Bank commits to order currency from several minters and printers. As at 31 December, the Bank was committed to the following payments for currency:

	<u>2025</u>	<u>2024</u>
Not later than one year	<u>15,125,498</u>	<u>5,595,455</u>

39. Subsequent events

In February 2026, the Bank repaid its existing short-term credit facility held with Raymond James & Associates, Inc. (Note 19). In the same month the Bank acquired another short-term credit facility from a different financial institution for \$30 million with a rate based on the Federal Fund Rate plus 1%. The credit facility does not have a fixed maturity date; however, the Bank expects to repay this credit facility in full during the fiscal year 2026.

Subsequent events have been evaluated through 22 April 2026. 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.

Moore Belize LLP
3 ½ Miles Philip Goldson Highway
Belize City, Belize, C.A.

T +501 223 2144 +501 223 2139
E info@moore-belize.bz
W www.moore-belize-bz

