Social Security Board

Financial Statements for the year ended December 31, 2025 and Independent Auditors' Report

SOCIAL SECURITY BOARD

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INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS
SOCIAL SECURITY BOARD

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Social Security Board, which comprise the statement of financial position as of December 31, 2025 and the statement of profit, the statement of comprehensive income, statement of changes in reserve, and statement of cash flows for the year then ended and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the statement of financial position of Social Security Board as of December 31, 2025 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), and requirement of the Financial and Accounting Regulations of the Social Security Act, Chapter 44.

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 Social Security Board in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code) which are the ethical requirements relevant to Belize and we have fulfilled our ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management and the Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

INDEPENDENT AUDITOR'S REPORT (continued)

Responsibilities of Management and the Directors for the Financial Statements (continued)

In preparing the financial statements, management is responsible for assessing Social Security Board'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 Social Security Board or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, the directors and management, are responsible for overseeing the Social Security Board'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 is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Social Security Board'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 Social Security Board's ability to continue as a going concern. If we conclude that a material uncertainty

INDEPENDENT AUDITOR'S REPORT (continued)

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

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 Social Security Board to cease to continue as a going concern; and

- 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.

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

PKF Belize

PKF Belize
Chartered Accountants
Belize City

July 31, 2026

SOCIAL SECURITY BOARD

STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED DECEMBER 31, 2025 (IN BELIZE DOLLARS)

ASSETS	**Notes**		2025		2024
CURRENT ASSETS:					
Cash and cash equivalents	2g. 2h. 4.		**262,394,613**		204,842,582
Short term investments	2g. 2i. 5.		**68,606,312**		40,515,059
Investment income receivable	2g. 6.		**2,322,422**		2,267,455
Office supplies	2j. 2r.		**3,326,386**		1,596,441
Accounts receivable	2g. 2k. 7.		**6,488,903**		4,462,519
Prepayments	2l.		**859,291**		605,026
Loan principal receivable current portion	2g. 10.		**5,686,344**		5,304,794
Total current assets			**349,684,271**		259,593,876
NON-CURRENT ASSETS:					
Investments in associates	2m. 8.		**208,738,303**		213,355,512
Long term investments	2g. 9.		**152,545,435**		189,703,885
Loan principal receivable - net	2g. 10.		**63,868,874**		57,176,449
Other assets	2r. 11.		**880,800**		900,000
Intangible assets - net	2n. 2r. 12.		**8,654,778**		7,233,040
Investment property - net	2o. 2p. 2r. 13.		**21,166,370**		21,554,710
Property and equipment - net	2q. 2r. 14.		**22,319,608**		23,480,263
Total non-current assets			**478,174,168**		513,403,859
TOTAL ASSETS		$	**827,858,439**	$	772,997,735
LIABILITIES AND RESERVES					
LIABILITIES:					
CURRENT LIABILITIES:					
Accounts payable and accruals	2g. 15.		**7,378,305**		8,916,941
Total current liabilities			**7,378,305**		8,916,941
NON-CURRENT LIABILITIES:					
Pension liability	2s. 17.		**4,393,349**		3,306,688
Severance liability	2t. 16.		**5,992,230**		4,327,892
Total long term liabilities			**10,385,579**		7,634,580
Total liabilities			**17,763,884**		16,551,521
RESERVES:					
Short term contingency reserve	2u.		**45,857,143**		35,445,479
Long term benefits reserve	2u.		**569,408,265**		546,217,291
Employment injury benefit reserve	2u.		**149,256,636**		137,904,386
Disablement and death benefits reserve	2u.		**9,599,988**		10,712,655
National health insurance fund			**34,396,721**		25,412,624
Natural disaster fund			**1,301,076**		1,051,076
Social development account			**4,668,075**		3,009,391
Pension reserve	2s. 17.		**(4,393,349)**		(3,306,688)
Total reserves			**810,094,555**		756,446,214
TOTAL LIABILITIES AND RESERVES		$	**827,858,439**	$	772,997,735

The financial statements on page 4 to 9 were approved and authorized for issue by the Board of Directors on July 31, 2026 and are signed on its behalf by:

The notes on pages 10 to 41 are an integral part of these financial statements.

SOCIAL SECURITY BOARD

STATEMENT OF INCOME AND EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2025 (IN BELIZE DOLLARS)

	Notes	2025	2024
INCOME	2v.		
Contributions:			
Employers and employed persons		**190,640,007**	179,436,478
Other income:			
Net investment income	18.	**16,722,709**	23,947,042
Other income – net	19.	**3,573,871**	3,098,471
Other income – NHI Fund		**214,495**	234,832
GOB contribution to NHI Fund	2w. 20.	**46,250,000**	33,500,000
Total other income		**66,761,075**	60,780,345
TOTAL INCOME		**257,401,082**	240,216,823
EXPENDITURES			
Benefits:	2x.		
Short term benefits branch		**22,008,438**	24,691,737
Long term benefits branch		**105,988,949**	96,612,909
Employment injury benefits branch		**4,858,264**	5,571,935
Disablement and death benefits		**2,511,525**	2,483,784
National Health Insurance benefits		**35,372,114**	26,221,980
Total benefits		**170,739,290**	155,582,345
Operating expenses:			
Administration	21.	**27,932,301**	25,515,705
Establishment	22.	**1,295,725**	1,683,267
Financial		**1,033,994**	929,352
NHI operating expenses	23.	**2,108,285**	1,876,332
Staff pension		**72,127**	129,774
Total operating expenditures		**32,442,432**	30,134,430
TOTAL EXPENDITURES		**203,181,722**	185,716,775
EXCESS OF INCOME OVER EXPENDITURES		**$ 54,219,360**	$ 54,500,048

The notes on pages 10 to 41 are an integral part of these financial statements.

SOCIAL SECURITY BOARD

STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2025 (IN BELIZE DOLLARS)

	Notes	2025	2024
EXCESS OF INCOME OVER EXPENDITURES		**54,219,360**	54,500,048
OTHER COMPREHENSIVE INCOME:	2u.		
APV disablement benefits		**1,043,235**	1,211,400
APV death benefits		**110,313**	821,527
		1,153,548	2,032,927
Actuarial (loss) on defined benefits plan	17.	**(1,014,534)**	(539,863)
Total other comprehensive income		**139,014**	1,493,064
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**$ 54,358,374**	$ 55,993,112

The notes on pages 10 to 41 are an integral part of these financial statements.

SOCIAL SECURITY BOARD

STATEMENT OF CHANGES IN RESERVES
YEAR ENDED DECEMBER 31, 2025 (IN BELIZE DOLLARS)

	Short term Benefits Branch	Long term Benefits Branch	Employment Injury Benefits Branch	Disablement and Death Benefits Reserve	National Health Insurance Fund	Natural Disaster Fund	Social Development Assistance Account	Pension Reserve	Total
Balance, December 31, 2024	**35,445,479**	**546,217,291**	**137,904,386**	**10,712,655**	**25,412,624**	**1,051,076**	**3,009,391**	**(3,306,688)**	**756,446,214**
Transfer to Social Development Account and Natural Disaster Fund	-	-	(2,618,717)	-	-	250,000	2,368,717	-	-
Social Development Assistance Fund Expenditures	-	-	-	-	-	-	(710,033)	-	(710,033)
Natural Disaster Fund Expenditures	-	-	-	-	-	-	-	-	-
Excess of income over expenditures / (expenditures over income)	10,411,664	23,190,974	13,970,967	(2,266,215)	8,984,097	-	-	(72,127)	54,219,360
Other Comprehensive Income	-	-	-	1,153,548	-	-	-	(1,014,534)	139,014
Balance, December 31, 2025 $	**45,857,143**	**569,408,265**	**149,256,636**	**9,599,988**	**34,396,721**	**1,301,076**	**4,668,075**	**(4,393,349)**	**810,094,555**

The notes on pages 10 to 41 are an integral part of these financial statements.

STATEMENT OF CHANGES IN RESERVES (CONTINUED)
YEAR ENDED DECEMBER 31, 2025 (IN BELIZE DOLLARS)

	Short term Contingency Reserve	Long term Benefits Reserve	Employment Injury Benefits Reserve	Disablement and Death Benefits	National Health Insurance	Natural Disaster Fund	Social Development Account	Pension Reserve	Total
Balance, December 31, 2023	29,734,455	514,218,446	126,907,024	10,784,634	19,776,104	801,076	1,854,966	(2,637,051)	701,439,654
Transfer to Social Development and Natural Disaster Fund	-	-	(2,390,977)	-	-	250,000	2,140,977	-	-
Social Development Assistance Fund Expenditures	-	-	-	-	-	-	(986,552)	-	(986,552)
Natural Disaster Fund Expenditures	-	-	-	-	-	-	-	-	-
Excess of income over expenditures / (expenditures over income)	5,711,024	31,998,845	13,388,339	(2,104,906)	5,636,520	-	-	(129,774)	54,500,048
Other Comprehensive Income	-	-	-	2,032,927	-	-	-	(539,863)	1,493,064
Balance, December 31, 2024 $	35,445,479	546,217,291	137,904,386	10,712,655	25,412,624	1,051,076	3,009,391	(3,306,688)	756,446,214

The notes on pages 10 to 41 are an integral part of these financial statements.

SOCIAL SECURITY BOARD

STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2025 (IN BELIZE DOLLARS)

	Notes	2025	2024
OPERATING ACTIVITIES			
Excess of income over expenditures		**54,219,360**	54,500,048
Adjustments to reconcile excess of income over expenditures to net cash provided by operating activities:			
Actuarial present value provision		**1,153,548**	2,032,927
Amortization expense		**1,221,774**	862,483
Depreciation expense		**1,754,232**	2,555,942
Interest income		**(17,040,507)**	(18,443,957)
(Gain) on disposal of property and equipment		**(22,306)**	(27,273)
(Gain) on disposal of investment property		**(62,745)**	-
Expected credit losses		**923,881**	(1,660,835)
Service cost of defined benefit plan		**(748,512)**	(615,656)
Severance expense	16.	**1,945,321**	417,149
Net interest on defined benefit liability		**820,639**	745,430
Result from equity accounted investments		**197,209**	(5,648,796)
Operating gain before working capital changes		**44,361,894**	34,717,462
Net changes in working capital:			
Office supplies		**(1,729,945)**	(866,135)
Accounts receivable		**(2,862,708)**	(2,132,733)
Prepayments		**(254,265)**	202,878
Other assets		**19,200**	67,200
Accounts payable and accruals		**(1,538,636)**	(10,620,733)
Cash provided by operating activities		**37,995,540**	21,367,939
Severance paid	16.	**(280,983)**	(62,162)
Net cash provided by operating activities		**37,714,557**	21,305,777
INVESTING ACTIVITIES			
Long term investments		**37,158,450**	(13,626,944)
Loan principal receivable		**(7,134,785)**	14,198,156
Short term investments		**(28,091,253)**	(7,660,817)
Additions to property and equipment, net of reclassifications	14.	**(172,601)**	1,510,060
Additions to investment property	13.	**(54,815)**	(68,327)
Increase in intangible asset	12.	**(2,643,512)**	(3,502,356)
Proceeds from disposal of property and equipment		**32,230**	32,400
Proceeds from disposal of investment property		**75,000**	-
Interest received		**16,646,621**	34,600,880
Dividends received		**4,732,172**	4,132,746
Net cash provided by investing activities		**20,547,507**	29,615,798
FINANCING ACTIVITIES			
Disbursements from social development fund		**(710,033)**	(986,552)
Net cash used in financing activities		**(710,033)**	(986,552)
Net increase in cash and cash equivalents		**57,552,031**	49,935,023
Cash and cash equivalents, January 1		**204,842,582**	154,907,559
Cash and cash equivalents, December 31		**$ 262,394,613**	$ 204,842,582

The notes on pages 10 to 41 are an integral part of these financial statements.

1. STATUS

Social Security Board (Board/SSB) is a statutory body which came into existence with the enactment of the Social Security Act, Chapter 44, Laws of Belize 1980. Social Security Board was established to provide various financial benefits to insured persons residing in Belize. Funding of these benefits is provided through contributions from employers and employees and self-employed persons. The corporate headquarters is located at Bliss Parade, City of Belmopan, Belize.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

a. Statement of compliance

The financial statements of Social Security Board have been prepared from the records maintained in the financial accounting system of the Board, in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), while the form and content are specified in the Social Security Act, and requirements of the Financial and Accounting Regulations, Chapter 44, Revised Edition 2020.

b. Basis of presentation

The financial statements have been prepared under the historical cost convention, as modified by any revaluation of financial assets and financial liabilities at fair value through profit or loss.

c. Functional and presentation currency

The financial statements are presented in Belize dollars, which is also the functional currency of the Social Security Board.

d. Use of estimates and judgements

Use of estimates

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

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.

Measurement of the expected credit loss allowances

The measurement of the expected credit loss allowance for financial assets measured at amortised cost is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour.

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate assumptions for the measurement of ECL;
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Actuarial valuation of defined benefit plan

The cost of defined benefit pension plan and other post-employment medical benefits and the present value of the pension obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All valuations are made by a qualified actuary.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

e. Change in accounting policies

The accounting policies adopted are consistent with those used in the previous financial year.

New and amended standards adopted by the Company

The Company has applied the following amendments for the first time for its annual reporting period commencing January 1, 2025:

IAS 21 — The Effects of Changes in Foreign Exchange Rates

In August 2023, the IASB issued amendments to IAS 21 - Lack of Exchangeability. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the end of the reporting period are disclosed below.

Annual improvements to IFRS Accounting Standards – Volume 11

Effective for annual reporting periods beginning on or after January 1, 2026

Volume 11 introduces targeted amendments to several IFRS standards to clarify guidance and improve consistency in application. Key updates include:

* IFRS 1 First-time Adoption of International Financial Reporting Standards – clarifies requirements for hedge accounting by first-time adopters.
* IFRS 7 Financial Instruments: Disclosures – provides guidance on recognizing gains or losses on derecognition and enhances disclosure requirements, including deferred differences, transaction pricing, and credit risk.
* IFRS 9 Financial Instruments – addresses derecognition of lease liabilities and clarifies aspects of transaction price.
* IFRS 10 Consolidated Financial Statements – refines guidance on identifying a 'de facto agent'.
* IAS 7 Statement of Cash Flows – clarifies the application of the cost method.

IFRS 9 and IFRS 7 — Classification and Measurement of Financial Instruments

Effective for annual reporting periods beginning on or after January 1, 2026

In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 — Classification and Measurement of Financial Instruments. These amendments:

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;

- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;

- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and

- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

IFRS 18 — Presentation and Disclosure in Financial Statements

Effective for annual reporting periods beginning on or after January 1, 2027

In April 2024, the IASB issued IFRS 18 — Presentation and Disclosure in Financial Statements This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;

- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

e. Change in accounting policies (continued)

IFRS 18 — Presentation and Disclosure in Financial Statements (continued)

- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

IFRS 18 replaces IAS 1.

These standards and amendments are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

f. Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded by the Board at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchange at the reporting date. All differences arising on settlement or translation of monetary items are taken to the income statement.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognized in profit or loss.

g. Financial instruments

A financial instrument is a contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Board 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.

A financial liability is derecognised when it is extinguished, discharged, cancelled, or expired. Financial assets and financial liabilities are initially measured at fair value.

i. Classification and initial measurement of financial assets

Except for those 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, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)

The classification is determined by both:

- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of receivables which is presented within lending operations expenses.

ii. Subsequent measurement of financial assets

Financial assets at amortised cost

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. For financial assets included in this category see Note 25.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

g. Financial instruments (continued)

ii. *Subsequent measurement of financial assets (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 categorized 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.

The category also contains an equity investment. The Board accounts for the equity investments at FVTPL and did not make the irrevocable election to account for the investment in Atlantic Bank Limited (ABL), Citrus Products of Belize Limited (CPBL) and Belize Water Services Ltd. (BWSL) at fair value through other comprehensive income (FVOCI).

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 using a valuation technique where no active market exists.

iii. *Impairment of financial assets*

IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses - the 'expected credit loss (ECL) model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables.

Recognition of credit losses is no longer dependent on the Board first identifying a credit loss event. Instead the Board 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)
- Stage 3 would cover financial assets that have objective evidence of impairment at the reporting date.
- 12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

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

Definition of default and credit-impaired assets

The SSB defines a financial instrument as in default, when it meets one or more of the following criteria:

- The borrower is more than 90 days past due on its contractual payments
- The borrower is in long-term forbearance
- The borrower is deceased
- It is becoming probable that the borrower will enter bankruptcy

This criteria has been applied to all financial instruments held by the SSB and are consistent with the definition of default used for internal risk management purposes. The default definition has been applied consistently to model the Probability of Default, Exposure at Default, and Loss given Default throughout the SSB's expected loss calculations.

Measuring ECL- Explanation of inputs, assumptions and estimation techniques

The Expected Credit Loss (ECL) is measured on either a 12-month or lifetime basis, depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. ECL are the discounted product of the Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD), defined as follows:

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

g. Financial instruments (continued)

iii. Impairment of financial assets (continued)

Measuring ECL- Explanation of inputs, assumptions and estimation techniques (continued)

- The PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months, or over the remaining lifetime of the obligation.
- EAD is based on the amounts the SSB expects to be owed at the time of default, over the next 12 months or over the remaining lifetime.
- LGD represents the SSB's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). LGD is calculated on a 12-month or lifetime basis.

Loan commitments

Loan commitments' are firm commitments to provide credit under pre-specified terms and conditions.

Trade and other receivables and contract assets

The Board makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument.

In calculating, the Board uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Board assess impairment of Accounts receivables on a collective basis as they possess shared credit risk characteristics they have been grouped based on the days past due.

iv. Classification and measurement of financial liabilities

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the SSB designated a financial liability at fair value through profit or loss. Subsequently, financial liabilities are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. For financial liabilities that fall into this category see Note 25.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within Interest on borrowing expenses or finance income.

A financial instrument is a contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

h. Cash and cash equivalents

Cash and cash equivalents represent cash on hand, bank deposits and short term highly liquid investments with original maturity of three months or less.

i. Short term investments

Short term investments represent term deposits, Government of Belize (GOB) Treasury notes and any other investment with maturity dates of less than one year.

j. Office supplies

Office supplies are stated at the lower of cost and net realizable value, cost being determined on the actual cost of the supplies.

k. Accounts receivables

Includes assessments of contributions, dividends receivable and other miscellaneous receivables recorded on the accrual basis.

l. Prepayments

Prepayments represent insurance, license, property tax and other cost paid in advance of their intended use or coverage. Prepayments are expensed in the period the service is received.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

m. Investments in associates

Associates are investments in entities where SSB has the power to exercise a significant influence, but they do not have control or joint control through participation in the financial and operational decisions of the entity.

Usually the stockholding is 20% to 50% of the voting rights. Investments in associated entities are accounted for under the equity method and include goodwill identified on acquisition, net of any accumulated impairment loss.

Under the equity method, the investment in the associate is carried on the statement of financial position at cost plus post acquisition changes in SSB's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortized nor individually tested for impairment.

The income statement reflects the Board's share of the results of operations of the associate. When there has been a change recognized directly in the equity of the associate, SSB recognizes its share of any changes and discloses this, when applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between SSB and the associate are eliminated to the extent of the interest in the associate. SSB's share of profit of an associate is included in the income statement as Investment income. This is the profit attributable to equity holders of the associate and, therefore, is profit after tax and non-controlling interests in the subsidiaries of the associate.

The financial statements of the associates of SSB are prepared as follows, Belize Electricity Limited as at December 31, 2025, and Belize Telemedia Limited as at March 31, 2025. Whereby, one associate differs from SSB's reporting period. However, adjustments are made for the effects of any significant events or transactions that occurred between the date of the associate's financial statements, and SSB's financial statements. When necessary, adjustments are made to bring the accounting policies in line with those of the SSB. After application of the equity method, SSB determines whether it is necessary to recognize an additional impairment loss on its investment in its associates.

SSB determines at each reporting date, whether there is any objective evidence that the investment in each associate is impaired. If this is the case, SSB calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount in the 'share of profit of an associate' in the income statement. Upon loss of significant influence over the associate, SSB measures and recognizes any retaining investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

n. Intangible assets

Intangible assets comprise basically the contractual rights and expenses incurred on specific projects with future economic value, are valued at cost, less accumulated amortization and losses by reducing the recoverable amount where applicable. Intangible assets are recognized only if it is likely that they will generate economic benefits to the Board, are controllable under the Board's control and their respective value can be measured reliably.

Intangible assets that have finite useful lives are amortized over their effective use or a method that reflects their economic benefits, while those with indefinite useful lives are not amortized; consequently, these assets are tested at least annually as to their recovery (impairment test).

The estimated useful life and amortization methods are reviewed at the end of each financial year and the effect of any changes in estimates are recorded in a prospective manner.

Intangible assets are amortized using the straight-line method over an estimated useful life of the assets as follows:

Intangible assets	1 - 10 years

Internally generated intangible assets, during the research phase, have their expenditure recorded in expenses of the period when incurred. Expenditure on development activities (or stage of development of an internal project) is recorded as intangible assets if and only if it meets all of the requirements of the standard. Initial recognition of this asset corresponds to the sum of the expenditures incurred from when the intangible asset has passed to meet the recognition criteria required by the standard.

Intangible assets generated internally, are recorded at cost value less amortization and loss on the accumulated impairment. The Board's intangible assets comprise mainly of acquired software licenses. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the income statement when the asset is derecognized.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

o. Investment property

Investment properties are properties held to earn rentals or for capital appreciation, or both, and are accounted for using the cost model.

Investment properties other than land are depreciated using the straight line method over the estimated useful life of the assets as follows:

Buildings	40 - 50 years

Repairs and maintenance are charged against income. Improvements which extend the useful life of the assets are capitalized. When investment properties are disposed of by sale or are scrapped, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in income.

p. Leased assets

As a lessor, SSB classifies its leases as either operating or finance leases.

An assessment is done as to whether it transfers substantially all the risks and rewards of ownership. Those assets that do not transfer substantially all the risks and rewards are classified as operating leases.

SSB as a lessor

Rental income is accounted for on a straight-line basis over the lease term and is included in revenue due to its operating nature.

SSB leases out investment properties under operating leases.

SSB as a lessee

SSB leases various offices and units. Rental contracts are typically made for fixed periods of one year to four years but have extension options.

q. Property and equipment

Property and equipment are recorded at cost and, other than land, are depreciated using the straight line method over the estimated useful life of the assets as follows:

Buildings	40 - 50 years
Furniture & fixtures	5 - 10 years
Office equipment	3 - 10 years
Computers and accessories, hardware and software	3 - 5 years
Motor vehicles	4 years
Building renovations - major	20 years

Repairs and maintenance are charged against income. Improvements which extend the useful life of the assets are capitalized. When fixed assets are disposed of by sale or are scrapped, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in income.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

r. Impairment of non financial assets

At each reporting date, management reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss.

If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, management estimates the recoverable amount of the cash generating unit to which the asset belongs.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. Impairment losses are recognized as an expense immediately.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

r. Impairment of non financial assets (continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognized as income immediately, unless the relevant asset is carried at a revalued amount, in the income statement in the year the asset is derecognized.

s. Pension fund

The Board, as of January 1, 1991, operates a pension scheme which is separately administered by a Board of Trustees. The scheme, which is a defined benefit plan, is funded by contributions from the Board in amounts recommended by the actuaries, and from employees at the rate of 2.8% of annual pensionable salaries. The Board's contributions of 4.3% of pensionable salaries are charged against income in the year they become payable.

Actuarial gains and losses for the defined benefit plan is recognized in full in the period in which they occur in other comprehensive income. Such actuarial gains and losses are also immediately recognized in retained earnings and are not reclassified to profit or loss in subsequent periods.

t. Severance payable

Severance payable represents the accrual of salaries payable to employees in the event of their resignation or termination. SSB recognizes termination benefits in accordance with the Labour Act (the Act) Chapter 297 of the Laws of Belize Revised Edition 2020.

u. Reserves

i Short-term benefits branch reserve

Short-term Benefit Reserve is made up as provided by Section 16(1) of the Financial and Accounting Regulations, by transferring thereto annually the excess of income over expenditure of the Short-term Benefits Branch. Short-term benefits comprise of sickness benefit and maternity benefit.

ii Long-term benefits reserve

Long-term benefits reserve is made up as provided by Section 16(2) of the Financial and Accounting Regulations, by transferring thereto annually the excess of income over expenditure of the Long-term Benefits Branch. Long-term benefits comprise of retirement benefit, invalidity benefit, survivors' benefit and funeral grant.

iii Disablement and death benefit reserves

The Disablement and Death Benefits Reserve is made up as provided by Section 16(3) of the Financial and Accounting Regulations, 1980 by transferring thereto at the end of each financial year the balance outstanding in the current account after the actuarial present value of the periodically payable disablement and death benefits awarded in that year have been charged against income for that year in the Income and Expenditure Account of the Employment Injury Benefit Branch and credited to a current account, which is also credited with the income from the investment of the said reserve, and debited with actual payment of the current periodical disablement and death benefit effected during that year.

iv Employment injury benefits reserve

Employment injury benefits reserve is made up as provided by Section 16(4) of the Financial and Accounting Regulations, by transferring thereto annually the excess of income over expenditure of the Employment Injury Branch. The Employment Injury Benefit is constituted to finance medical care, injury benefit disablement grant and funeral grant.

v. Income recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Board, and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Board assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

v. Income recognition (continued)

The Board has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognized.

i. Investment income

Investment income is accounted for on the accrual basis, except for dividends, which are recognized when received. Income from associates is accounted for by the equity method.

ii. Interest income

For all financial instruments measured at amortized cost and interest bearing financial assets classified as available for sale, interest income or expense is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in Investment Income and Other income in the income statement.

Interest non-accrual policy

The Board does not take credit for interest income on any loan having principal or interest arrears in excess of 90 days, which loans are considered non-performing. To ensure that borrowers' accounts reflect all interest owed, interest continues to be accrued but the interest on non-performing loans is credited to a provision against loan interest receivable (see Note 6) rather than to interest income.

iii. Dividends

Revenue is recognized when the Board's right to receive the payment is established.

iv. Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue due to its operating nature.

Basis of apportionment of income

i. Contributions

Section 14(1) of the Financial and Accounting Regulations, Social Security (Financial and Accounting) Amendment Regulations, 2021 provides that all contributions shall be distributed among the Benefits Branches in the following proportions:

	2025	2024
Short Term Benefits Branch	**19.00%**	19.00%
Long Term Benefits Branch	**72.00%**	72.00%
Employment Injury Benefits Branch	**9.00%**	9.00%

ii. Other Income

Section 14(2) of the Financial and Accounting Regulation, 1980 provides that income from investment of the Reserves is allocated to each branch on the basis of their respective reserves at the end of the previous financial year.

Section 14(3) of the Financial and Accounting Regulations, 1980 provides that all other income to the fund which cannot be identified with any specific branch shall be distributed among the three benefit branches in equal parts.

w. Government contributions and other grants

i. Government contributions

Government contributions and support are accounted for when the Board complies with reasonable security conditions set by the government related to contributions, and assistance received. The Board records via the statement of income, as reducing spending according to the nature of the item, and through the distribution of results on statement of income, or earnings in reserve accounts.

When the government grant relates to an expense item, it is recognized as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. When the government grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

w. Government contributions and other grants (continued)

i. Government contributions (continued)

When the Board receives non-monetary government grants, the asset and the government grant are recorded gross at nominal amounts and released to the income statement over the expected useful life and pattern of consumption of the benefit of the underlying asset by equal annual installments.

When loans or similar assistance are provided by government or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grants.

ii. Other grants

Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and that SSB will comply with all attached conditions.

Presentation of other grants

Other grants relating to costs are deducted in reporting the related expense.

Other grants relating to the purchase of property and equipment are deducted in arriving at the carrying amount of the assets and they are recognized in profit or loss over the useful lives of the related assets as a reduced depreciation expense.

x. Benefit payments

i. SSB recognizes costs associated with payments in the period the beneficiary or recipient is entitled to receive the payment.

ii. Liabilities are accrued on benefits for past periods that have not completed processing by the close of the fiscal year, such as benefit payments due but not paid pending receipt of pertinent information.

y. Basis of apportionment of expenditure

i. Section 15(1) of the Financial and Accounting Regulation,1980 states that the expenditures of each benefit branch shall be ascribed to that Branch under which the benefit is grouped, namely: Short Term Benefits Branch, Long Term Benefits Branch and Employment Injury Benefits Branch.

ii. Section 15(2) of these regulations states that the administrative expenditures of the Board shall be distributed among the three benefit branches in such a manner that the proportion allocated to a particular branch shall be equal to the proportion which the sum of the contribution income and benefit expenditure shown in the Income and Expenditure Account of that branch bears to the sum of the contribution income and benefit expenditure of the Board as a whole.

iii. Administrative expenses are taken to mean all expenses properly incurred in the administration of the Board.

All other expenditures that are not attributable to any specific branch are distributed among the three benefit branches in equal parts.

z. Taxes

Income tax, property tax and stamp duty

Section 62 of the Social Security Act, Chapter 44, Revised Edition 2020 exempts the Board from income tax, property tax and stamp duty.

General sales tax

General Sales Tax of 12.5% is a tax on consumer spending that is collected at the point of sale of a business' good or service. SSB pays General Sales Tax as a regular consumer.

3. FINANCIAL RISKS

Financial risk factors

The Board's activities expose it to a variety of risks in relation to financial instruments: market risk (interest rate risk and price risk), credit risk and liquidity risk.

The Board's overall risk management program seeks to maximize the returns derived for the level of risk to which the Board is exposed and seeks to minimize potential adverse effects on the Board's financial performance. The Board's policy allows it to use financial instruments to both moderate and create certain risk exposures.

All securities investments present a risk of loss of capital. The maximum loss of capital on purchased long term equity and debt securities is limited to the fair value of those positions.

The management of these risks is carried out by the investment manager under policies approved by the Investment Committee and Board of Directors and the General Manager of Finance. The Board has specific limits on these financial instruments to manage the overall potential exposure.

In accordance with IFRS 7, an entity shall disclose information that enables users of its financial statements to evaluate the nature and extent of risks arising from financial instruments to which the entity is exposed at the reporting date.

The Board uses different methods to measure and manage the various types of risk to which it is exposed; these methods are explained below:

a. Price risk

The Board's policy is to manage price risk through diversification and selection of securities and other financial instruments within specified limits set by the Social Security Act (Chapter 44) of the Substantive Laws of Belize, the Investment Committee and the Board of Directors.

The Act also limits a single investment to be no more than 20% of the total amount of the Reserves, including economically targeted investments.

The Board's policy requires that the overall market position is monitored on a weekly basis by the Board's Investment Manager and is reviewed on a quarterly basis by the Investment Committee and Board of Directors. Compliance with the Board's investment policies are reported to the Investment Committee on a monthly basis.

b. Interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of markets interest rates on the fair value of financial assets and liabilities and future cash flow. The Board holds fixed interest securities to maturity that expose the Board minimally to fair value interest rate risk. The Board also holds cash and cash equivalents that expose the Board to cash flow interest rate risk. The Board's policy requires the General Manager of Finance to manage this risk by measuring the mismatch of the interest rate sensitivity gap of financial assets and liabilities and calculating the average duration of the portfolio of fixed interest securities.

The Board has direct exposure to interest rate changes on the valuation and cash flows of its interest bearing assets and liabilities. However, it may also be indirectly affected by the impact of interest rate changes on the earnings of certain companies in which the Board invests.

In accordance with the Board's policy, the Investment Manager monitors the Board's overall interest sensitivity on a weekly basis; the Investment Committee reviews it on a monthly basis.

c. Credit risk

The Board is exposed to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when they fall due. The main concentration to which the Board is exposed arises from the Board's investments in debt securities. The Board is also exposed to counterparty credit risk on cash and cash equivalents, amounts receivable from associates, debtors and other receivable balances.

The Board manages credit risk by holding funds with reputable financial institutions and also setting limits on the amount loaned. They ensure the loan is properly collaterized, considering the borrower's leverage and the seasonality of the business by including restrictions in the loan agreements.

In accordance with the Board's policy, the Investment Manager monitors the Board's credit position on a daily basis, and the Investment Committee reviews it on a monthly basis.

3. FINANCIAL RISKS (CONTINUED)

Financial risk factors (continued)

c. Credit risk (continued)

Credit quality analysis

The following tables set out information about the credit quality of financial assets measured at amortised cost, investments without taking into account collateral or other credit enhancement. Unless specifically indicated, for financial assets the amounts in the table represent gross carrying amounts. For loan commitments contracts, the amounts in the table represent the amounts committed.

Explanation of the terms 'Stage 1', 'Stage 2' and 'Stage 3' is included in Note 2 g. (iii).

Cash and cash equivalents

Cash and cash equivalents are considered to have low credit risk. Accordingly, for the purpose of impairment assessment for these financial assets, the loss allowance is measured at an amount equal to 12 months ECL (stage 1).

The loss allowance as at 31 December 2025 and 31 December 2024 was determined as follows:

Credit Ratings	Probability of Default	2025	2024
Grade 1-3 - Strong	0%-3%	**263,052,074**	204,842,582
Gross Carrying amount		**263,052,074**	204,842,582
Loss allowance		**(657,461)**	-
Carrying amount		**$ 262,394,613**	$ 204,842,582

Short term and long term investments

Short term and long term investments are considered to have low credit risk. Accordingly, for the purpose of impairment assessment for these financial assets, the loss allowance is measured at an amount equal to 12 months ECL (stage 1).

The loss allowance as at 31 December 2025 and 31 December 2024 was determined as follows:

December 31, 2025				
Credit Ratings	Probability of Default	**Short term**	**Long term**	**Total**
Grade 1-3 - Strong	0%-3%	**63,871,066**	**128,557,997**	**192,429,063**
Grade 4 - Satisfactory	6%	**-**	**24,700,000**	**24,700,000**
Grade 5 - Special mention	5%-10%	**5,480,000**	**-**	**5,480,000**
Gross Carrying amount		**69,351,066**	**153,257,997**	**222,609,063**
Loss allowance		**(744,754)**	**(712,562)**	**(1,457,316)**
Carrying amount		**$ 68,606,312**	**$ 152,545,435**	**$ 221,151,747**

December 31, 2024				
Credit Ratings	Probability of Default	Short term	Long term	Total
Grade 1-3 - Strong	0%-3%	36,039,716	171,090,839	207,130,555
Grade 4 - Satisfactory	6%	5,550,135	19,620,000	25,170,135
Gross Carrying amount		41,589,851	190,710,839	232,300,690
Loss allowance		(1,074,792)	(1,006,954)	(2,081,746)
Carrying amount		$ 40,515,059	$ 189,703,885	$ 230,218,944

3. FINANCIAL RISKS (CONTINUED)

Financial risk factors (continued)

c. Credit risk (continued)

Credit quality analysis (continued)

Loan principal receivable

The loss allowance as at 31 December 2025 and 31 December 2024 was determined as follows:

December 31, 2025

Consumer loans

Credit Ratings	Probability of Default	Stage 1	Stage 2	Stage 3	Total
Grade 1- 4 - Performing	0% - 6%	5,119,659	-	-	5,119,659
Grade 5 - Special mention	6%-10%	54,550	-	-	54,550
Grade 6 - Non-performing	20%-40%	83,723	-	-	83,723
Grade 7 - Bad and doubtful	50%	-	157,387	-	157,387
Grade 8 - Highly doubtful	50%-60%	-	287,153	-	287,153
Grade 9 - Credit impaired	100%	-	-	299,424	299,424
Gross Carrying amount		5,257,932	444,540	299,424	6,001,896
Loss allowance		(106,350)	(63,451)	(299,424)	(469,225)
Carrying amount		$ 5,151,582	$ 381,089	$ -	$ 5,532,671

Commercial loans

Credit Ratings	Probability of Default	Stage 1	Stage 2	Stage 3	Total
Grade 1- 4 - Performing	0% - 46%	66,331,316	-	-	66,331,316
Grade 7 - Bad and doubtful	100%	-	-	6,994,214	6,994,214
Gross Carrying amount		66,331,316	-	6,994,214	73,325,530
Loss allowance		(2,308,768)	-	(6,994,214)	(9,302,982)
Carrying amount		$ 64,022,548	$ -	$ -	$ 64,022,548

Total

	Stage 1	Stage 2	Stage 3	Total
Gross Carrying amount	71,589,248	444,540	7,293,638	79,327,426
Loss allowance	(2,415,119)	(63,451)	(7,293,638)	(9,772,208)
Carrying amount	$ 69,174,129	$ 381,089	$ -	$ 69,555,218

December 31, 2024

Consumer loans

Credit Ratings	Probability of Default	Stage 1	Stage 2	Stage 3	Total
Grade 1- 4 - Performing	0% - 4%	5,467,985	-	-	5,467,985
Grade 5 - Special Mention	5%-10%	168,400	-	-	168,400
Grade 6 - Non-performing	20%-40%	39,068	-	-	39,068
Grade 7 - Bad and doubtful	50%	-	242,632	-	242,632
Grade 8 - Highly doubtful	50%-60%	-	240,122	-	240,122
Grade 9 - Credit impaired	100%	-	-	334,931	334,931
Gross Carrying amount		5,675,453	482,754	334,931	6,493,138
Loss allowance		(94,371)	(105,486)	(312,998)	(512,855)
Carrying amount		$ 5,581,082	$ 377,268	$ 21,933	$ 5,980,283

3. FINANCIAL RISKS (CONTINUED)

Financial risk factors (continued)

c. Credit risk (continued)

Credit quality analysis (continued)

Loan principal receivable (continued)

December 31, 2024

Commercial loans

Credit Ratings	Probability of Default	Stage 1	Stage 2	Stage 3	Total
Grade 1- 4 - Performing	0% - 37%	58,703,276	-	-	58,703,276
Grade 6 - Non-performing	50%-60%	-	32,692	-	32,692
Grade 7 - Bad and doubtful	100%	-	-	6,963,535	6,963,535
Gross Carrying amount		58,703,276	32,692	6,963,535	65,699,503
Loss allowance		(2,218,663)	(16,346)	(6,963,535)	(9,198,544)
Carrying amount		$ 56,484,613	$ 16,346	$ -	$ 56,500,959

Total

	Stage 1	Stage 2	Stage 3	Total
Gross Carrying amount	64,378,730	515,446	7,298,466	72,192,642
Loss allowance	(2,313,034)	(121,832)	(7,276,533)	(9,711,399)
Carrying amount	$ 62,065,696	$ 393,614	$ 21,933	$ 62,481,243

Investment income receivable

The loss allowance as at 31 December 2025 and 31 December 2024 was determined as follows:

December 31, 2025

Credit Ratings	Probability of Default	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Grade 1-3 - Strong	0%-3%	**2,322,422**	-	-	**2,322,422**
Grade 9 - Credit impaired	100%	-	-	**987,023**	**987,023**
Gross Carrying amount		**2,322,422**	-	**987,023**	**3,309,445**
Loss allowance		-	-	**(987,023)**	**(987,023)**
Carrying amount		**$ 2,322,422**	**$ -**	**$ -**	**$ 2,322,422**

December 31, 2024

Credit Ratings	Probability of Default	Stage 1	Stage 2	Stage 3	Total
Grade 1- 3 - Strong	0%-3%	2,244,169	13,902	9,385	2,267,456
Grade 9 - Credit impaired	100%	-	-	960,275	960,275
Gross Carrying amount		2,244,169	13,902	969,660	3,227,731
Loss allowance		-	-	(960,275)	(960,275)
Carrying amount		$ 2,244,169	$ 13,902	$ 9,385	$ 2,267,456

Loan commitments

December 31, 2025

Credit Ratings	Probability of Default	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Grade 1- 4 - Performing	0% - 6%	**15,000,000**	-	-	**15,000,000**
Loss allowance		-	-	-	-
Carrying amount		**$ 15,000,000**	**$ -**	**$ -**	**$ 15,000,000**

December 31, 2024

Credit Ratings	Probability of Default	Stage 1	Stage 2	Stage 3	Total
Grade 1- 4 - Performing	0% - 6%	27,000,000	-	-	27,000,000
Loss allowance		-	-	-	-
Carrying amount		$ 27,000,000	$ -	$ -	$ 27,000,000

3. FINANCIAL RISKS (CONTINUED)

Financial risk factors (continued)

c. Credit risk (continued)

Credit quality analysis (continued)

The loss allowance as at 31 December 2025 and 31 December 2024 was determined as follows:

Accounts receivable

December 31, 2025						
Expected loss	**0%-6%**	**10%-20%**	**30%-40%**	**50%-80%**	**100%**	**Total**
Gross Carrying amount	**310,548**	**6,548,371**	**185,088**	**658,967**	**1,171,865**	**8,874,839**
Loss allowance	**-**	**(732,177)**	**(74,035)**	**(407,859)**	**(1,171,865)**	**(2,385,937)**
Carrying amount	**$ 310,548**	**$ 5,816,194**	**$ 111,053**	**$ 251,108**	**$ -**	**$ 6,488,903**

December 31, 2024						
Expected loss	0%-6%	10%-20%	30%-40%	50%-80%	100%	Total
Gross Carrying amount	2,683,575	1,730,475	297,203	558,171	920,742	6,190,166
Loss allowance	(162,055)	(195,164)	(118,881)	(330,806)	(920,742)	(1,727,648)
Carrying amount	$ 2,521,520	$ 1,535,311	$ 178,322	$ 227,365	$ -	$ 4,462,518

Collateral

Collateral is held to mitigate credit risk exposures and risk mitigation policies determine the eligibility of collateral types. The Board defines collateral as the assets or rights provided to the Board by the borrower or a third party in order to secure a credit facility. The Board would have the rights of secured creditor in respect of the assets/contracts offered as security for the obligations of the borrower/obligor.

Types of collateral taken by the Board

The Board ensures that the underlying documentation for the collateral provides the Board appropriate rights over the collateral or other forms of credit enhancement including the right to liquidate, retain or take legal possession of it in a timely manner in the event of default by the counterparty. The Board also endeavors to keep the assets provided as security to the Board under adequate insurance during the tenor of the Board's exposure. The collateral value is monitored periodically.

Collateral types that are eligible for risk mitigation include: cash; residential, commercial and industrial property; fixed assets such as land, plant and machinery; marketable securities; third party guarantees; and letters of credit.

The Board determines the appropriate collateral for each facility based on the type of product and risk profile of the counterparty. In case of corporate and small and medium enterprises financing, fixed assets are generally taken as security for long tenor loans and current assets for working capital finance. For project finance, security of the assets of the borrower and assignment of the underlying project contracts is generally taken. In addition, in some cases, additional security such as pledge of shares, cash collateral, charge on receivables with an escrow arrangement and guarantees is also taken.

For personal loans, the security to be taken is defined in the investment policy for the respective types of loans. Housing loans and automobile loans are secured by the security of the property/automobile being financed. The valuation of the properties is carried out by an empanelled appraiser at the time of sanctioning the loan.

The Board extends unsecured facilities to clients for certain products such as derivatives, credit cards and personal loans. The limits with respect to unsecured facilities have been approved by the Board of Directors. The decision on the type and quantum of collateral for each transaction is taken by the credit approving authority as per the credit approval authorization approved by the Board of Directors. For facilities provided as per approved product policies (retail products, loan against shares etc.), collateral is taken in line with the policy.

For certain types of lending -typically mortgages, asset financing -the right to take charge over physical assets is significant in terms of determining appropriate pricing and recoverability in the event of default.

Collateral is reported in accordance with our risk mitigation policy, which prescribes the frequency of valuation for different collateral types, based on the level of price volatility of each type of collateral and the nature of the underlying product or risk exposure.

Where appropriate collateral values are adjusted to reflect current market conditions, its probability of recovery and the period of time to realize the collateral in the event of possession. The collateral values reported are also adjusted for the effects of over collateralization.

3. FINANCIAL RISKS (CONTINUED)

Loans and advances

The requirement for collateral is not a substitute for the ability to pay, which is the primary consideration for any lending decisions. In determining the financial effect of collateral held against loans neither past due nor impaired, we have assessed the significance of the collateral held in relation to the type of lending.

For loans and advances to SSB's employees and customers (including those held at fair value through profit or loss), the Board held the following amounts of collateral, adjusted where appropriate as indicated above.

December 31, 2025	**Consumer Loans**			**Commercial Loans**			**TOTAL**		
Value	**Total**	**Not individually impaired loans**	**Individually Impaired loans**	**Total**	**Not individually impaired loans**	**Individually Impaired loans**	**Total**	**Not individually impaired loans**	**Individually Impaired loans**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Collateral	**6,540,384**	**6,251,732**	**288,652**	**112,955,042**	**109,105,042**	**3,850,000**	**119,495,426**	**115,356,774**	**4,138,652**
Loans	**6,001,895**	**5,702,471**	**299,424**	**73,325,531**	**66,331,316**	**6,994,215**	**79,327,426**	**72,033,787**	**7,293,639**

December 31, 2024	Consumer Loans			Commercial Loans			TOTAL		
Value	Total	Not individually impaired loans	Individually Impaired loans	Total	Not individually impaired loans	Individually Impaired loans	Total	Not individually impaired loans	Individually Impaired loans
	$	$	$	$	$	$	$	$	$
Collateral	6,523,744	6,193,392	330,352	93,947,314	90,097,314	3,850,000	100,471,058	96,290,706	4,180,352
Loans	6,493,139	6,180,140	312,999	65,699,503	58,735,968	6,963,535	72,192,642	64,916,108	7,276,534

3. FINANCIAL RISKS (CONTINUED)

d. Liquidity risk

Liquidity risk is the risk that the Board may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

As a result, the Board may not be able to liquidate quickly its investments in these instruments at an amount close to their fair value to meet its liquidity requirements, or be able to respond to specific events such as deterioration in the creditworthiness of any particular issuer.

The Board manages its liquidity risk by maintaining an appropriate level of resources in liquid or near liquid form with staggered maturity dates, separating short term investments and long-term investments. The Board's objective is to maintain cash and marketable securities to meet its liquidity requirements for 30 to 90 day periods at a minimum. At December 31, 2025, current financial assets exceeded current financial liabilities by $338,120,289 (2024: $248,475,468).

In accordance with the Board's policy, the General Manager of Finance monitors the Board's liquidity position on a weekly basis, and the Investment Manager reviews it on a daily basis.

The table below analyses only the current financial assets and current financial liabilities of the Board into relevant maturity grouping based on the remaining period at the balance sheet date to the contractual maturity date.

	Within 1 Month	1 to 3 months	3 months to 1 year	Total
	$	$	$	$
Current Assets				
Cash and cash equivalents	262,394,613	-	-	262,394,613
Short term investments	2,815,200	10,853,955	54,937,157	68,606,312
Investment income receivable	763,639	912,160	646,623	2,322,422
Accounts receivable	2,365,322	1,794,125	2,329,456	6,488,903
Current portion loans receivable	279,472	1,154,621	4,252,251	5,686,344
Total current assets	268,618,246	14,714,861	62,165,487	345,498,594
Current Liabilities				
Accounts payables and accruals	3,491,596	1,608,247	2,278,462	7,378,305
Total current liabilities	3,491,596	1,608,247	2,278,462	7,378,305
Net liquidity gap, December 31, 2025	$ 265,126,650	$ 13,106,614	$ 59,887,025	$ 338,120,289

3. FINANCIAL RISKS (CONTINUED)

d. Liquidity risk (continued)

	Within 1 Month	1 to 3 months	3 months to 1 year	Total
	$	$	$	$
Current Assets				
Cash and cash equivalents	204,842,582	-	-	204,842,582
Short term investments	-	10,892,368	29,622,691	40,515,059
Investment income receivable	1,007,206	673,876	586,373	2,267,455
Accounts receivable	1,665,425	1,938,460	858,634	4,462,519
Current portion loans receivable	206,952	1,102,065	3,995,777	5,304,794
Total current assets	207,722,165	14,606,769	35,063,475	257,392,409
Current Liabilities				
Accounts payables and accruals	3,193,232	1,637,849	4,085,860	8,916,941
Total current liabilities	3,193,232	1,637,849	4,085,860	8,916,941
Net liquidity gap, December 31, 2024	$ 204,528,933	$ 12,968,920	$ 30,977,615	$ 248,475,468

e. Operational risk

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

4. CASH AND CASH EQUIVALENTS

	2025	2024
Cash on hand	**7,750**	4,777
Cash at local banks	**228,832,607**	175,753,318
Cash at local banks - Global Fund (see note a. below)	**11,651**	99,956
Cash at local banks - NHI	**34,200,066**	28,984,531
	263,052,074	204,842,582
Less: Allowance for credit losses	**(657,461)**	-
	$ 262,394,613	$ 204,842,582

a. Funds from Global Fund are restricted to be used for programs as provided by grantor (see note 15a.)

5. SHORT TERM INVESTMENTS

	2025	2024
Term Deposits	**30,501,387**	41,589,851
Treasury Notes	**33,369,679**	-
Municipal Papers	**5,480,000**	-
	69,351,066	41,589,851
Less: Allowance for credit loss	**(744,754)**	(1,074,792)
	$ 68,606,312	$ 40,515,059

6. INVESTMENT INCOME RECEIVABLE

	2025	2024
Other loans and mortgage portfolios	**1,132,863**	1,039,268
Municipal Paper	**51,197**	50,989
Debentures	**425,000**	300,000
Corporate Bonds	**144,148**	144,536
Certificates of deposit	**459,181**	595,883
Treasury notes	**1,097,056**	1,097,055
	3,309,445	3,227,731
Less: Expected credit losses	**(987,023)**	(960,276)
	$ 2,322,422	$ 2,267,455
Expected credit losses are comprised of:		
Beginning balance as at January 1	**960,275**	1,034,911
Net remeasurement of expected credit loss	**26,748**	(74,636)
Ending balance as at December 31	**$ 987,023**	$ 960,275

7. ACCOUNTS RECEIVABLE

	2025	2024
Accounts receivable	**5,320,789**	3,152,341
Assessment of contributions	**3,554,050**	3,037,825
Total receivable	**8,874,839**	6,190,166
Less: Expected credit losses	**(2,385,936)**	(1,727,647)
	$ 6,488,903	$ 4,462,519
Expected credit losses are comprised of:		
Balance, beginning of year	**1,727,647**	1,489,323
Net remeasurement of expected credit loss	**836,324**	288,462
Recoveries	**(160,074)**	(188,363)
Write off	**(17,961)**	138,225
Balance, end of year	**$ 2,385,936**	$ 1,727,647

8. INVESTMENT IN ASSOCIATES

	2025	2024
Belize Electricity Limited (31.26% ownership)		
Balance, beginning of year	**119,217,553**	122,238,757
(Loss) from associate	**(7,337,209)**	(3,021,204)
Balance, end of year	**$ 111,880,344**	$ 119,217,553
Belize Telemedia Limited (34.31% ownership)		
Balance, beginning of year	**94,137,959**	89,292,959
Income from associate	**7,140,000**	8,670,000
Dividend received from associate	**(4,420,000)**	(3,825,000)
Balance, end of year	**$ 96,857,959**	$ 94,137,959
Total investment in associates, end of year	**$ 208,738,303**	$ 213,355,512

8. INVESTMENT IN ASSOCIATES (CONTINUED)

Summarized financial information of Belize Electricity Limited (in thousands of Belize dollars) for December 31, 2025

	2025	2024
Total current assets	124,007	117,347
Total non-current assets	837,838	773,492
Total assets	961,845	890,839
Total current liabilities	146,162	117,221
Total non-current liabilities	452,845	387,459
Total liabilities	599,007	504,680
Total equity	362,838	386,159
Total liabilities and equity	961,845	890,839
(Loss) before business tax	(18,165)	(4,612)
Business tax	(5,156)	(5,041)
Loss from continuing operations	(23,321)	(9,653)
Total comprehensive loss	$ (23,321)	$ (9,653)

Summarized financial information of Belize Telemedia Limited (in thousand of Belize dollars) for March 31, 2025.

	2025	2024
Total current assets	98,903	97,396
Total non-current assets	258,860	252,866
Total assets	357,763	350,262
Total current liabilities	57,500	61,593
Total non-current liabilities	17,740	21,140
Total liabilities	75,240	82,733
Total equity	282,523	267,529
Total liabilities and equity	357,763	350,262
Profit before taxation	35,105	32,927
Business tax	(7,022)	(7,971)
Profit from continuing operations	28,083	24,956
Total comprehensive income	$ 28,083	$ 24,956

9. LONG TERM INVESTMENT

	2025	2024
Belize City Council Municipal Paper	-	5,480,000
Debentures	38,700,000	38,700,000
Corporate Bonds	10,000,000	10,000,000
Government of Belize Treasury Notes	65,000,000	98,406,518
Term Deposits	5,744,390	4,140,000
Shares	33,813,607	33,984,321
	153,257,997	190,710,839
Less: Allowance for credit losses	(712,562)	(1,006,954)
Total long term investments	$ 152,545,435	$ 189,703,885

10. LOAN PRINCIPAL RECEIVABLE

	2025	2024
Mortgages	**4,670,898**	5,145,274
Private sector	**73,325,530**	65,699,503
Staff loans	**1,330,998**	1,347,865
Total Loans	**79,327,426**	72,192,642
Less: Allowance for credit losses	**(9,772,208)**	(9,711,399)
Total Loans - Net	**69,555,218**	62,481,243
Less: Current portion	**(5,686,344)**	(5,304,794)
Total long term loans - net	**$ 63,868,874**	$ 57,176,449

Allowance for credit losses is comprised of:		
Beginning balance	**9,711,399**	11,586,060
Net remeasurement of expected credit loss	**60,809**	(1,874,661)
Ending balance	**$ 9,772,208**	$ 9,711,399

At December 31, 2025, individually impaired loans amounted to 9.19% of total loan receivables (December 31, 2024 - 10.08%).

Mortgages received from the Ministry of Infrastructure Development and Housing at December 31, 2025 totaled $146,683 (December 31, 2024 - $150,463).

11. OTHER ASSETS

	2025	2024
Homeland Development Limited		
734 (2024: 750) plots of land	**$ 880,800**	$ 900,000

An agreement was signed with Social Security Board and Homeland Development Limited dated May 7, 2002 for service that should be delivered to such person that are insured under the funeral scheme. As per agreement Homeland shall sell Social Security Board 1,000 plots permitting the use by SSB. The purchase price was $1,200,000.

12. INTANGIBLE ASSET

	2025	2024
Cost		
Brought forward, January 1	**11,445,327**	8,038,451
Cost capitalized during the year	**2,643,512**	3,502,356
Disposals	**-**	(95,480)
Carried forward, December 31	**14,088,839**	11,445,327
Accumulated amortization		
Brought forward, January 1	**4,212,287**	3,445,284
Amortization	**1,221,774**	862,483
Disposals	**-**	(95,480)
Carried forward, December 31	**5,434,061**	4,212,287
Total	**$ 8,654,778**	$ 7,233,040

SOCIAL SECURITY BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025 (IN BELIZE DOLLARS)

13. INVESTMENT PROPERTY

	Land	Buildings	Furniture and fixtures	Office equipment	Total
Cost					
Brought forward, January 1, 2025	**10,950,799**	**11,474,623**	**14,439**	**801,740**	**23,241,601**
Additions	-	-	-	**54,815**	**54,815**
Disposals	**(12,255)**	-	-	-	**(12,255)**
Carried forward, December 31, 2025	**10,938,544**	**11,474,623**	**14,439**	**856,555**	**23,284,161**
Accumulated depreciation and impairment					
Brought forward, January 1, 2025	-	**1,228,225**	**5,067**	**453,599**	**1,686,891**
Additions	-	**286,866**	**1,444**	**142,590**	**430,900**
Carried forward, December 31, 2025	-	**1,515,091**	**6,511**	**596,189**	**2,117,791**
Net book value					
December 31, 2025	**$ 10,938,544**	**$ 9,959,532**	**$ 7,928**	**$ 260,366**	**$ 21,166,370**
Cost					
Brought forward, January 1, 2024	10,950,799	11,061,672	14,439	801,740	22,828,650
Additions	-	68,327	-	-	68,327
Transfer from property and equipment	-	344,624	-	-	344,624
Carried forward, December 31, 2024	10,950,799	11,474,623	14,439	801,740	23,241,601
Accumulated depreciation and impairment					
Brought forward, January 1, 2024	-	569,413	3,623	315,541	888,577
Additions	-	658,812	1,444	138,058	798,314
Disposals	-	-	-	-	-
Carried forward, December 31, 2024	-	1,228,225	5,067	453,599	1,686,891
Net book value					
December 31, 2024	$ 10,950,799	$ 10,246,398	$ 9,372	$ 348,141	$ 21,554,710

Valuation

The David L. McKoy Business Center, located in the City of Belmopan, Cayo District, Belize is measured at historical cost. At December 31, 2025, the carrying value was $9,959,533. An Appraisal Report was prepared by BELSTATE REALTORS LIMITED. The "Cost" Approach was utilized for buildings and improvements. As at October 8, 2024, the Current Cost Replacement Value was estimated to be $14,257,000.

Land located in San Pedro, Ambergris Caye, Belize is measured at historical cost. At December 31, 2025, the carrying value was $10,636,234. An Appraisal Report was prepared by Mitchell-Moody Associates. The "Cost" Approach was utilized for land. As at August 2021, the Current Cost Replacement Value was estimated to be $190,335,500.

Land located in Rocky Point, Toledo, Belize is measured at historical cost. At December 31, 2025, the carrying value was $175,015. An Appraisal Report was prepared by BELSTATE REALTORS LIMITED. The "Cost" Approach was utilized for land. As at February 19, 2026, the Current Cost Replacement Value was estimated to be $675,000.

Amounts recognised in profit or loss for investment properties	**2025**	2024
Rental income from operating leases	**1,028,621**	1,160,410
Direct operating expenses from property that generated rental income	**534,048**	368,731

The investment properties are leased to tenants under operating leases with rentals payable monthly. Lease income from operating leases where the Board is a lessor is recognised in income on a straightline basis over the lease term.

Leasing arrangements

Minimum lease payments receivable on leases of investment properties are as follows:

	2025	2024
Within 1 year	**1,115,030**	1,253,529
Between 1 and 2 years	**1,253,529**	1,253,529
Between 2 and 3 years	**1,253,529**	1,294,586
Between 3 and 4 years	**1,253,529**	1,376,700
Between 4 and 5 years	**1,253,529**	1,376,700
	$ 6,129,146	$ 6,555,044

14. PROPERTY AND EQUIPMENT

	Land	Buildings	Furniture and fixtures	Office equipment	Computers and accessories, hardware and software	Motor vehicles	Work in progress	Total
Cost								
Brought forward, January 1, 2025	**6,766,449**	**23,280,668**	**2,131,241**	**2,809,451**	**6,738,749**	**799,718**	**1,940,894**	**44,467,170**
Additions	**10,200**	**439,815**	**107,446**	**274,214**	**370,978**	**425,179**	**1,188,281**	**2,816,113**
Disposals	**-**	**(2,016)**	**(58,957)**	**(313,097)**	**(254,434)**	**(69,735)**	**-**	**(698,239)**
Transfers to intangible assets	**-**	**-**	**-**	**-**	**-**	**-**	**(2,643,512)**	**(2,643,512)**
Carried forward, December 31, 2025	**6,776,649**	**23,718,467**	**2,179,730**	**2,770,568**	**6,855,293**	**1,155,162**	**485,663**	**43,941,532**
Accumulated depreciation								
Brought forward, January 1, 2025	**-**	**10,282,712**	**1,872,193**	**2,387,277**	**5,902,139**	**542,586**	**-**	**20,986,907**
Additions	**-**	**490,146**	**76,901**	**150,753**	**422,288**	**183,244**	**-**	**1,323,332**
Disposals	**-**	**(696)**	**(57,351)**	**(309,512)**	**(251,021)**	**(69,735)**	**-**	**(688,315)**
Carried forward, December 31, 2025	**-**	**10,772,162**	**1,891,743**	**2,228,518**	**6,073,406**	**656,095**	**-**	**21,621,924**
Net book value								
December 31, 2025	**$ 6,776,649**	**$ 12,946,305**	**$ 287,987**	**$ 542,050**	**$ 781,887**	**$ 499,067**	**$ 485,663**	**$ 22,319,608**
Cost								
Brought forward, January 1, 2024	6,716,299	23,262,131	2,026,861	2,751,473	6,788,114	782,484	4,405,583	46,732,945
Additions	50,150	18,537	126,236	104,067	230,815	80,200	1,382,291	1,992,296
Disposals	-	-	(21,856)	(46,089)	(280,180)	(62,966)	-	(411,091)
Transfers to investment properties	-	-	-	-	-	-	(344,624)	(344,624)
Transfers to intangible assets	-	-	-	-	-	-	(3,502,356)	(3,502,356)
Carried forward, December 31, 2024	6,766,449	23,280,668	2,131,241	2,809,451	6,738,749	799,718	1,940,894	44,467,170
Accumulated depreciation								
Brought forward, January 1, 2024	-	9,804,370	1,829,872	2,277,162	5,270,344	453,495	-	19,635,243
Additions	-	478,342	63,561	154,218	909,450	152,057	-	1,757,628
Disposals	-	-	(21,240)	(44,103)	(277,655)	(62,966)	-	(405,964)
Carried forward, December 31, 2024	-	10,282,712	1,872,193	2,387,277	5,902,139	542,586	-	20,986,907
Net book value								
December 31, 2024	$ 6,766,449	$ 12,997,956	$ 259,048	$ 422,174	$ 836,610	$ 257,132	$ 1,940,894	$ 23,480,263

14. PROPERTY AND EQUIPMENT (CONTINUED)

Work-in-progress listed above consists of the following:

	2025	2024
PERANSA platform development and ancillary costs	**483,694**	1,430,419
Others	**1,969**	510,475
	$ 485,663	$ 1,940,894

15. ACCOUNTS PAYABLE AND ACCRUALS

	2025	2024
Benefits payable	**761,953**	2,787,772
Accrued expenses and other liabilities	**6,604,701**	6,029,213
Global fund grant payable (see note a below)	**11,651**	99,956
	$ 7,378,305	$ 8,916,941

a. On October 13, 2021, The Global Fund to Fight AIDS, Tuberculosis and Malaria (Global Fund) signed a Framework Agreement with the Social Security Board (Grantee), whereby grant funds up to the amount of US$3,193,258 would be provided to the Grantee for the implementation of certain Program(s) beginning January 1, 2022 - December 31, 2024. In November 2023, the maximum grant amount was increased to US$3,722,117. In 2025 grant was closed with total disbursement of US$3,346,938. As at December 31, 2025, amount received was BZ$6,687,350 (2024: BZ$6,655,780) and balance yet to be received for grant closure is BZ$ NIL (2024: BZ$38,096). The remaining grants funds of BZ$11,651 was returned to Global Fund in 2026.

16. SEVERANCE LIABILITY

The movement in the provision is as follows:

	2025	2024
Beginning balance, January 1	**4,327,892**	3,972,905
Addition	**1,945,321**	417,149
Payouts	**(280,983)**	(62,162)
Ending balance, December 31	**$ 5,992,230**	$ 4,327,892

17. PENSION LIABILITY

The Board sponsors a defined benefit pension scheme in accordance with a Trust Deed signed by the Board and the Trustees on April 24, 1996, but deemed to have been established under irrevocable trust with effect from January 1, 1991. By Statutory Instrument No. 45, dated May 29, 2017, the Prime Minister formally exempted the Social Security Board Staff Pension Scheme from the provisions of the Private Pensions Act.

The scheme is contributory (funded on a bipartite basis by the SSB and the employees). The Board and participants pay fixed contributions into the separate trust which is managed by a Board of Trustees nominated by the employer. These Board's contributions are expensed in the period in which they are accrued. The funding arrangements are as follows, with any liability or surplus recognized in the Board's financial statements:

	Contribution Rate a/ 2025	Amount	Contribution Rate a/ 2024	Amount
Employees	2.80%	294,409	2.80%	284,618
Employer b/	4.30%	456,364	4.30%	422,112
Total	7.10%	$ 750,773	7.10%	$ 706,730

a/ Of basic salaries

b/ Contributions at the rate of 4.3% of salaries suspended as from September 1, 2011, in recognition of the surplus status of the Fund, and re-instated as from January 1, 2017.

The terms of the defined benefit pension scheme allow for 5 different types of benefits to participants and define the amount that participants will receive. These amounts are dependent on factors such as age, years of service and compensation, and are determined independently of the contributions payable or the investments of the scheme. Currently the Scheme has 20 active pensioners and 245 active participants (2024: 14 pensioners and 244 active participants).

17. PENSION LIABILITY (CONTINUED)

An asset or liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. Management estimates the defined benefit obligation (DBO) annually with the assistance of an independent actuary. Actuarial gains and losses resulting from re-measurements of the net defined benefit liability are included in other comprehensive income. Any past services are recognized as from January 1, 1991.

The pension obligation is measured as the present value of the estimated future cash outflows using interest rates of long-term government bonds that are denominated in the currency in which the benefits will be paid, and which have terms to maturity approximating the terms of the related liability. Re-measurements arising from experience adjustments and changes in actuarial assumptions are charged or credited to income over the employees' expected average remaining working lives. On a going concern basis and taking into consideration projected salaries as retirement rather than static salaries, the funded status is as follows, as at December 31,:

Projected Benefit Obligation and Funded Status (IAS-19 R)

a/ Funded Status	2025	2024
Projected Benefit Obligation	18,003,985	16,412,779
Net assets	(13,610,636)	(13,106,091)
Unfunded liability	$ 4,393,349	$ 3,306,688

a/Unaudited. No material adjustments are anticipated.

Changes in Benefit Obligations and Net Assets

Changes in Projected Obligations	2025	2024
Projected benefit obligation at January 1	16,412,779	14,908,596
Service cost	657,566	704,652
Interest cost	820,639	745,430
Benefits paid and expenses	(825,128)	(529,706)
Actuarial loss - obligations	938,129	583,807
Projected benefit obligation at December 31	$ 18,003,985	$ 16,412,779
Change in Plan Assets		
Assets at January 1	13,106,091	12,271,545
Expected return on assets	655,305	613,577
Contributions	750,773	706,731
Benefit paid and expenses	(825,128)	(529,706)
Actuarial (loss) gain - assets	(76,405)	43,944
Assets at December 31	$ 13,610,636	$ 13,106,091
Consolidated deficit	$ 4,393,349	$ 3,306,688

Expenses to be Recognized (IAS-19R)	2025	2024
Current service cost	657,566	704,652
Net interest expense (income)	820,639	745,430
Sub-total (P&L)	1,478,205	1,450,082
Re-measurement		
Liability loss	938,129	583,807
Asset loss/(gain)	76,405	(43,944)
Sub-total (OCI)	1,014,534	539,863
Total	$ 2,492,739	$ 1,989,945

Actuarial Bases

	2025	2024
Mortality Table	GAM-83	GAM-83
Nominal Rate of Return	5%	5%
Salary Scale	3%	3%
Real Rate of Discount	2%	2%
Annuity Rates (pensioners)	5%	5%

17. PENSION LIABILITY (CONTINUED)

Changes in Benefit Obligations and Net Assets (continued)

Actual and Expected Return of Assets

	2025	2024
Expected return	**655,305**	655,577
Actual return	**578,900**	657,520
(Deficit) surplus	**(76,405)**	1,943

Sensitivity Analysis (Projected Benefit Obligations)

The analysis shows the following results in the projected obligations:

Discount rate	Variations in benefit obligations
-1%	+10.9%
+1%	-10.3%

18. NET INVESTMENT INCOME

	2025	2024
Long and short term investments income	**17,593,616**	18,834,295
(Loss) Income from associates	**(197,210)**	5,648,796
Investment expenses	**(553,109)**	(390,338)
Expected credit losses	**(120,588)**	(145,711)
	$ 16,722,709	$ 23,947,042

19. OTHER INCOME – NET

	2025	2024
Interest on assessments and late contributions	**2,240,481**	1,795,536
Rental income	**14,571**	19,424
(Loss) gain on disposal of property and equipment	**(9,689)**	14,483
Others	**1,328,508**	1,269,028
	$ 3,573,871	$ 3,098,471

20. SUBVENTION TO NHI PROGRAM

The Government of Belize assists the National Health Insurance (NHI) through an annual subvention which is allocated in the annual GOB budget.

	2025	2024
Government of Belize Subvention	**46,250,000**	33,500,000
	$ 46,250,000	$ 33,500,000

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025 (IN BELIZE DOLLARS)

21. ADMINISTRATION EXPENSES

	2025	2024
Actuarial expenses	196,590	83,320
Amortization (intangible asset)	1,221,774	741,280
Appeals Tribunal expenses	12,795	13,215
Audit cost	115,000	116,624
Board expenses	389,731	494,898
Cleaning and sanitation	425,521	374,278
Committees expense	59,575	85,625
Compliance project	9,734	33,769
Computer licenses	1,881,492	1,618,606
Depreciation	847,857	1,259,813
Expected credit losses	12,285	2,638
Insurance	132,661	86,461
Legal and professional fees	361,577	661,152
Medical and group health insurance	326,734	286,122
Motor vehicle expenses	71,116	61,599
Overseas conference	108,899	104,988
Pensions - defined contribution	403,512	373,742
Postage	33,320	36,156
Premises repairs and maintenance	723,336	634,932
Printing, stationery and supplies	334,148	340,801
Publicity and promotion	459,989	549,748
Recruitment	7,459	29,360
Registration expenses	270,710	238,520
Salaries	13,341,376	12,811,088
Security	545,243	548,800
Severance	1,945,321	417,149
Social security contributions	440,246	443,149
Subscriptions	154,944	153,051
Telephones and cables	723,583	726,772
Training	270,622	254,933
Transfer and other allowances	1,356,004	1,241,757
Traveling and subsistence	731,161	691,359
	$ 27,932,301	$ 25,515,705

22. ESTABLISHMENT EXPENSES

	2025	2024
Light, power and water	459,845	484,599
Depreciation	771,715	1,133,888
Rent	64,165	64,780
	$ 1,295,725	$ 1,683,267

23. NHI OPERATING EXPENSES

	2025	2024
Administration	1,969,983	1,798,888
Establishment	137,422	76,609
Financial	880	835
	$ 2,108,285	$ 1,876,332

24. EMPLOYEE REMUNERATION

	2025	2024
Salaries	13,341,376	12,811,088
Social Security costs	440,246	443,149
Pensions-defined benefit plans	403,512	373,742
Total employee remuneration	$ 14,185,134	$ 13,627,979

25. CATEGORIES OF FINANCIAL INSTRUMENTS

	At December 31, 2025		
Financial assets	**FVTPL**	**Amortised costs**	**Total**
Cash and cash equivalents	-	**262,394,613**	**262,394,613**
Short term investments	-	**68,606,312**	**68,606,312**
Investment income receivable	-	**2,322,422**	**2,322,422**
Accounts receivable	-	**6,488,903**	**6,488,903**
Long term investments	**33,813,607**	**118,731,828**	**152,545,435**
Loan principal receivable - net	-	**69,555,218**	**69,555,218**
Total financial assets	**$ 33,813,607**	**$ 528,099,296**	**$ 561,912,903**
Financial liabilities		**Amortised cost**	
Accounts payable and accruals	**$ -**	**$ 7,378,305**	**$ 7,378,305**

	At December 31, 2024		
Financial assets	FVTPL	Amortised costs	Total
Cash and cash equivalents	-	204,842,582	204,842,582
Short term investments	-	40,515,059	40,515,059
Investment income receivable	-	2,267,455	2,267,455
Accounts receivable	-	4,462,519	4,462,519
Long term investments	33,984,321	155,719,564	189,703,885
Loan principal receivable - net	-	62,481,243	62,481,243
Total financial assets	$ 33,984,321	$ 470,288,422	$ 504,272,743
Financial liabilities		Amortised cost	
Accounts payable and accruals	$ -	$ 8,916,941	$ 8,916,941

26. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

Social Security Board's capital management objectives are:

- to ensure its ability to continue as a going concern
- to obtain an adequate return on investments to maintain healthy reserves
- to meet its commitments to all insured persons

These are accomplished by managing and investing prudently the contribution received from employers and employees. This is balanced with the risk appetite of SSB.

Social Security Board monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of the statement of financial position.

SSB's goal in capital management is to maintain a capital-to-overall financing ratio of 1:1 to 1:2.

Management assesses SSB's capital requirements in order to maintain an efficient overall financing structure. To date SSB has not had the need to obtain loans from other institutions (debt). SSB manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, SSB may adjust by selling assets or cashing in investments.

The amounts managed as capital by SSB for the reporting periods under review are summarized as follows:

	2025	2024
Total equity	**810,094,555**	756,446,214
Cash and cash equivalents	**262,394,613**	204,842,582
Capital	**1,072,489,168**	961,288,796
Total equity	**810,094,555**	756,446,214
Borrowings (debt)	**-**	-
Overall Financing	**$ 810,094,555**	$ 756,446,214
Capital-to-overall financing ratio	**1.32%**	1.27%

Social Security Board has adequate capital ratios and continues to monitor its benefit reserves.

27. SEGMENT REPORTING

In accordance with IFRS 8 and for management purposes, the Board's activities are organized into three main operating segments prescribed in the Social Security Act, Chapter 44, Revised Edition 2003. These are as follows:

a) *Short Term Benefits Branch*: Covers

i. **Maternity Benefits** which are paid to insured women who are on Maternity leave from work because of their pregnancy and confinement.

ii. **Sickness Benefit** is paid for up to 26 weeks to an insured person under 65 years who is temporarily unable to work because of an illness and who is employed when he or she becomes ill.

b) *Long-term Benefits Branch:* Covers

i. **Retirement Benefits** paid to insured persons who are 65 years of age (and older) or 60 to 64 and not employed.

ii. **Invalidity Benefits** paid to insured persons under 60 years who are medically certified by Social Security Medical Board as permanently unable to do any type of work because of an illness.

iii. **Survivors' Benefits** paid to the widow/widower, children or parents of a deceased insured person whose death was not caused by a work-related injury.

c) *Employment Injury Benefits Branch:*

This branch of benefits provides coverage for an insured person who suffers an employment injury, that is a personal injury or death by way of an accident at work or a disease caused by the type of work he or she does.

The Death and Disablement benefit of the Employment injury benefit branch is separated in accordance with disclosures at note 2u. Death benefit is paid to the widow or widower, children or parents of a deceased insured person whose death was caused by an employment injury. Disablement pension is paid when an employment injury or work-related prescribed disease results in partial or total disability.

d) National Health Insurance

The NHI scheme is established as a financing and purchasing mechanism for ensuring affordable and acceptable health care services to all NHI beneficiaries.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects is measured differently from operating profit or loss in the financial statements. The result of operations for each Branch is disclosed in pages 43 to 48. Revenues and expenses are allocated based on formula prescribed by law (See Note 2v and 2y).

28. RELATED PARTY BALANCES AND TRANSACTIONS

Related parties include associates, ministries and corporations of the Government of Belize; agencies and entities controlled by, jointly controlled by, or significantly influenced by the Government of Belize; key management personnel; close family members of key management personnel; and entities owned or controlled by key management personnel. Key management personnel include those having the authority and responsibility for planning, directing and controlling the activities of the Board.

The Social Security Board is a government-related entity as defined by IAS 24, Related Party Disclosures. The Board has applied the exemption in IAS 24 paragraphs 25 to 27 from the detailed disclosure requirements in relation to balances and transactions with the Government of Belize and other entities that are related to the same government.

In the ordinary course of business, the Board enters into transactions with the Government of Belize and other government-related entities. These transactions include contributions, demand and term deposits, investments in government securities, investments in government-related entities, loans receivable, and purchases of utility and telecommunication services, investment and other income. Other transactions with government-related entities, which includes water services, were not individually significant for separate disclosure.

28. RELATED PARTY TRANSACTIONS (CONTINUED)

Balances and transactions between the Board and its related parties are disclosed below:

(a) Significant balances and transactions with government-related entities

Entity	Nature of balance		Assets 2025	Assets 2024	Income 2025	Income 2024
Belize Airports Authority	Loan principal receivable	(vi)	$ 23,944,944	$ 25,263,100	$ 1,450,027	$ 1,526,013
Belize Electricity Limited	Investment in associate	(i)	$ 111,880,344	$ 119,217,553	$ (7,337,209)	$ (3,021,204)
Belize Electricity Limited	Long-term investment - Debentures	(ii)	$ 14,700,000	$ 14,700,000	$ 735,500	$ 683,625
Belize Telemedia Limited	Investment in associate	(i)	$ 96,857,959	$ 94,137,959	$ 7,140,000	$ 8,670,000
Belize Tourism Board	Long-term investment - Corporate bonds	(ii)	$ 10,000,000	$ 10,000,000	$ 574,613	$ 574,604
Belize Water Services Limited	Long-term investment - shares	(ii)	$ 22,360,000	$ 22,080,000	$ 580,000	$ 700,000
Belize Water Services Limited	Long-term investment - Debentures	(ii)	$ 24,000,000	$ 24,000,000	$ 1,150,000	$ 1,071,528
Border Management Agency	Loan principal receivable	(vi)	$ 3,926,107	$ 4,435,885	$ 308,734	$ 345,122
Development Finance Corporation	Loan principal receivable	(vi)	$ 12,211,710	$ 9,370,268	$ 525,571	$ 585,576
Government of Belize	Treasury notes and floating rate notes	(v)	$ 98,369,679	$ 98,406,518	$ 5,154,558	$ 5,337,960
Karl Heusner Memorial Hospital	Loan principal receivable	(vi)	$ 107,476	$ 219,960	$ 9,658	$ 16,254
National Bank of Belize	Demand / savings deposits	(iii)	$ 39,438,500	$ 34,226,373	$ 935,528	$ 766,401
National Bank of Belize	Term deposits	(iv)	$ 10,029,290	$ 9,690,135	$ 343,753	$ 331,467
Public Administration Campus I (SPV) Limited	Long-term investment - shares	(ii)	$ 7,900,000	$ 7,900,000	$ -	$ -

(i) Investment in associates are disclosed at note 8.

(ii) Balances are included in the long-term investment disclosed at note 9.

(iii) Balances are included in cash and cash equivalents disclosed at note 4.

(iv) Term deposits comprise short and long-term deposits placed with National Bank of Belize. These balances are included in short-term investments disclosed at note 5 and long-term investments disclosed at note 9.

(v) Government securities comprise treasury notes included in short-term investments disclosed at note 5 and treasury notes and floating rate notes included in long-term investments disclosed at note 9.

(vi) Balances are included in loan principal receivable disclosed at note 10.

(b) Contributions revenue

	2025	2024
Social security contributions:		
Government of Belize	31,650,002	32,004,807
Belize Telemedia Limited	1,302,013	1,345,358
Belize Electricity Limited	1,141,018	1,060,037
Belize Water Services Limited	1,036,822	999,012
Karl Heusner Memorial	1,701,290	1,631,796
Other government-related entities	1,111,274	1,022,662
	$ 37,942,419	$ 38,063,672

28. RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Purchases of good and services

	2025	2024
Purchases of services:		
Belize Telemedia Limited	1,175,446	1,201,174
Belize Electricity Limited	771,821	799,017
Entities controlled by management personnel	39,912	124,051
	$ 1,987,179	$ 2,124,242

Except for the balances and transactions disclosed above, no other transactions with the Government of Belize or other government-related entities were considered individually significant for separate disclosure.

Goods and services are purchased from related parties under normal commercial terms and conditions.

The entities controlled by key management personnel are entities owned or controlled by directors.

(d) Key management compensation

The total remuneration paid to key management which includes general managers and managers was:

	2025	2024
Salaries and other allowances	3,658,076	3,629,580
Termination benefits	114,731	88,042
	$ 3,772,807	$ 3,717,622

(e) Year-end balances receivable from key management

Advances and loans to key management	732,497	518,793
	$ 732,497	$ 518,793

(f) Balances receivable and payable to Government of Belize are disclosed under notes 6, 10, and 15.

29. COMMITMENTS AND CONTINGENCIES

	2025	2024
Capital Commitments		
Capital expenditure contracted	$ 551,817	$ 1,171,562
Loan commitments issued	$ 15,000,000	$ 27,000,000
	$ 15,551,817	$ 28,171,562

30. GOVERNMENT OF BELIZE AND SOCIAL SECURITY SETTLEMENT

The Government of Belize gave notice of its acquisition of Belize Telemedia Limited (BTL) by order of the Belize Telecommunications (Assumption of Control Over Belize Telemedia Limited) Amendment Order, 2009, Statutory Instrument No. 130 of 2009. Subsequently, in a notice dated December 7, 2009, and Gazetted on December 12, 2009, the Government required all those who may have claims to compensation to submit their claims to the Financial Secretary. The Notice of Acquisition specifically included the shares of BTL held by Sunshine Holdings, as well as the outstanding shares of Sunshine Holdings itself.

30. GOVERNMENT OF BELIZE AND SOCIAL SECURITY SETTLEMENT (CONTINUED)

As a consequence of the acquisition of Sunshine Holdings, and by letter dated October 13, 2009, the Social Security Board filed a claim with the Financial Secretary, Ministry of Finance, indicating that "Pursuant to Belize Gazette Notice 529, dated August 27, 2009, the Social Security Board (SSB) hereby makes a claim for payment of the sums evidence as to SSB by a Loan Note between Sunshine Holdings Ltd. and SSB dated September 19, 2005." As a result, of Supreme Court Claim No. 341 of 2011 Social Security Board vs. Sunshine Holdings Ltd., Government confirms that it will continue to wholly own Sunshine Holdings Ltd. in which the liability for the payment of the loan balance now becomes that of Government. All other outstanding sums including interest is to be paid by the Government of Belize.

In October 2024, the Government of Belize and the Social Security Board entered into a settlement deed. This settlement deed established the total principal and interest due by the Government of Belize to the Social Security Board as at June 30, 2024, in relation to the loan made to Sunshine amounted to BZ$30,863,633 (GOB-Sunshine Debt). Additionally, the total amount due by the Social Security Board to the Government of Belize, as of June 30, 2024, representing accrued benefits advanced to its employees and a residual balance from the Mortgage Securitization Program, amounted to BZ$16,852,109 (SSB-GOB Debt). The terms of the settlement deed allowed for the SSB-GOB Debt to be set off against the GOB-Sunshine Debt and that the remaining balance of the GOB-Sunshine Debt be settled by way of Treasury Notes in favour of SSB as follows:

i. Issue No. 1 in the principal amount of BZ$4,000,000 (Four Million Belize Dollars) bearing a coupon interest rate of 3% with a maturity date of 5 years from its date of issue; and

ii. Issue No. 2 in the principal amount of BZ$10,000,000 (Ten Million Belize Dollars) bearing a coupon interest rate of 3% with a maturity date of 10 years from its date of issue.

In November 2024, the Government of Belize and Social Security Board Settlement Deed Bill, 2024 was passed by the House of Representatives and the Senate. The Bill was presented to the Governor-General for the Governor-General's Assent. The law styled as an "Act" was published in the Gazette on December 14, 2024.

The Government of Belize issued in favour of the Social Security Board BZ$14,000,000 (Fourteen Million Belize Dollars) of Treasury Notes on December 18, 2024.

31. EVENT AFTER THE REPORTING PERIOD

After the year, the Social Security Board invested in shares and a debt instrument totalling BZ$149.5 million.

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INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS
SOCIAL SECURITY BOARD

Report on the Audit of the Supplementary Financial Statements

Opinion

We have audited the financial statements of Social Security Board, which comprise the statement of financial position as at 31 December 2025, statement of profit, statement of comprehensive income, statement of changes in reserve, statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

We have issued an opinion that the financial statements present fairly, in all material respects, the statement of financial position of Social Security Board as of 31 December 2025 and of its financial performance, and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

The supplementary information that follow, at pages 43 – 53, were examined as part of the aforesaid audit and we now certify, in accordance with the provisions of Sections 13 and 21 of the Financial and Accounting Regulations of the Social Security Act, Chapter 44, that in our opinion, the supplementary information is fairly stated in all material respects in relation to the financial statement as a whole.

PKF Belize

PKF Belize
Chartered Accountants
Belize City

July 31, 2026

SOCIAL SECURITY BOARD

STATEMENTS OF INCOME AND EXPENDITURES - SHORT TERM BENEFITS BRANCH
FOR THE YEAR ENDED DECEMBER 31, 2025 (IN BELIZE DOLLARS)

	2025	2024
INCOME		
Contributions:		
Employers and employed persons	**36,221,601**	34,092,931
Total contributions	**36,221,601**	34,092,931
Other income:		
Net investment income	**811,668**	1,044,609
Others	**1,191,290**	1,032,824
Total other income	**2,002,958**	2,077,433
TOTAL INCOME	**38,224,559**	36,170,364
EXPENDITURES		
Benefits:		
Maternity	**5,603,448**	5,591,125
Sickness	**15,620,490**	18,317,012
Maternity grants	**784,500**	783,600
Total benefits	**22,008,438**	24,691,737
Operating expenses:		
Administration	**5,027,885**	4,896,730
Establishment	**431,908**	561,089
Financial	**344,664**	309,784
Total operating expenses	**5,804,457**	5,767,603
TOTAL EXPENDITURE	**27,812,895**	30,459,340
EXCESS OF INCOME OVER EXPENDITURES	**$ 10,411,664**	$ 5,711,024

SOCIAL SECURITY BOARD

STATEMENTS OF INCOME AND EXPENDITURES - LONG TERM BENEFITS BRANCH
FOR THE YEARS ENDED DECEMBER 31, 2025 (IN BELIZE DOLLARS)

	2025	2024
INCOME		
Contributions:		
Employers and employed persons	**137,260,805**	129,194,264
Total contributions	**137,260,805**	129,194,264
Other income:		
Net investment income	**12,507,853**	18,065,149
Others	**1,191,290**	1,032,824
Total other income	**13,699,143**	19,097,973
TOTAL INCOME	**150,959,948**	148,292,237
EXPENDITURES		
Benefits:		
Retirement	**84,573,720**	76,485,407
Invalidity	**6,642,537**	5,744,000
Survivors	**12,293,595**	11,574,311
Funeral	**1,710,097**	1,949,991
Non-contributory pension	**769,000**	859,200
Total benefits	**105,988,949**	96,612,909
Operating expenses:		
Administration	**21,003,453**	18,809,610
Establishment	**431,908**	561,089
Financial	**344,664**	309,784
Total operating expenses	**21,780,025**	19,680,483
TOTAL EXPENDITURE	**127,768,974**	116,293,392
EXCESS OF INCOME OVER EXPENDITURES	**$ 23,190,974**	$ 31,998,845

SOCIAL SECURITY BOARD

STATEMENTS OF INCOME AND EXPENDITURES - EMPLOYMENT INJURY BENEFITS BRANCH

FOR THE YEAR ENDED DECEMBER 31, 2025 (IN BELIZE DOLLARS)

	2025	2024
INCOME		
Contributions:		
Employers and employed persons	**17,157,601**	16,149,283
Total contributions	**17,157,601**	16,149,283
Other income:		
Net investment income	**3,157,878**	4,458,405
Others	**1,191,290**	1,032,824
Total other income	**4,349,168**	5,491,229
TOTAL INCOME	**21,506,769**	21,640,512
EXPENDITURES		
Benefits:		
Disablements grants	**540,221**	583,841
APV disablement benefits	**1,043,235**	1,211,400
APV death benefits	**110,313**	821,527
Employment Injury	**3,161,495**	2,952,167
Funeral grants	**3,000**	3,000
Total benefits	**4,858,264**	5,571,935
Operating expenses:		
Administration	**1,900,965**	1,809,365
Establishment	**431,909**	561,089
Financial	**344,664**	309,784
Total operating expenses	**2,677,538**	2,680,238
TOTAL EXPENDITURES	**7,535,802**	8,252,173
EXCESS OF INCOME OVER EXPENDITURES	**$ 13,970,967**	$ 13,388,339

SOCIAL SECURITY BOARD

STATEMENTS OF INCOME AND EXPENDITURES - DISABLEMENT AND DEATH BENEFITS RESERVE

FOR THE YEAR ENDED DECEMBER 31, 2025 (IN BELIZE DOLLARS)

	2025	2024
INCOME		
Contributions:		
APV disablement benefits	**1,043,235**	1,211,400
APV death benefits	**110,313**	821,527
Total contributions	**1,153,548**	2,032,927
Net investment income	**245,310**	378,878
TOTAL INCOME	**1,398,858**	2,411,805
EXPENDITURES		
Benefits:		
Disablement pension	**1,922,246**	1,897,979
Death benefits	**589,279**	585,805
Total benefits	**2,511,525**	2,483,784
EXCESS OF EXPENDITURES OVER INCOME	**$ (1,112,667)**	$ (71,979)

SOCIAL SECURITY BOARD

STATEMENT OF FINANCIAL POSITION - NATIONAL HEALTH INSURANCE
FOR THE YEAR ENDED DECEMBER 31, 2025 (IN BELIZE DOLLARS)

ASSETS	**2025**	2024
CURRENT ASSETS:		
Cash and cash equivalents	**34,200,066**	28,984,531
Office supplies	**3,081,690**	1,282,780
Accounts receivable	**66,648**	299,779
Prepayments	**13,132**	38,588
Total current assets	**37,361,536**	30,605,678
NON-CURRENT ASSETS:		
Property and equipment - net	**574,136**	411,272
Total non-current assets	**574,136**	411,272
TOTAL ASSETS	**$ 37,935,672**	$ 31,016,950
LIABILITIES AND RESERVES		
LIABILITIES:		
CURRENT LIABILITIES:		
Accounts payable and accruals	**3,538,951**	5,604,326
Total current liabilities	**3,538,951**	5,604,326
RESERVES:		
National health insurance fund	**34,396,721**	25,412,624
Total reserves	**34,396,721**	25,412,624
TOTAL LIABILITIES AND RESERVES	**$ 37,935,672**	$ 31,016,950

SOCIAL SECURITY BOARD

STATEMENTS OF INCOME AND EXPENDITURES - NATIONAL HEALTH INSURANCE FUND

FOR THE YEAR ENDED DECEMBER 31, 2025 (IN BELIZE DOLLARS)

	2025	2024
INCOME		
Contributions:		
Government of Belize	**46,250,000**	33,500,000
Grant Funding	-	50,608
Other Income	**214,495**	184,224
Total contributions	**46,464,495**	33,734,832
EXPENDITURES		
Benefits:		
National health insurance benefits	**35,372,114**	26,221,980
Total benefits	**35,372,114**	26,221,980
Operating expenses:		
Administration	**1,969,983**	1,798,888
Establishment	**137,421**	76,609
Financial	**880**	835
Total operating expenses	**2,108,284**	1,876,332
TOTAL EXPENDITURE	**37,480,398**	28,098,312
EXCESS OF INCOME OVER EXPENDITURES	**$ 8,984,097**	$ 5,636,520

SOCIAL SECURITY BOARD

INVESTMENTS LISTINGS

FOR THE YEAR ENDED DECEMBER 31, 2025 (IN BELIZE DOLLARS)

SHORT TERM INVESTMENTS	**2025**	2024
Term Deposits		
Atlantic Bank Limited		
2.30% Maturing February 5, 2026	**6,069,139**	-
2.30% Maturing February 5, 2026	**5,000,000**	-
2.30% Maturing August 26, 2026	**5,000,000**	-
2.30% Maturing August 26, 2026	**5,000,000**	-
2.30% Maturing November 1, 2026	**1,628,723**	-
2.30% Maturing December 4, 2026	**3,000,000**	-
2.30% Maturing December 14, 2026	**518,624**	-
3.00% Maturing February 5, 2025	-	5,892,368
3.00% Maturing February 5, 2025	-	5,000,000
3.00% Maturing August 26, 2025	-	5,000,000
3.00% Maturing August 26, 2025	-	5,000,000
2.75% Maturing November 1, 2025	-	1,628,723
4.50% Maturing November 20, 2025	-	5,000,000
4.50% Maturing November 20, 2025	-	5,000,000
2.30% Maturing December 4, 2025	-	3,000,000
2.30% Maturing December 14, 2025	-	518,624
National Bank of Belize		
3.50% Maturing September 23, 2026	**4,284,900**	-
3.50% Maturing July 12, 2026	-	3,104,584
3.50% Maturing July 12, 2026	-	2,445,551
Total Term Deposits	**30,501,386**	41,589,850
Less: allowance for credit losses	**(601,444)**	(1,074,792)
	29,899,942	40,515,058
TREASURY NOTES		
Government of Belize Floating rate notes:		
5.25% Maturing July 13, 2026	**14,019,679**	-
4.00% Maturing July 13, 2026	**2,000,000**	-
4.00% Maturing August 1, 2026	**17,350,000**	-
Total Treasury Notes	**33,369,679**	-
Less: allowance for credit losses	**(20,010)**	-
	33,349,669	-
Municipal papers		
Belize City Council		
3 years Series V paper @ 5.5% Maturing January 3, 2026 (extended up to June 2026)	**2,880,000**	-
3 years Series V paper @ 5.5% Maturing April 1, 2026 (extended up to June 2026)	**1,000,000**	-
3 years Series V paper @ 5.5% Maturing October 1, 2026	**1,600,000**	-
Total Municipal papers	**5,480,000**	-
Less: allowance for credit losses	**(123,300)**	-
	5,356,700	-
TOTAL SHORT TERM INVESTMENTS	**$ 68,606,311**	$ 40,515,058
INVESTMENT IN ASSOCIATES		
Belize Electricity Limited		
21,580,028 ordinary shares, BZ$ 2 par value	**111,880,344**	119,217,553
Belize Telemedia Limited		
17,000,000 ordinary shares, BZ$ 1 par value	**96,857,959**	94,137,959
TOTAL INVESTMENT IN ASSOCIATES	**$ 208,738,303**	$ 213,355,512

SOCIAL SECURITY BOARD

INVESTMENTS LISTINGS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025 (IN BELIZE DOLLARS)

LONG TERM INVESTMENTS	2025	2024
Municipal papers		
Belize City Council		
3 years Series V paper @ 5.5% Maturing January 3, 2026	-	2,880,000
3 years Series V paper @ 5.5% Maturing April 1, 2026	-	1,000,000
3 years Series V paper @ 5.5% Maturing October 1, 2026	-	1,600,000
Total Municipal papers	-	5,480,000
Less: allowance for credit losses	-	(131,520)
	-	5,348,480
Corporate bonds		
Belize Tourism Board		
10 years bond @ 5.75% Maturing April 20, 2033	**10,000,000**	10,000,000
Total Corporate bonds	**10,000,000**	10,000,000
Less: allowance for credit losses	**(150,000)**	(240,000)
	9,850,000	9,760,000
Shares		
Belize Water Services Limited		
4,000,000 shares, BZ$1.50 par value	**22,360,000**	22,080,000
Atlantic Bank Limited		
786 shares, BZ$165 par value	**1,328,398**	1,222,809
5,573 shares, BZ$100 par value		
Citrus Products of Belize Limited		
7,947,175 shares, BZ$1.16 par value	**2,225,209**	2,781,511
Public Administration Campus I (SPV) Limited		
5,780 shares, BZ$1.00 par value	**7,900,000**	7,900,000
Total shares	**33,813,607**	33,984,320
Debentures		
Belize Water Services Limited		
6.25% debentures maturing December 31, 2030	**4,000,000**	4,000,000
4.5% debentures maturing August 31, 2033	**20,000,000**	20,000,000
Belize Electricity Limited		
4.5% debentures maturing December 31, 2035	**5,000,000**	5,000,000
4.5% debentures maturing December 31, 2035	**5,000,000**	5,000,000
6.0% debentures maturing December 31, 2032	**4,000,000**	4,000,000
6.5% debentures maturing December 31, 2030	**700,000**	700,000
Total Debentures	**38,700,000**	38,700,000
Less: allowance for credit losses	**(400,500)**	(348,300)
	38,299,500	38,351,700
Term Deposits		
National Bank of Belize		
3.50% Maturing July 11, 2027	**2,531,145**	-
3.50% Maturing July 11, 2027	**3,213,245**	-
3.50% Maturing September 22, 2026	-	4,140,000
Total Term Deposits	**5,744,390**	4,140,000
Less: allowance for credit losses	**(123,062)**	(188,784)
Total Term Deposits	**5,621,328**	3,951,216

SOCIAL SECURITY BOARD

INVESTMENTS LISTINGS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025 (IN BELIZE DOLLARS)

Treasury Notes	2025	2024
Government of Belize Fixed rate notes:		
5.75% Maturing April 3, 2040	**10,000,000**	10,000,000
3.50% Maturing May 17, 2027	**12,000,000**	12,000,000
5.25% Maturing July 13, 2026	-	14,056,518
4.00% Maturing July 13, 2026	-	2,000,000
4.00% Maturing July 13, 2030	**4,000,000**	4,000,000
4.00% Maturing August 1, 2026	-	17,350,000
3.00% Maturing December 18, 2029	**4,000,000**	4,000,000
3.00% Maturing December 18, 2034	**10,000,000**	10,000,000
	40,000,000	73,406,518
Floating rate notes:		
5.00%+IR Maturing May 19, 2027	**25,000,000**	25,000,000
Total Floating Rate Notes	**25,000,000**	25,000,000
Total Treasury Notes	**65,000,000**	98,406,518
Less: allowance for credit losses	**(39,000)**	(98,350)
	64,961,000	98,308,168
TOTAL LONG TERM INVESTMENTS	**$ 152,545,435**	$ 189,703,884
Mortgages and Housing		
Housing Mortgages - MoH		
10 to 20 years mortgages @ 8.5% interest	**146,683**	150,463
BNBS Mortgages		
20 years loans @ 8.5% interest	**193,806**	211,689
Housing Mortgages – Tranche B		
District and Secondary, 10 – 20 years loans @ 8.5% interest	**96,102**	100,796
BIMCO Mortgages		
Middle income, 20 years loans @ 8.5%	**235,147**	315,828
St. James National Building Society Ltd.		
5 – 20 years loan @ 8.5% interest	**223,534**	232,881
Staff Housing Loans		
10 – 20 years @ 6% interest	**2,897,813**	3,128,214
Previous Staff Housing and Other Loans		
10 – 20 years @ 8.0% interest	**689,561**	792,420
Other	**188,253**	212,982
Staff Loans	**1,330,998**	1,347,865
	6,001,897	6,493,138
Less: allowance for credit losses	**(469,226)**	(512,856)
	5,532,671	5,980,282

SOCIAL SECURITY BOARD

INVESTMENTS LISTINGS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2025 (IN BELIZE DOLLARS)

Private Sector Loans	2025	2024
Development Finance Corporation		
25 years loan @ 4.5% interest	**5,000,000**	-
14 years loan @ 5.5% interest	**7,211,710**	9,370,268
Belize Airports Authority		
19 years loan @ 6.0% interest	**18,382,678**	19,175,783
10 years loan @ 5.5% interest	**5,562,266**	6,087,317
Belize Elementary School		
15 years loan @ 6.0% interest	**488,497**	522,584
CGA - Citrus Growers		
5 years loan @ 6.0% Plants	**24,649**	24,649
4 years loan @ 6.5% Fertilizer	**30,680**	32,692
Hol Chan Marine Reserve		
15 years loan @ 6.75% interest	**3,236,372**	3,374,873
Royal Mayan Shrimp Farm		
6 years loan @ 7.50% Interest	**5,126,821**	5,126,821
4 years loan @ 7.50% Interest	**540,449**	540,449
4 years loan @ 8.50% Interest	**528,615**	528,615
8 years loan @ 8.00% Interest	**743,000**	743,000
Border Management Agency		
10 years loan @ 6.5% interest	**795,481**	901,644
10 years loan @ 7.5% interest	**3,130,626**	3,534,241
Karl Heusner Memorial Hospital		
7 years loan @ 6.0% interest	**107,476**	219,960
Crop Solution Limited		
8 years loan @ 7.5% interest	**412,872**	463,104
Good Stays Hotel		
10 years loan @ 7.0% interest	**442,550**	492,716
Citrus Products of Belize		
12 years loan @ 6.5% Consolidated	**14,560,786**	14,560,786
Caribbean Tire Wholesale Limited		
15 years loan @ 6.5% interest	**7,000,000**	-
Total Private Sector Loans	**73,325,528**	65,699,502
Less: allowance for credit losses	**(9,302,982)**	(9,198,543)
	64,022,546	56,500,959
TOTAL LOAN PRINCIPAL RECEIVABLE - NET	**69,555,217**	62,481,241
TOTAL INVESTMENTS	**$ 499,445,266**	$ 506,055,695

Below is a summary analysis of the investments listed above by asset class:

	% of Total Investment	
	2025	2024
Investment Mix		
Municipal Papers	**1.07%**	1.06%
Corporate Bonds	**1.97%**	1.93%
Debentures	**7.67%**	7.58%
Shares	**6.77%**	6.72%
Treasury Notes	**19.68%**	19.43%
Mortgages	**1.11%**	1.18%
Private Sector Loans	**12.82%**	11.16%
Investment in Associates	**41.79%**	42.16%
Term Deposits	**7.11%**	8.79%
Total	**100.00%**	100.00%

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