



BY LIFE CONNECTED



People



Nature



animals

Annual Financial Statement 2025

By Life Connected

Netherlands

RSIN Nummer 8614.68.120
KvK 78607116

Zambia

PACRA
Registration # 120190004126
TPIN 1019013320

Financial Year: 1 January until
31 December
2025



info@bylifeconnected.com



www.bylifeconnected.com

Contents

1.	Information	2
2.	Balance Sheet.....	3
3.	Statement of activities.....	5
4.	General Introduction	6
5.	General Principles.....	6
6	Principles of the valuation of Assets and Liabilities.....	7
7	Principles of the Statement of Activities.....	8
8	Adoption and Approval	13
9	Statutory provisions.....	13
10	Events after Balance sheet date	13

1. Information

1.1 Foundation

Address of the Foundation: Schattekerkerweg 1B 3641PM Mijdrecht

KvK number: 78607116

RSIN number: 8614.68.120

Registered office: Mijdrecht

Website: www.bylifeconnected.com

1.2 Board Members

Nathalie Houtman - Chairperson



Kellie Bocxe – Secretary



Lars Vermeer – Treasurer



Date of approval of the financial statements: 15-07-2026

2. Balance Sheet

2.1 Assets

	Description	31-12-2025	31-12-2024	31-12-2023
Fixed Assets				
Electronics	5 x laptop and 4 x mobile	\$4,660	\$2,859	\$1,928
Utility Vehicles	2 x Toyota Hilux	\$6,000	\$5,976	\$7,470
Buildings Camp	Solar system, Nursery, 2x worm composting farms and storage building	\$14,922	\$12,851	\$2,490
		\$25,582	\$21,686	\$11,888
Current Assets				
Bank Balance	FNB Kwacha (Zambia)	\$963	\$702	\$393
Bank Balance	FNB Dollar (Zambia)	\$1,587	\$5,100	\$4,924
Bank Balance	ABN AMRO Euro (Netherlands)	\$5,856	\$7,925	\$21,235
		\$8,406	\$13,727	\$26,551
Donor Receivable				
GSCF	Remaining budget 2024	\$0.0	\$7,492	
GSCF	Pre-financed project expenses	\$2,810		
TNC	Pre-financed project expenses	\$10,937		
		\$13,747	\$7,492	
Total Assets		\$47,735	\$42,905	\$38,439

2.2 Liabilities

	Description	2025	2024	2023
Equity				
Unrestricted Surplus		\$152	\$5,444	\$11,050
Fixed Asset Reserve		\$25,582	\$21,686	\$11,888
		\$25,734	\$27,130	\$22,938
Earmarked Funds				
WWF INNO	2021 Donation	-	\$0	\$168
Commonland/TNC	2023 Donation	-	\$0	\$10,017
GSCF	2023 Donation	-	\$0	\$5,316
WWF	2024 Donation	\$0	\$6,907	

Commonland/TNC	2024 Donation	\$0	\$8,700	
GSCF	2024 Donation	\$0	\$168	
Commonland	2025 Donation	\$22,001		
		\$22,001	\$15,775	\$15,501
Total Liabilities		\$47,735	\$42,905	\$38,439

3. Statement of activities

3.1 Income

	2025	2024
Income from Individuals		
Unrestricted Donations	\$4,283	\$24,480
	\$4,283	\$24,480
Income from organizations		
WWF	-	\$37,736
Commonland/TNC	\$7,373	\$48,291
GSCF	\$88,960	\$127,257
Commonland	\$62,013	
TNC	\$26,055	
PPHPZ	\$15,604	
Musekese Conservation	\$1,218	
	\$201,223	\$213,284
Other Income		
Foreign Exchange Gain	-	\$2,120
Farm Produce Sales	\$20,026	
Benefit & Tax Refund (UWV)	\$4,502	
Gain on Disposal of Assets & Interest	\$983	
	\$25,511	\$2,120
Total Income	\$231,017	\$239,883

3.2 Expenses

	2025	2024
Program Expenses		
WWF	\$7,796	\$30,829
WWF INNO	-	\$168
Commonland/TNC	\$17,060	\$48,304
GSCF	\$101,448	\$124,154
Commonland	\$40,092	
TNC	\$35,891	
PPHPZ	\$15,597	
BLC	\$11,899	\$27,849
	\$229,783	\$231,304
Other Expenses		
Foreign Exchange Loss	\$3,258	\$1,888

Depreciation of Fixed Assets	\$3,606	\$2,225
Farm Cost of Sales	\$10,105	
	\$16,969	\$4,113
Total Expenses	\$246,752	\$235,417

* See noted under section 7.2 "Noted to the Statement of Activities".

3.3 Result

Result	2025	2024
Surplus/Deficit	-\$15,735	\$4,466

4. General Introduction

By Life Connected focuses on protecting the Greater Kafue National Park. The organization does this by initiating and developing nature-friendly projects around Kafue National Park in Zambia, for the benefit of the local population. By helping people, we can ultimately help nature as well.

5. General Principles

The financial statements have been prepared in accordance with Guideline 650 for fundraising institutions, as issued by the Dutch Council for Annual Reporting.

5.1 Financial Administration Transition to QuickBooks

In 2025, as part of an ongoing commitment to professionalizing the organization, strengthening internal controls, and ensuring institutional data integrity, Stichting By Life Connected successfully migrated its core financial administration from manual Excel tracking to QuickBooks Online.

Consequent to this systemic upgrade, the functional accounting ledger has been established with the Zambian Kwacha (ZMW) as the home currency. This setup mirrors our ground-level operational reality, as most project implementation costs, local staff payroll, and supplier transactions are legally executed in Kwacha within our target landscapes.

5.2 Principles of Currency Translation & Dual Exchange Rates

Because the primary ledger is maintained in Kwacha while the organization retains US Dollars (USD) as its official consolidated reporting currency, a rigorous dual-rate translation framework is applied to limit reporting distortions:

- **Statement of Activities (Profit & Loss):** All operational income and expense items originating in Kwacha are translated into USD using the 2025 annual weighted average exchange rate of 24.63 ZMW per 1 USD. This average accurately reflects true

historical purchasing power across the 12-month period, preventing the artificial inflation or deflation of project costs that would occur if a single year-end rate were applied to continuous field activities.

- **Balance Sheet:** All assets, liabilities, and remaining earmarked reserves are snapshots of a specific moment in time and are translated strictly using the year-end closing spot rate on December 31, 2025, which stood at 22.15 ZMW per 1 USD.

The structural bookkeeping gaps naturally generated by combining historical monthly operational rates (24.63) with year-end closing valuation spot rates (22.15) are reconciled by the accounting software and are disclosed within the net foreign exchange adjustments on the Statement of Activities.

6 Principles of the valuation of Assets and Liabilities

6.1 General

Assets and liabilities are generally valued at acquisition or production cost. If no specific valuation principle is stated, valuation takes place at acquisition cost.

6.2 Cash and Cash Equivalents

Cash is valued at the actual account balance and is fully available to the organization

6.3 Reserves and Funds

General Reserve

The amount of the general reserve represents the difference between the assets and liabilities. This amount is freely available to the board but must ultimately be used in accordance with the foundation's objectives.

Earmarked Funds

When a third party has assigned a specific purpose to part of the funds, this portion is designated as an "earmarked fund." In this case, it is not the foundation's board, but the donor who has determined the allocation of the funds. Earmarked funds consist of designated income that has not yet been fully spent on the designated purpose (including named funds).

6.4 Notes on Assets and Liabilities

Donor Receivables (Pre-financed Project Advances)

As of December 31, 2025, Donor Receivables stood at \$13,747. This asset line item represents critical programmatic implementation costs pre-financed by By Life Connected out of its unrestricted reserves to prevent disruptions to active conservation programs during periods of delayed donor funding distributions.

This balance is contractually locked and fully reimbursable, consisting of:

- \$2,810 advanced for active GSCF project implementations.
- \$10,937 advanced to bridge essential landscape milestones for TNC prior to their late year-end funding allocations.

Strategic Funding Realignment: TNC and Commonland

The Donor Receivable balance includes a significant pre-financed position for TNC landscape activities. Due to an internal administrative system migration at TNC, their scheduled program distributions experienced severe delays during the 2025 fiscal year. To maintain continuity on the ground and prevent an operational shutdown, By Life Connected actively negotiated a strategic adjustment with Commonland, who agreed to accelerate and disburse their second-round funding tranche ahead of schedule.

This short-term bridge mechanism successfully counteracted the TNC administrative bottleneck. A reverse rebalancing mechanism is contractually scheduled to take place in the 2026 fiscal cycle.

Earmarked Funds

Earmarked Funds represent restricted-purpose donor grants that remained unspent at the balance sheet date and are carried forward into the next financial period. As of December 31, 2025, Earmarked Funds stood at \$22,001, reflecting restricted project allocations from Commonland contractually carried forward into 2026. All parallel allocations for WWF and GSCF were fully utilized and operationalized by the close of the period.

7 Principles of the Statement of Activities

7.1 General

The result is determined by the difference between income and expenses for the year.

No legacies (inheritance) were received in the financial year 2025.

7.1.1 Notes on the Statement of Activities

Expenses

Organization / Grant Track	Total Expenditure (USD)	Staff	Activities	Admin	Unforeseen
BLC (<i>Unrestricted</i>)	\$11,899	\$3,683	\$5,003	\$526	\$2,687
Commonland	\$40,092	\$35,770	\$4,322	\$0	\$0
GSCF	\$102,374	\$70,702	\$26,534	\$2,765	\$2,373
PPHPZ	\$15,597	\$1,803	\$13,794	\$0	\$0
TNC	\$37,099	\$17,971	\$13,094	\$3,766	\$2,268
TNC-Commonland (<i>Joint Pool</i>)	\$17,060	\$12,967	\$4,066	\$27	\$0
WWF	\$7,796	\$5,764	\$2,032	\$0	\$0
Total	\$231,917	\$148,659	\$68,846	\$7,084	\$7,328
Percentage	100%	64%	30%	3%	3%

The table above provides an overview of BLC's total expenditure. This total includes both operational expenses and capital expenditures (such as buildings, equipment, and appliances) incurred in 2025. Capital expenditures are not fully recognized as expenses in the current year; instead, they are capitalized on the balance sheet and depreciated over their useful life. However, for clarity and completeness, it is more informative to include them in this chapter.

Category	What it includes
Staff	Salaries, wages, payroll taxes and benefits
Activities	Project implementation costs: materials, training, transport, etc.
Admin	Office rent, internet, accounting, legal, software, phone, audit
Unforeseen	Unexpected or miscellaneous costs, emergency repairs, etc.

Staff



By Life Connected has a total of 19 employees, with 17 registered in Zambia and 2 in the Netherlands. Of the Zambian staff, 13 are in Mulendema and 4 in Livingstone.

GSCF, Commonland/TNC, Commonland, TNC, PPHPZ and WWF activities

Please refer to the annual report for details on the activities of GSCF, Commonland/TNC, Commonland, TNC, PPHPZ and WWF.

BLC

For the financial year 2025, expenditures backed by BLC's unrestricted general reserves totalled \$11,899. Because our public donation revenue experienced a significant reduction this year, these funds were strictly targeted toward critical gaps that could not be legally covered by restricted project grants.

The unrestricted funds were utilized across the following operational activities:

- **Emergency Infrastructure & Camp Maintenance (\$2,039):** Essential outlays dedicated to maintaining basic camp functionality, structural repairs, and emergency procurement requirements at the main Mulendema headquarters.
- **Community Meetings, Workshops, and Trainings (\$2,258):** Funding deployed to bridge local community training engagements, baseline ecosystem workshops, and training food expenses (\$353) that fell outside the rigid boundaries of existing restricted grant contracts.
- **Core Field Operations & Ecosystem Infrastructure (\$455):** Direct conservation interventions, including check dam construction (\$406) and localized landscape mapping initiatives.
- **Essential Staff Costs, Volunteer Fees & Statutory Obligations (\$3,683):** This represents core organizational human capital maintenance that ensures administrative continuity, encompassing:
 - *General Staff Support Costs:* \$1,820
 - *Local Volunteer Honorariums & Allowances:* \$1,226
 - *Statutory Employer Contributions:* \$637
- **International Banking Operations & Regulatory Overhead (\$269):** Essential cross-border operational fees required to maintain dual-branch connectivity, consisting of ABN AMRO Dutch bank fees (\$182), global currency wire transfer fees (\$80), and baseline postal distribution tracking (\$7).

- **Software Platforms & Digital Subscriptions (\$257):** Annual software licensing, communication channels, and administrative tools required to manage operational logging and remote coordination between Europe and Zambia.
- **Unforeseen expenses (\$2,687):** Emergency backup money used to handle unexpected problems on the ground. This covered sudden price jumps for field supplies due to inflation, immediate repairs for broken equipment and vehicles, and small emergency requests from the local community

Multi-Currency Translation Adjustment

During 2025, the organization recorded a system-generated translation adjustment of \$3,258 under *Other Expenses*. This is a standard, non-cash bookkeeping entry required by our accounting software to reconcile two different reporting rules: translating our daily expenses at the annual average rate (24.63), while valuing our year-end bank balances at the final December 31 closing spot rate (22.15). This adjustment occurs entirely on paper to balance the ledger and does not represent a physical loss of cash or an operational budget overrun.

Depreciation of fixed assets

Depreciation is applied at a rate of 20% per year for appliances and vehicles, and 10% per year for buildings. In 2025, the total depreciation amounted to \$3.606.

7.1.2 Notes on the Statement of Activities (additional disclosures)

Note on Shifting Exchange Rates (Example: WWF Project Expenditures)

The Statement of Activities shows that we spent \$7,796 on the WWF project using a leftover balance from last year of \$6,907. On paper, this looks like a budget overrun, but it is not.

The project was completed strictly within its local budget, costing exactly ZK 192,003.66 in Zambian Kwacha. However, because the Kwacha grew much stronger against the US Dollar during the second half of the year, those same Kwacha expenses look larger when we convert them back into Dollars for this report.

This difference is purely a result of shifting exchange rates on paper and does not represent a real-world loss of cash. We use the WWF project here as a clear example, but this same exchange rate dynamic slightly impacts several other project lines across our budget. All these translation differences are safely balanced out in our final accounting adjustments.

Separation of Local Independent Farm Revenue

To demonstrate the organization's strategic trajectory toward localized self-sustainability, independent revenues generated via local organic farm projects (comprising ZK 316,492.44 in vegetable sales and ZK 176,743.00 in chicken sales) have been explicitly decoupled from

public donation rows. These are presented cleanly under Organic Farm Produce Sales (\$20,026) to provide complete transparency regarding community-led co-financing mechanisms.

Nature of the Annual Net Deficit

The consolidated net operational result for 2025 stands at a deficit of (-\$15,735). This deficit is driven mostly by timing mismatches surrounding localized grant disbursements and systemic currency adjustments. It is offset by the corresponding increase in Donor Receivables under current assets, indicating that the advanced funds are contractually secured for recovery in the 2026 fiscal cycle.

Because of this unique currency situation, a reader will notice that this final reported deficit does not perfectly match a simple flat subtraction between our 2024 and 2025 Balance Sheet columns. This mismatch is a pure paper illusion caused by the way multi-currency accounting software functions.

Our actual projects on the ground stayed completely on budget in Kwacha. However, because the US Dollar became weaker during the year, our operational expenses look artificially high when we convert them back to Dollars for this report. While the software automatically fixed the dollar value for the cash still sitting in our bank accounts at the exact end-of-year rate, it left the money we spent throughout the year looking inflated.

This difference stays entirely on paper as a translation adjustment. All real-world cash, transactions, and organizational funds inside our QuickBooks ledger are perfectly accurate, safe, and balanced in our functional currency.

Critical Risk Assessment: Unrestricted Reserves and Long-Term Viability

As of December 31, 2025, the unrestricted general reserve of By Life Connected has been depleted to a critical low of \$152 (down from \$5,444 in 2024). While the consolidated statements show a substantial programmatic footprint across our target conservation landscapes, this granular breakdown reveals a worrisome structural risk regarding the foundational financial health of the organization itself.

The primary driver of this liquidity compression is the loss of a major institutional funder based in the Netherlands, which is starkly visible in the collapse of our independent, unrestricted income streams (declining from \$24,480 in 2024 to just \$4,283 in 2025).

Because restricted grant agreements (such as GSCF, TNC, and Commonland) contractually forbid the allocation of their funds toward unapproved central administrative costs or unexpected field crises, BLC currently operates with effectively zero financial cushion. The complete removal of this unrestricted buffer leaves the organization highly vulnerable to unexpected operational expenses, inflation spikes, or co-financing deficits. Rebuilding a



resilient, non-earmarked general reserve must be prioritized as an urgent strategic objective for the Board in 2026 to ensure institutional continuity.

Strategic Shift in Programmatic Funding and Labor Allocations

While the consolidated 2025 financial figures demonstrate a large operational scale, the composition of our revenue streams forced a significant, unintentional redirection of our program delivery. In 2025, By Life Connected had structurally less non-earmarked funding available for direct livelihood projects. This shift was entirely unintentional and resulted from our inability to secure the necessary strategic partnerships required to roll out new field activities.

Consequently, rather than expanding outward, the organization prioritized protecting the gains made during the previous fiscal cycle. Available resources were channelled into institutional governance and maintaining the essential labour forces required to run the community livelihood projects established in 2024.

This temporary protective posture is clearly visible when comparing our expenditure metrics over consecutive periods. In 2024, direct field activities outpaced personnel costs, with a ratio of 54% spent on programmatic activities and 40% dedicated to staff salaries. In 2025, our allocation to staff costs rose to 64%, while direct material activities adjusted to 30%.

8 Adoption and Approval

At the General Meeting of By Life Connected held on 15-07-2026, the financial statements for 2025 were adopted, and the management and the board were granted discharge for the policy conducted during that year.

The financial statements have been reviewed and approved by Tim Buijs (accountant) on: July 15th, 2026.

9 Statutory provisions

The use of the year's result (surplus or deficit) is determined according to the allocation described in the statement of income and expenses. The foundation's statutes do not specify how the result should be allocated. The Board approves the allocation when it adopts the financial statements, which include this allocation.

10 Events after Balance sheet date

No significant events happened after the balance sheet date (the date your financial statements are prepared) but before that the financial statements are finalized and approved.

