

SOLIDARIDAD NETWORK WEST AFRICA

***ANNUAL REPORTS AND AUDITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2020***

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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**SOLIDARIDAD NETWORK WEST AFRICA
EXECUTIVE COUNCIL MEMBERS
OFFICIAL AND REGISTERED OFFICE**

Executive Council Member	Audrey Sitsofe Gadzekpo Henry Kamau Kuria Isaac Kwadwo Gyamfi	(Chairman) (Member) (Member)
Registered Office	Solidaridad Network West Africa Nico Roozen Heights Block 14, Nii Sai Road, East Legon PMB KD 11, Accra, Ghana	
Secretary	Dehands Service Limited HNo.2 nd Floor Opebiea House 37 Liberation Road P.O. Box CT 9347 Cantonment, Accra	
Auditors	Mazars Chartered Accountants and Business Advisors Nos. 7/9 Nyame Adom Courts, Adonai Lane, Adjiringanor, East Legon DTD LG 20014 P. O. Box GP 2957 GD 165-5957 Accra	
Bankers	Ecobank Ghana Limited Bank of Africa Ghana Limited Fidelity Bank Ghana	
Company Registration	CG020892012	
Taxpayers Identification Number	C0000895296	

**SOLIDARIDAD NETWORK WEST AFRICA
REPORT OF THE EXECUTIVE
COUNCIL'S RESPONSIBILITIES**

The members of the Executive Council present their report and the audited financial statements of Solidaridad Network West Africa (the "Company") for the year ended 31 December 2020 which disclose the state of the affairs of the Company.

Statement of Executive Council's Responsibilities

The Executive Council are responsible for the preparation and fair presentation of the financial statements, comprising the statement of income and expenditure for the year ended 31 December 2020, the statement of financial position as at 31 December 2020, the statement of accumulated fund and the statement of cash flows for the year then ended, and other explanatory notes in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs) as issued by the International Accounting Standards Board (IASB) and adopted by the Institute of Chartered Accountants Ghana (ICAG), and in a manner required by the Companies Act, 2019 (Act 992).

In preparing these financial statements, the Executive Council confirm that suitable accounting policies have been used and consistently applied; and that judgements and estimates made, are reasonable and prudent and followed IFRS for SMEs and complied with the requirements of the Companies Act, 2019 (Act 992).

The Executive Council are responsible for ensuring that the Company keeps accounting records that disclose with reasonable accuracy the financial position of the Company. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Executive Council are responsible for ensuring that the Company complies with the laws and regulations applicable to its activities and for establishing arrangements designed to prevent any non-compliance with laws and regulations and to detect any that may occur.

The above statements which should be read in conjunction with the auditor's report set out on pages 5 to 7 are made with a view to distinguishing for Members the respective responsibilities of the Executive Council and the auditors in relation to these financial statements.

Nature of Business

Solidaridad Network West Africa is a not-for-profit making organization registered under the Companies Act, 2019 (Act 992) as a company limited by guarantee. Solidaridad West Africa focuses on stimulating sustainable supply chains through innovations in production, marketing and trade relations, landscape management and policy enabling. In these efforts, Solidaridad simultaneously addresses food security, nutrition and community development.

**SOLIDARIDAD NETWORK WEST AFRICA
REPORT OF THE EXECUTIVE COUNCIL
MEMBERS TO THE DONORS**

Financial Results

The results for the year ended 31 December 2020 are as set out below.

	2020	2019
	€	€
Excess Income over Expenditure	39,816	138,776
Transfer from Designated Fund	-	-
To which is added balance on Accumulated Fund Account brought forward of	1,770,390	1,631,614
	1,810,206	1,770,390

Events after the Reporting period

Since 31 December 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

The company has determined that there is no significant doubt about the entity’s ability to continue as a going concern. Consequently, these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended 31 December 2020 have not been adjusted to reflect their impact.

The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods.

Going Concern

The financial statements have been prepared on a going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future. This means in particular that the statement of income and expenditure, and the statement of financial position assume no intention or necessity to either liquidate the Company or curtail significantly the scale of its operations.

The ability of the Company to continue as a going concern is dependent on a number of factors; the most significant of which is the Executive Council ability to continue to procure funding for its operations.

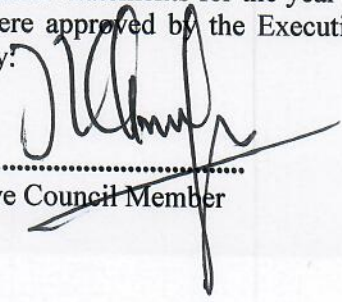
External Auditor

Mazars, the External Auditors are responsible for independently reviewing and reporting on the Company’s financial statements for the year. The financial statements have been examined by the Company’s External Auditors and their report is presented on pages 5 to 7.

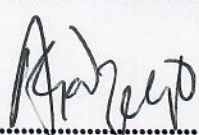
Mazars will continue in office in accordance with the provisions of section 134 (5) of the Companies Act, 2019 (Act 992). The amount payable as audit fees is €14,500 (2019: €20,000)

Approval of Financial Statements

The financial statements for the year set out on pages 8 to 27, which have been prepared on the going concern basis, were approved by the Executive Council Members on ...8-4-2021 and are signed on their behalf by:



 Executive Council Member



 Executive Council Member

**SOLIDARIDAD NETWORK WEST AFRICA
INDEPENDENT AUDITORS' REPORT****Opinion**

We have audited the financial statements of Solidaridad Network West Africa (the Company), which comprise, the statement of income and expenditure, the statement of financial position as at 31 December 2020, statement of accumulated fund and statement of cash flows for the period then ended, and 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 financial position of the Company as at the year ended 31 December 2020, and its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and in the manner required by the Companies Act, 2019 (Act 992).

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 Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code) together with Mazars Code of Conduct for Objectivity and Independence (CCOI), we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the CCOI. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Our opinion on the financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Executive Council (Those Charged with Governance) for the Financial Statements

The Executive Council are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS for SMEs and the Companies Act, 2019 (Act 992), and for such internal control as the Executive Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Executive Council are responsible for assessing the Company'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 the Executive Council either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Executive Council are responsible for overseeing the Company's financial reporting process.

**SOLIDARIDAD NETWORK WEST AFRICA
INDEPENDENT AUDITOR'S REPORT****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 the 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 company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation and
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

**SOLIDARIDAD NETWORK WEST AFRICA
INDEPENDENT AUDITOR'S REPORT**

Report on Other Legal and Regulatory Requirements

Compliance with the requirements of Section 137 and seventh schedule of the Companies Act 2019, (Act 992).

The Companies Act 2019 (Act 992) requires that in carrying out our audit we consider and report on the following matters. We confirm that:

- i) we have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit;
- ii) in our opinion, proper books of account have been kept by the company, so far as appears from our examination of those books and
- iii) the statement of financial position and income and expenditure are in agreement with the books of account.

We also confirm that, as far as our audit is concerned, the Company's transactions were within its powers and complied with the Companies Act, 2019 (Act 992).

The engagement partner on the audit resulting in this independent auditors' report is **Kwame Ampim-Darko**. (ICAG/P/1453).

m929rj
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For and on behalf of:

Mazars (ICAG/F/2021/079)

Chartered Accountants and Business Advisors

7/9 Nyame Adom Courts Adonai Lane,

Adjiringanor, East Legon, Accra

GD-165-5957

PMB LG DTD 20014

Accra

9th April,..... 2021

**SOLIDARIDAD NETWORK WEST AFRICA
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2020**

(All amounts are expressed in Euros unless otherwise stated)

	Notes	2020	2019
Income			
Grants	5	16,080,427	24,027,376
Other Income	6	380,728	598,867
		<u>16,461,155</u>	<u>24,626,243</u>
Expenditure			
Governance Expenses	7	-	3,484
Travel and Living Expenses	8	875,072	1,149,340
Meetings	9	27,401	23,968
Employee Expenses	10	3,169,655	3,494,082
Communication expenses	11	299,740	317,866
Office Expenses	12	671,278	588,403
Program Expenses	13	11,291,191	18,754,513
Professional Fees	14	82,380	150,421
Provision for Depreciation Expenses	15	4,622	5,390
		<u>16,421,339</u>	<u>24,487,465</u>
Surplus of Income over Expenditure		39,816	138,776
Transferred to Accumulated Fund		<u><u>39,816</u></u>	<u><u>138,776</u></u>

The notes and appendixes on pages 12 to 27 are integral part of these financial statements.

**SOLIDARIDAD NETWORK WEST AFRICA
STATEMENT OF ACCUMULATED FUND
FOR THE YEAR ENDED 31 DECEMBER 2020**

(All amounts are expressed in Euros unless otherwise stated)

	2020	2019
Balance at 1 January	1,770,390	1,631,614
Transfer from Designated Fund	-	-
Surplus Transferred from Income and Expenditure Statement	39,816	138,776
Balance at 31 December	<u>1,810,206</u>	<u>1,770,390</u>

**SOLIDARIDAD NETWORK WEST AFRICA
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020**

(All amounts are expressed in Euros unless otherwise stated)

	Notes	2020	2019
Assets			
Non-Current Assets			
Property, Plant and Equipment	16	2,284,644	3,671,928
Investment Property	17	3,342,460	-
Investment	18	-	35,000
		<u>5,627,104</u>	<u>3,706,928</u>
Current Assets			
Accounts Receivables	19	2,630,894	4,509,929
Prepayments	20	444,782	211,795
Deferred Expenses	21	29,819	810,269
Cash and Bank	22	722,526	1,086,157
		<u>3,828,021</u>	<u>6,618,150</u>
Total Assets		<u><u>9,455,125</u></u>	<u><u>10,325,078</u></u>
Reserves and Liabilities			
Accumulated Fund		1,810,206	1,770,390
Designated Fund	23	-	876,469
Total Reserves		<u>1,810,206</u>	<u>2,646,859</u>
Non-Current Liabilities			
Long Term Loan	24	404,000	603,000
Current Liabilities			
Accounts Payables	25	3,296,316	4,071,573
Short Term Portion of Loan	26	430,000	215,000
Deferred Grants	27	3,514,603	2,788,646
		<u>7,240,919</u>	<u>7,075,219</u>
Total Liabilities		<u>7,644,919</u>	<u>7,678,219</u>
Total Reserves and Liabilities		<u><u>9,455,125</u></u>	<u><u>10,325,078</u></u>

These Financial Statements were approved on behalf of the Board on 8-04, 2021 and signed on their behalf by:


.....
EXECUTIVE COUNCIL MEMBER


.....
EXECUTIVE COUNCIL MEMBER

The notes and appendixes on pages 12 to 27 are integral part of these financial statements.

**SOLIDARIDAD NETWORK WEST AFRICA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

(All amounts are expressed in Euros unless otherwise stated)

	2020	2019
Operating Activities:		
Surplus of Income over Expenditure	39,816	138,776
Add/(Less):		
Depreciation	46,216	35,292
Movement in PPE	3,342,460	-
	<u>3,428,492</u>	<u>174,068</u>
Change in Accounts Receivable	1,879,035	(1,261,020)
Change in Prepayments	(232,986)	(66,149)
Change in Deferred Expenses	780,450	423,243
Change in Branch Account	-	1,813
Change in Accounts Payable	(775,257)	(1,699,816)
Change in Deferred Grant	725,957	138,313
	<u>5,805,691</u>	<u>(2,289,548)</u>
Investing Activities:		
Purchase of Property, Plant and Equipment	(2,001,393)	(843,802)
Increase in Investment Property	(3,342,460)	-
Redemption of Investment	35,000	-
	<u>(5,308,853)</u>	<u>(843,802)</u>
Financing Activities:		
Decrease in designated fund	(876,469)	-
Interest on Loan	16,000	18,000
	<u>(860,469)</u>	<u>18,000</u>
Increase/(Decrease) in Cash and Cash Equivalent	<u>(363,631)</u>	<u>(3,115,350)</u>
Analysis of Changes in Cash and Cash Equivalent during the year:		
Balance at 1 January	1,086,157	4,201,507
Net Cash Inflow/(Outflow)	(363,631)	(3,115,350)
	<u>722,526</u>	<u>1,086,157</u>
Analysis of Cash and Cash Equivalents as stated in the Statement of Financial Position		
Cash in Hand	-	499
Cash at Bank	722,526	1,085,658
	<u>722,526</u>	<u>1,086,157</u>

**SOLIDARIDAD NETWORK WEST AFRICA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. Reporting Entity

Solidaridad Network West Africa is non-governmental organisation registered under the Companies Act, 2019 (Act 992) and the liability of the members is limited by guarantee. Solidaridad Network West Africa is engaged in the certification and training of farmers and its principal object is to promote socially and environmentally responsible production and trade in West Africa. The address and registered office can be found on page 2 of this report.

2. Basis of Preparation

(a) Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards for SMEs and its interpretations adopted by the International Accounting Standards Board (IASB) and in the manner required by the Companies Act, 2019 (Act 992) and other national regulations where appropriate.

(b) Functional and Presentational Currency

The financial statements have been presented in Euros (€) which is the reporting currency of the Company to donors. All financial information presented in Euros have been rounded up to the nearest Euro.

(c) Basis of Measurement

The financial statements have been prepared under the historical cost convention, except as disclosed in accounting policies below.

(d) Use of Estimates and Judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, incomes and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. In particular, information about significant areas of estimated uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in Note 3.

3. Summary of Significant Accounting Policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Company's financial statements.

(a) Revenue Recognition

Project grants received from Solidaridad NL, Dutch Embassy, European Union Delegation to Liberia and Sierra Leone, Mondelez and other donors to support various projects in furtherance of the principal activities of Solidaridad Network West Africa as well as for administrative purposes are accounted for as Revenue Grants in the statement of income and expenditure based on utilisation. Any unused portions of grants for the financial year are accounted for in the statement of financial position as deferred grant and designated funds.

SOLIDARIDAD NETWORK WEST AFRICA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

(b) Property, Plant and Equipment

Recognition and Measurement

Property, Plant and Equipment are measured at cost less any impairment losses and accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of or cost incurred to internally construct the asset.

Subsequent Costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the items will flow to the Company and the cost of the item can be measured reliably.

Depreciation

Depreciation is provided for on a straight-line basis, at rates calculated to write off the cost of each item of Property, Plant and Equipment over its estimated useful life. The annual rates generally in use are: -

Land	-	Nil
Building	-	2%
Motor Vehicle	-	20.0%
Computer & Software	-	25.0%
Furniture & Equipment	-	33.3%

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further 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 statement of income and expenditure in the year the asset is derecognised.

(c) Account Receivables and Other Receivables

Account receivable are stated at the amortised costs, less impairment losses. Specific allowances for doubtful debts are made for receivables of which recovery is doubtful, general allowances for doubtful debt are recorded for the remaining receivables taking into account past experience.

(d) Currency Translations

Transactions denominated in Ghana Cedi and other foreign currencies are recorded at the rate of exchange ruling at the date of transaction. Monetary assets and liabilities denominated in Ghana Cedi and other foreign currencies are translated at the rate of exchange ruling at the financial position date. Foreign exchange differences arising on translation are recognised in the statement of income and expenditure.

(e) Account Payables

These are stated at their nominal value. Exchange gains and losses arising in respect of liabilities in Foreign currency is added to the carrying amounts.

(f) Deferred Grants

This relates to actual cash received from donors but not yet spent on the project under the year of Review.

**SOLIDARIDAD NETWORK WEST AFRICA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

(g) Foreign Exchange

The organisation's foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognized in the income and expenditure account.

(h) Interest Income

Interest income comprises interest on funds invested or held in bank account. Interest income is recognized in the income and expenditure account using the effective interest method.

Interest Expense

Finance expenses comprise interest expense on borrowings. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in the income and expenditure account using the effective interest method.

(i) Cash and Cash Equivalents

Cash and cash equivalent includes cash in hand, deposit held at call with bank, other short term highly liquid investments with original maturity of three months or less and bank overdraft and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value. Bank overdrafts are stated under Current Liabilities in the Statement of Financial Position.

(k) Impairment of Assets/Investment Properties

The carrying amounts of the Company's assets/Investment Property are reviewed at each statement of financial position date to determine whether there is an indication of impairment. If any such indication exists, the assets'/investment property recoverable amounts are estimated. An impairment loss is recognised whenever the carrying amount of an asset/investment property or its cash generation unit exceeds its recoverable amount. Impairment loss is recognised in the statement of income and expenditure.

4. Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical Accounting Estimates and Assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will by definition seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year is discussed below:

(b) Income Tax

The Company is a not-for-profit organisation and not subject to corporate tax in Ghana. However, where the final tax outcome as determined by the Ghana Revenue Authority is different from this position, any difference will impact on the income tax provisions in the period in which such determination was made.

SOLIDARIDAD NETWORK WEST AFRICA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

(All amounts are expressed in Euros unless otherwise stated)

	2020	2019
5. Grants Revenue		
Cocoa Programme	10,866,218	12,611,388
Oil Palm Programme	904,602	7,003,304
Gold Programme	574,318	880,571
Food Security Program	395,344	91,378
Landscape and Climate Change Programme	3,118,060	3,265,399
Other Projects	221,887	175,336
	<u>16,080,427</u>	<u>24,027,376</u>
6. Other Income		
Other minor Grants	380,728	598,867
	<u>380,728</u>	<u>598,867</u>
7. Governance Expenses		
ISB Meetings	-	2,709
CSB Meetings	-	775
	<u>-</u>	<u>3,484</u>
8. Travel and Living Expenses		
Car Fuel	197,500	109,256
Car Maintenance	129,503	104,976
Car Mileage Expenses	50,172	4,523
Car Rental	62,653	201,316
Other Car Expenses	22,709	33,476
Accommodation Expenses	89,927	272,653
Per Diems	105,861	190,011
Meals	17,932	46,628
Public Transport	49,743	124,223
Car Insurance	34,059	51,097
Car Lease	-	11,181
Hotel Expenses	102,898	-
Domestic Flight Cost	3,438	-
International Flight cost	8,677	-
	<u>875,072</u>	<u>1,149,340</u>

SOLIDARIDAD NETWORK WEST AFRICA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
(All amounts are expressed in Euros unless otherwise stated)

	2020	2019
9. Meetings		
Global Team Meeting	-	18,801
Local Team Meetings	27,401	5,167
	<u>27,401</u>	<u>23,968</u>
10. Employees Expenses		
Associate Consultants	-	6,511
Gross Salaries	2,971,354	3,195,457
Employer Contributions: Benefits and Payroll Taxes	-	12,653
Employee Training /education and Seminars	9,726	12,190
Other Employee Expenses	90,168	108,774
Employee Insurance	25,584	71,335
Employees' Health Costs	57,396	65,825
Other staff cost	2,555	-
Internship/Volunteers/National Service	12,872	21,337
	<u>3,169,655</u>	<u>3,494,082</u>
11. Communication Expenses		
Internet Costs	99,000	65,986
Publication Expenses	46,623	74,039
Advertisements	345	8,915
Other Communication Expenses	103,468	158,636
Communication expenses	36,137	6,666
Telephone expenses	14,167	3,624
	<u>299,740</u>	<u>317,866</u>
12. Office Expenses		
Office Cleaning	9,145	11,657
Office Rent	88,611	103,602
Office Repair and Maintenance	31,655	30,031
Office Supplies	92,665	47,111
Other Office Costs	140,772	129,537
Utilities	71,619	80,648
Small Hardware and Hardware Maintenance	-	19,905
Printing and Stationery Expenses	73,634	79,382
Softwares Licenses	6,452	40,426
Subscription	8,534	9,917
IT Support	61,367	5,674
Insurance Cost	58,347	11,850
Postage and Courier Expenses	12,292	663
Interest Expenses on Loans	16,000	18,000
General office cost	185	-
	<u>671,278</u>	<u>588,403</u>

**SOLIDARIDAD NETWORK WEST AFRICA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

(All amounts are expressed in Euro unless otherwise stated)

	2020	2019
13. Programme Expenses		
Project Implementation Cost-Domestic Consultants	1,198,821	1,717,194
Project Implementation Cost-Inter Consultants	563,489	419,701
Project Implementation Cost-Partner Contract	1,230,346	4,690,727
Baselines & Evaluations	440,905	686,781
Program Materials and Input	2,526,475	3,402,072
Workshops/ Training and Conferences	3,210,638	4,689,636
Bank Charges	93,900	126,755
Field Preparation Expenses	1,881,670	3,000,043
Field Support staff expenses	-	4,579
Foreign Exchange Gain and Loss	144,947	-
Recruitment Expenses	-	17,025
	<u>11,291,191</u>	<u>18,754,513</u>
14. Professional Fees		
Business Registration Fees	4,116	-
IT Consultancy	5,034	-
Other Advisory Costs	-	-
Audit Fees	38,921	108,197
Legal Fees	34,309	42,224
	<u>82,380</u>	<u>150,421</u>
15. Provision for Depreciation Expenses		
Provision for Depreciation	<u>4,622</u>	<u>5,390</u>

SOLIDRIDAD NETWORK WEST AFRICA
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(All amounts are expressed in Euro unless otherwise stated)

16. Property, Plant and Equipment

	Land & Building	Motor Vehicles	Computers & Software	Furniture &Equipment	Total
2020					
Cost					
At 01/01/2020	3,601,207	106,716	66,594	85,689	3,860,206
Additions	2,001,392	-	-	-	2,001,392
Transfer to Investment Property	(3,342,460)	-	-	-	(3,342,460)
	<u>2,260,139</u>	<u>106,716</u>	<u>66,594</u>	<u>85,689</u>	<u>2,519,138</u>
Depreciation					
At 01/01/2020	-	45,318	65,153	80,471	188,278
Charge for the year	20,769	21,342	1,441	2,664	46,216
	<u>20,769</u>	<u>66,660</u>	<u>66,594</u>	<u>80,471</u>	<u>234,494</u>
Net Book Value					
At 31/12/2020	<u>2,239,370</u>	<u>40,056</u>	<u>-</u>	<u>5,218</u>	<u>2,284,494</u>
2019					
Cost					
At 01/01/2019	2,758,581	136,711	66,594	84,514	3,046,400
Additions	842,626	-	-	1,175	843,802
Written Down	-	(29,995)	-	-	(29,995)
	<u>3,601,207</u>	<u>106,716</u>	<u>66,594</u>	<u>85,689</u>	<u>3,860,207</u>
Depreciation					
At 01/01/2019	-	53,970	62,077	66,935	182,982
Adjustment	-	(29,995)	-	-	(29,995)
Charge for the year	-	21,343	3,076	10,872	35,292
	<u>-</u>	<u>45,318</u>	<u>65,153</u>	<u>77,807</u>	<u>188,278</u>
Net Book Value					
At 31/12/2019	<u>3,601,207</u>	<u>61,398</u>	<u>1,441</u>	<u>7,882</u>	<u>3,671,928</u>

**SOLIDARIDAD NETWORK WEST AFRICA
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(All amounts are expressed in Euro unless otherwise stated)

		2020	2019
17. Investment Property			
Cost			
Balance at 1 January		-	-
Transfer from Property, Plant and Equipment		3,342,460	-
		<u>3,342,460</u>	<u>-</u>
Balance at 31 December		<u>3,342,460</u>	<u>-</u>
Depreciation			
Balance at 1 January		-	-
Charge for the year		-	-
		<u>-</u>	<u>-</u>
Balance at 31 December		<u>-</u>	<u>-</u>
Net Book Value			
Balance at 31 December		<u>3,342,460</u>	<u>-</u>
<p>The cost of the investment property approximates the fair value. The investment property was added during the year and will be depreciated and assessed for impairment subsequently.</p>			
18. Investments			
Investments		-	35,000
		<u>-</u>	<u>35,000</u>
<p>This represents 35,000 equity shares at a nominal value of € 1 made by Solidaridad Network West Africa Seafood Trade Intelligence Portal (STIP B.V) located in Netherlands. This investment was redeemed in the current year.</p>			
19. Account Receivables			
Grant Receivable	19a	187,534	2,423,118
Working Advances		738,351	274,606
Other Receivables	19b	739,831	539,787
Beneficiaries (via Financial Intermediary)	19c	965,178	1,272,418
		<u>2,630,894</u>	<u>4,509,929</u>
19a. Grants Receivables			
Mondelez		-	1,376,335
East – West Seed International BV		63,200	-
ALDI		32,149	-
RSPO		-	68,757
World Bank		92,185	316,749
Solidaridad NL Europe		-	661,277
		<u>187,534</u>	<u>2,423,118</u>

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(All amounts are expressed in Euro unless otherwise stated)

	2020	2019
19b. Other Receivables		
Guarantees and Deposits	7,926	7,926
Obooma Farm Products Ltd	-	9,971
FAO	-	2,387
Cargill Ghana Limited	37,950	82,068
Emfed Farms	9,439	9,439
Assin oil mills	342,739	294,067
Other income Accrued	-	33,868
Palmci	-	71,201
SNV	-	28,860
Greenage Group Limited	16,083	-
Masara Receivable	90,630	-
Sucden	89,411	-
Cerelia/IPH	21,174	-
CLMRS	1,627	-
Other Receivables	122,852	-
	<u>739,831</u>	<u>539,787</u>
19c. Beneficiaries (via Financial Intermediary)		
DL Money Lending Co. Ltd	965,178	1,229,570
Opportunity International	-	42,848
	<u>965,178</u>	<u>1,272,418</u>
20. Prepayments		
Rent prepaid	18,837	103,772
Other Prepayments	425,945	108,023
20a	<u>444,782</u>	<u>211,795</u>

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(All amounts are expressed in Euro unless otherwise stated)

	2020	2019
20a. Other Prepayments		
Snokri Clearing Firm	146,294	-
Credit Card Prepayment	9,584	9,584
Ashesi University College	-	35,204
Fidelity Bank MasterCard Foundation (MCF)	-	41,484
Fuel Card	-	1,124
Insurance Premium	18,896	20,627
M.S Car Rental	24,851	-
Leion Engineering	17,906	-
Bollore Logistic Africa	11,652	-
Agency for Development and Poverty	2,000	-
AHEAD-SL	1,500	-
Cotton Tree Foundation	1,360	-
Foundation for Integration Development	3,000	-
FT SAAD	99,000	-
Kundoma Development Association	800	-
Mabunduka Agro Farms SL	1,200	-
Mopanda-SL	3,000	-
Multiple action programme(MAP-SL)	2,700	-
Munafa	2,000	-
Navda	2,000	-
Peset	1,600	-
Seda-SL	1,600	-
Other Prepayment	7,193	-
Bluegrace Logisticx Sierra Leone Limited	8,342	-
Gbajaargay Investment	35,489	-
Salone Fos	23,978	-
	<u>425,945</u>	<u>108,023</u>
21. Deferred Expenses		
Opening Balance as at 1 January	810,269	1,233,512
Accrued	-	-
Expensed	<u>(780,450)</u>	<u>(423,243)</u>
Closing Balance as at 31 December	<u>29,819</u>	<u>810,269</u>
22. Cash and Bank		
Cash in hand	-	499
Cash at bank	722,526	1,085,658
	<u>722,526</u>	<u>1,086,157</u>

**SOLIDARIDAD NETWORK WEST AFRICA
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(All amounts are expressed in Euro unless otherwise stated)

23. Designated Fund

The designated fund under reserves represents the amount relating to incubator project of capital nature to which Solidaridad Network West Africa is committed.

Movement in Designated Funds

	Incubator Fund
Opening balance as 1 Jan 2020	876,469
Utilized during the period	(876,469)

Closing balance as at 31 Dec 2020	-
	=====

24. Loan

On 18 September 2017, Solidaridad Network West Africa signed a contract with Stitching Solidaridad to acquire a loan amounting to € 800,000. The loan is to be used for the construction of an office complex. A total of € 250,000 was received as at 31 December 2017 and € 550,000 as at 31 December 2018.

Terms and Conditions

Solidaridad Network West Africa will begin repayment of the loan on 1 January 2020 at an interest of 2% per annum. However, interest will start accruing on 1 October 2018.

	2020	2019
Non-Current Liability	404,000	603,000
Current Liability	430,000	215,000
	-----	-----
	834,000	818,000
	=====	=====

25. Accounts Payables

Accruals	25a	207,271	281,781
Sundry Payables	25b	3,089,045	3,789,792
		-----	-----
		3,296,316	4,071,573
		=====	=====

25a. Accruals

Statutory Deduction	108,952	81,200
Withholding Tax	59,633	100,614
Audit Fees	-	94,825
Salaries Payables	9,923	1,096
Welfare	28,763	4,046
	-----	-----
	207,271	281,781
	=====	=====

**SOLIDARIDAD NETWORK WEST AFRICA
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25b. Sundry Payables

This represents amount to be paid to some project implementing partners and consultants working with the organisation.

26. Deferred Grant

Dutch Embassy CORIP II & SWAPP II Grant	1,515,755	234,064
Solidaridad	66,910	164,252
SECO	201,566	408,691
Boosting Agric Food Security (EU)	522,314	287,733
Cocoa Value Chain Dev't program (EU)	718,442	1,286,183
LICSIP (EU)	111,150	407,723
Other Minor Grant	378,466	-
	<u>3,514,603</u>	<u>2,788,646</u>

27. Contingent Assets or Liabilities

There were no contingent assets or liabilities at the reporting date and at 31 December, 2020.

28. Legal Proceedings

There is a legal proceedings between Solidaridad West Africa vs Ingu Mills company Limited and Mr. Anthony Attiogbe claiming Gh 1,030,276.33 plus interest against the defendants in favor of Solidaridad West Africa.

29. Related Party Transactions

There is a related party relationship between Solidaridad Network West Africa, Stichting Solidaridad and Foundation Solidaridad Latino. These organisation form part of the global Solidaridad Network consisting of Nine (9) Regional Expertise Centres (RECs).

Solidaridad West Africa also owns Waf Agribusiness Solution Limited which was incorporated on the 21st day of November 2018. Which is into Commercial farming, General trading in agricultural produce, Equipment and Agro-Chemicals etc.

Terms and Conditions of related Payment Transactions

All related party transactions are undertaken with the existence of signed contracts parties at arm's length.

Grant Income as recognized in the report include contracts between the company and related parties for the implementation of programmes and projects in line with company objectives.

**SOLIDARIDAD NETWORK WEST AFRICA
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(All amounts are expressed in Euro unless otherwise stated)

30. Events after the Reporting period

Since 31 December 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

The company has determined that there is no significant doubt about the entity's ability to continue as a going concern. Consequently, these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended 31 December 2020 have not been adjusted to reflect their impact.

The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods.

31. Comparatives

Where necessary, comparatives have been reclassified to conform to changes in presentation in the current period.

32. Completed Projects

At the end of the reporting period, the following projects have been successfully implemented by Solidaridad Network West Africa;

Promotion of women empowerment and rights (Power) and Applying the VGGT in the responsible development of a large-scale oil palm plantation in Sierra Leone.

Appendix I

SOLIDARIDAD NETWORK WEST AFRICA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

(All amounts are expressed in Euro unless otherwise stated)

Funds and Disbursement Schedule

	Grant Receivable as at 1/1/20	Deferred Grant as at 1/1/20	Written Off	Receipts for the year	Total Receipts	Total Disbursements	Deferred Grants	Grants Receivable
Solidaridad	(661,277)	164,252	-	5,862,140	5,365,115	5,393,554	66,910	(95,349)
Dutch Embassy	-	234,064	-	5,651,112	5,885,176	4,369,420	1,515,755	-
SECO	-	408,690	-	600,000	1,008,690	807,125	201,565	-
Mondelez	(1,376,335)	-	-	2,747,325	1,370,990	1,370,990	-	-
RSPO	(68,757)	-	68,757	-	-	-	-	-
World Bank	(316,749)	-	-	1,211,827	895,078	987,263	-	(92,185)
EU – LICSIIP 80% EU	-	407,723	-	596,039	1,003,762	892,612	111,150	-
EU – LICSIIP 20% SWA	-	-	-	-	-	223,153	-	-
EU – COVADEP 80%	-	1,286,183	-	-	1,286,183	567,741	718,442	-
EU – COVADEP SWA 20%	-	-	-	-	-	141,935	-	-
EU – BAFS EU 80%	-	287,733	-	1,295,889	1,583,621	1,061,308	522,314	-
EU - BAFS SWA 20%	-	-	-	-	-	265,327	-	-
Other Minor Projects	-	-	-	378,466	378,466	-	378,466	-
	(2,423,118)	2,788,646	68,757	18,342,797	18,777,082	16,080,427	3,514,603	(187,534)

Appendix II

**SOLIDARIDAD NETWORK WEST AFRICA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

(All amounts are expressed in Euro unless otherwise stated)

Expenditure Per Project	2020	2019
Boosting Agriculture for Food Security	1,326,635	528,448
Cocoa Life Programme (Ivory Coast)	678,389	1,073,000
Cocoa Life Ghana	692,601	997,372
Next Generation Cocoa Youth Programme Ghana (MASO)	1,605,808	2,872,111
IPC Cocoa	41,785	41,785
TRECC	-	757,655
Cocoa Rehabilitation and Indemnification Programme II	2,079,826	5,015,340
Liberia Cocoa Sector Improvement Programme	1,115,765	931,264
Aldi International	32,149	42,175
Cocoa Value Chain Development	709,676	-
Sub-Total-Cocoa Programme	8,282,635	12,259,150
RSPO Ivory Coast	-	38,787
Sustainable West Africa Palm Oil Palm Programme (SWAPP) II	807,125	6,768,997
Henkel Ghana	97,477	195,520
Practice for Change-Cocoa	293,990	352,238
Oil Rehabilitation and Indemnification Programme II	2,289,593	-
NISCOPS	1,886,573	1,230,855
Sub-Total-Oil Palm Programme	5,374,758	8,586,397
Golden Line	232,712	166,751
Kering support women in small scale mining sector in Ghana	92,387	93,120
Practice for Change-Gold	249,219	620,700
Sub-Total-Gold Programme	574,318	880,571
Satellite for Business (Sat4Business) Ghana	395,344	91,378
Sub-Total-Food Security Programme	395,344	91,378
VGGT in the development of a large-scale oil palm (Sierra Leone)	-	64,843
Policy influence for Gold Landscapes (Ghana)	122,112	122,112
Policy influence for Sustainable Cocoa Landscape (Ghana)	122,112	122,112
Dedicated Grant Mechanism	987,263	1,725,477
Sub-Total-Landscape and Climate Change Programme	1,231,487	2,034,544

**SOLIDARIDAD NETWORK WEST AFRICA
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(All amounts are expressed in Euro unless otherwise stated)

Expenditure per Project

PFC Capacity Enhancement	142,500	142,500
Promotion of women empowerment and rights project	-	23,837
Gender Capacity Enhancement	-	9,000
Ceres NA Grant	16,186	-
East West Seed BV	63,200	-
Sub-Total- Other Projects	<u>221,886</u>	<u>175,337</u>
 TOTAL PROJECT COSTS	 <u>16,080,427</u>	 <u>24,027,376</u>