

SOLIDARIDAD NETWORK WEST AFRICA

***ANNUAL REPORT AND AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018***

**SOLIDARIDAD NETWORK WEST AFRICA
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

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**SOLIDARIDAD NETWORK WEST AFRICA
CORPORATE INFORMATION**

Executive Council Member	Audrey Sitsofe Gadzekpo Henry Kamau Kuria Isaac Kwadwo Gyamfi	(Chairman) (Member) (Member)
Registered Office	House No 18, Okine Street East Legon P.M.B KD 11 Kanda, Accra	
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 2018 which disclose the state of the affairs of the Company.

Statement of Directors' Responsibilities

The Executive Members 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 2018, the statement of financial position as at 31 December 2018, 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 (IFRS) as issued by the International Accounting Standards Board (IASB) and adopted by the Institute of Chartered Accountants Ghana (ICAG) mandated by the ICAG Act, 1963 (Act 170), and in a manner required by the Companies Act, 1963 (Act 179).

In preparing these financial statements, the Executive Members confirm that suitable accounting policies have been used and consistently applied; and that judgements and estimates made, are reasonable and prudent and followed International Financial Reporting Standards (IFRS) and complied with the requirements of the Companies Act, 1963 (Act 179).

The Executive Members 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 Members 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 Members and the auditors in relation to these financial statements.

Financial Results

The results for the year ended 31 December 2018 are as set out below.

	2018	2017
	€	€
Excess Income over Expenditure	711,754	(57,520)
Transfer from Designated Fund	704,500	-
To which is added balance on Accumulated Fund Account brought forward of	215,360	272,880
Leaving a balance to be on carried on the Accumulated Account of	1,631,614	215,360

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

Nature of Business

Solidaridad Network West Africa is a not-for-profit making organization registered under the Companies Act, 1963 (Act 179) 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.

Events after Reporting Period

The Executive Council are not aware of any adjusting events after the reporting period.

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, 1963 (Act 179).

Approval of Financial Statements

The financial statements for the year set out on pages 8 to 19, which have been prepared on the going concern basis, were approved by the Executive Members on 29/03/2019 and are signed on their behalf by:



.....
Executive Member



.....
Executive 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 2018, 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 2018, and its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies Act, 1963 (Act 179) as amended.

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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have no key audit matters to report in this regard.

Other Information (Information Other than the Financial Statements and Auditor's Report Thereon)

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 Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance 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; and
- 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.

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

Report on Other Legal and Regulatory Requirements


Compliance with the requirements of Section 133 and fifth schedule of the Companies Act 1963, (Act 179) as amended.

The Companies Act 1963 (Act 179) as amended 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 comprehensive income 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, 1963 (Act 179).

The engagement partner on the audit resulting in this independent auditors' report is **Ernest Toah Akonor (JnR) (ICAG/P/1220)**.



.....
For and on behalf of:

Mazars (ICAG/F/2019/079)

Chartered Accountants and Business Advisors

7/9 Nyame Adom Courts Adonai Lane,

Adjiringanor, East Legon, Accra

GD-165-5957

PMB LG DTD 20014

Accra

03/04/

..... 2019

**SOLIDARIDAD NETWORK WEST AFRICA
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2018**

(All amounts are expressed in Euros unless otherwise stated)

	Notes	2018	2017
Income			
Grants	5	19,555,785	7,028,591
Other Income	6	318,411	26,008
		<u>19,874,196</u>	<u>7,054,599</u>
Expenditure			
Governance Expenses		15,911	5,229
Travel and Living Expenses		1,051,518	230,977
Meetings		23,847	10,200
Employee Expenses		2,828,671	1,751,739
Communication expenses		144,267	64,352
Office Expenses		552,568	468,546
Program Expenses		14,287,598	4,489,509
Professional Fees		174,522	88,634
Depreciation Expenses		4,789	2,933
Other Expenses		78,751	-
		<u>19,162,442</u>	<u>7,112,119</u>
Surplus/ (Deficit) of Income over Expenditure		<u>711,754</u>	<u>(57,520)</u>
Transferred to Accumulated Fund		<u><u>711,754</u></u>	<u><u>(57,520)</u></u>

The notes on pages 12 to 19 are integral part of these financial statements.

**SOLIDARIDAD NETWORK WEST AFRICA
STATEMENT OF ACCUMULATED FUND
FOR THE YEAR ENDED 31 DECEMBER 2018**

(All amounts are expressed in Euros unless otherwise stated)

	2018	2017
Balance at 1 January	215,360	272,880
Transfer from designed Fund	704,500	-
Surplus / (Deficit) Transferred from Income and Expenditure Account	711,754	(57,520)
Balance at 31 December	<u><u>1,631,614</u></u>	<u><u>215,360</u></u>

The notes on pages 12 to 19 are integral part of these financial statements.

SOLIDARIDAD NETWORK WEST AFRICA
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

(All amounts are expressed in Euros unless otherwise stated)

	Notes	2018	2017
Assets			
Non-Current Assets			
Property, Plant and Equipment	7	2,863,418	1,349,973
Investment	8	35,000	35,000
		<u>2,898,418</u>	<u>1,384,973</u>
Current Assets			
Accounts Receivable	9	3,248,909	3,469,706
Prepayments	10	145,646	112,517
Branch Account	11	1,813	-
Deferred Expenditure	12	1,233,512	-
Cash and Bank	13	4,201,507	5,553,054
		<u>8,831,387</u>	<u>9,135,277</u>
Total Assets		<u><u>11,729,805</u></u>	<u><u>10,520,250</u></u>
Reserves and Liabilities			
Accumulated Fund		1,631,614	215,360
Designated Fund	14	876,469	1,941,388
Total Reserves		<u>2,508,083</u>	<u>2,156,748</u>
Liabilities			
Non-Current Liabilities			
Long Term Loan	15	800,000	250,000
Current Liabilities			
Accounts Payable	16	5,771,389	1,095,648
Deferred Grants	17	2,650,333	7,017,854
		<u>8,421,722</u>	<u>8,113,502</u>
Total Liabilities		<u>9,221,722</u>	<u>8,363,502</u>
Total Reserves and Liabilities		<u><u>11,729,805</u></u>	<u><u>10,520,250</u></u>

These Financial Statements were approved on behalf of the Board on 29/03/....., 2019 and signed on their behalf by:

.....
EXECUTIVE MEMBER

.....
EXECUTIVE MEMBER

The notes on pages 12 to 19 are integral part of these financial statements.

**SOLIDARIDAD NETWORK WEST AFRICA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018**

(All amounts are expressed in Euros unless otherwise stated)

	2018	2017
Operating Activities:		
Surplus/(Deficit) of Income over Expenditure	711,754	(57,520)
Add/(Less):		
Depreciation	45,107	29,334
Gain on Disposal	-	(4,643)
Over-Charge of Depreciation recognized as income	(6,231)	-
	<u>750,630</u>	<u>(32,829)</u>
Decrease in Accounts Receivable	220,799	694,293
(Increase) /Decrease in Prepayments	(33,129)	151,180
Increase in Deferred Expenditure	(1,233,512)	-
Increase in Branch Account	(1,813)	-
Increase in Accounts Payable	4,675,741	99,246
(Decrease) / Increase in Deferred Grant	(4,367,521)	5,895,808
Net Cash Inflows from Operating Activities	<u>11,195</u>	<u>6,807,698</u>
Investing Activities:		
Purchase of Property, Plant and Equipment	(1,552,321)	(510,483)
Proceeds from Disposal of Assets	-	4,643
Net Cash Outflow from Investing Activities	<u>(1,552,321)</u>	<u>(505,840)</u>
Financing Activities:		
Decrease in designated fund	(360,419)	(1,136,771)
Acquisition of loan	550,000	250,000
Net Cash Inflow/(Outflow) from Financing Activities	<u>189,581</u>	<u>(886,771)</u>
(Decrease)/ Increase in Cash and Cash Equivalent	<u>(1,351,547)</u>	<u>5,415,087</u>
Analysis of Changes in Cash and Cash Equivalent during the year:		
Balance at 1 January	5,553,054	137,967
Net Cash (Decrease) / Increase in Cash and Cash Equivalent	(1,351,547)	5,415,087
Balance at 31 December	<u>4,201,507</u>	<u>5,553,054</u>
Analysis of Cash and Cash Equivalents as stated in the Statement of Financial Position		
Cash in Hand	5,300	10,943
Cash at Bank	4,196,207	5,542,111
	<u>4,201,507</u>	<u>5,553,054</u>

**SOLIDARIDAD NETWORK WEST AFRICA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. Reporting Entity

Solidaridad Network West Africa is non-governmental organisation registered under the Companies Act, 1963 (Act 179) 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 (IFRS) and its interpretations adopted by the International Accounting Standards Board (IASB) and in the manner required by the Companies Act, 1963 (Act 179) 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, IDH, Touton SA, Foundation Solidaridad Latino America 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.

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SOLIDARIDAD NETWORK WEST AFRICA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

(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: -

Freehold land	-	Nil
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 Receivable 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 Payable

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 Grant

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 2018

(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

The carrying amounts of the Company's assets 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' recoverable amounts are estimated. An impairment loss is recognised whenever the carrying amount of an asset 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 2018

(All amounts are expressed in Euros unless otherwise stated)

		2018	2017			
5.	Grants Revenue					
	Cocoa Programme	11,423,331	4,777,830			
	Oil Palm Programme	5,765,129	571,210			
	Gold Programme	808,985	332,766			
	Food Security Program	-	293,844			
	Landscape and Climate Change Programme	1,402,940	878,466			
	Other Projects	155,400	174,475			
		<u>19,555,785</u>	<u>7,028,591</u>			
6.	Other Income					
	Miscellaneous	-	21,365			
	Other Grants	312,976	-			
	Profit on disposal	-	4,643			
	Interest income on bank	5,435	-			
		<u>318,411</u>	<u>26,008</u>			
7.	Property, Plant and Equipment					
		Land & Building	Motor Vehicles	Computers & Software	Furniture & Equipment	Total
	2018					
	Cost					
	At 01/01/2018	1,217,278	136,711	60,371	79,719	1,494,079
	Additions	1,541,303	-	6,223	4,795	1,552,321
	At 31/12/2018	<u>2,758,581</u>	<u>136,711</u>	<u>66,594</u>	<u>84,514</u>	<u>3,046,400</u>
	Depreciation					
	At 01/01/2018	-	30,627	59,610	53,869	144,106
	Adjustment	-	-	(6,231)	-	(6,231)
	Charge for the year	-	23,343	8,698	13,066	45,107
	At 31/12/2018	<u>-</u>	<u>53,970</u>	<u>62,077</u>	<u>66,935</u>	<u>182,982</u>
	Net Book Value					
	At 31/12/2018	<u>2,758,581</u>	<u>82,741</u>	<u>4,517</u>	<u>17,579</u>	<u>2,863,418</u>

SOLIDARIDAD NETWORK WEST AFRICA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

(All amounts are expressed in Euro unless otherwise stated)

	Land & Building	Motor Vehicles	Computers & Software	Furniture & Equipment	Total
2017					
Cost					
At 01/01/2017	818,563	51,684	57,798	76,798	1,004,640
Additions	398,715	106,071	2,921	2,921	510,483
Disposal	-	(21,044)	-	-	(21,044)
At 31/12/2017	<u>1,217,278</u>	<u>136,711</u>	<u>60,371</u>	<u>79,719</u>	<u>1,494,079</u>
Depreciation					
At 01/01/2017	-	43,775	50,689	41,352	135,816
Charge for the year	-	7,896	8,921	12,517	29,334
Disposal	-	(21,044)	-	-	(21,044)
At 31/12/2017	<u>-</u>	<u>30,627</u>	<u>59,610</u>	<u>53,869</u>	<u>144,106</u>
Net Book Value					
At 31/12/2017	<u>1,217,278</u>	<u>106,084</u>	<u>761</u>	<u>25,850</u>	<u>1,349,973</u>

8. Investment

This represents 35,000 equity shares at a nominal value of € 1 made by Solidaridad Network West Africa in Seafood Trade Intelligence Portal (STIP B.V) located in Netherlands

	2018	2017
9. Account Receivable		
Grant Receivables 9a	1,454,126	1,149,328
Working Advances	91,658	131,927
Other Receivables 9b	79,689	35,481
Beneficiaries (via Financial Intermediary) 9c	1,623,436	2,152,970
	<u>3,248,909</u>	<u>3,469,706</u>
9a. Grants Receivables		
Solidaridad NL	-	89,570
Mondelez	1,157,624	521,373
Embassy of the Netherlands	-	351,375
European Union	83,866	-
Legend (DFID)	70,655	58,210
Agency NL	5,133	5,133
Cerelia/IPH	39,124	50,578
Masara	5,511	5,511
RSPO	92,213	67,578
	<u>1,454,126</u>	<u>1,149,328</u>

SOLIDARIDAD NETWORK WEST AFRICA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

(All amounts are expressed in Euro unless otherwise stated)

	2018	2017
9b. Other Receivables		
Albertin(UTZ)	14,433	-
Guarantees and Deposits	7,926	4,643
Obooma Farm Products Ltd	9,971	21,365
Other Debtors(Staff)	238	-
Kwame Apau Boadi	-	9,473
Cargill Ghana Limited	47,121	-
	<u>79,689</u>	<u>35,481</u>
9c. Beneficiaries (via Financial Intermediary)		
DL Money Lending Co. Ltd	1,571,229	2,152,970
Opportunity International	52,207	-
	<u>1,623,436</u>	<u>2,152,970</u>
10. Prepayment		
Rent Prepaid	58,649	42,780
Other Prepayments	86,997	69,737
	<u>145,646</u>	<u>112,517</u>
10a. Other Prepayments		
Hollard Insurance Company Limited	22,886	-
Credit Card Prepayment	9,584	9,584
Vivo Ghana Guarantee	-	7,926
Fidelity Bank MasterCard Foundation (MCF)	52,227	52,227
Fuel Card	2,300	-
	<u>86,997</u>	<u>69,737</u>
11. Branch Account		
Solidaridad Nigeria Office	1,813	-
12 Deferred Expenditure		

These are deferred expenditure yet to be incurred by implementing partners based on contract with the implementing partner.

18.

SOLIDARIDAD NETWORK WEST AFRICA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

(All amounts are expressed in Euro unless otherwise stated)

	2018	2017
13. Cash and Bank		
Cash in hand	5,300	10,943
Cash at bank	4,205,031	5,542,111
	<u>4,210,331</u>	<u>5,553,054</u>

14. Designated Fund

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

Movement in Designated Funds

	Incubator	Office Building	Total
Opening balance as 1 Jan 2018	1,236,888	704,500	1,941,388
Payments	(360,419)	-	(360,419)
Transfer to Accumulated Fund	-	(704,500)	(704,500)
	<u>876,469</u>	<u>-</u>	<u>876,469</u>
Closing balance as at 31 Dec 2018			

15. Long Term 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.

		2018	2017
16. Accounts Payable			
Accruals	15a	195,621	84,002
Sundry Creditors	15b	5,570,289	1,011,646
Solidaridad NL Europe		5,479	-
		<u>5,771,389</u>	<u>1,095,648</u>

16a Accruals

Statutory Deduction	83,556	38,191
Withholding Tax	50,496	28,345
Audit Fees	50,800	11,225
Salaries Payables	883	6,241
Rent payable	2,626	-
Welfare	7,260	-
	<u>195,621</u>	<u>84,002</u>

SOLIDARIDAD NETWORK WEST AFRICA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

(All amounts are expressed in Euro unless otherwise stated)

16b. Sundry Creditors

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

	2018	2017
17. Deferred Grant		
Dutch Embassy	1,336,486	3,681,400
Solidaridad	100,079	586,713
SECO	1,146,498	957,115
World Bank Grant	67,270	111,197
Cargill Ghana	-	13,532
TRECC	-	78,350
European Union	-	1,589,547
	<u>2,650,333</u>	<u>7,017,854</u>

18. Contingent liabilities/Asset

There were no contingent liabilities/Asset at the reporting date and at 31 December, 2017.

19. Legal Proceedings

There were no legal proceedings against the Company at the reporting date (2018: Nil).

20. Related Party Transactions

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

Terms and Conditions of related Payment Transactions

All related party transactions are undertaken with the existence of signed contracts parties at arm's length. Amounts are recognised in the financial statements as grants income account receivable and deferred income for the year under review.

21. Events after the Reporting Period

Events after the reporting period are reflected in financial statements only to the extent that they relate to the year under consideration and the effect is material. There were no adjusting events after the reporting period.

22. Comparatives

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

23. Capital Commitments

There were no commitments for capital expenditure not provided for in the financial statements at the statement of financial position date and at 31 December, 2017

**SOLIDARIDAD NETWORK WEST AFRICA
EXPENDITURE DETAILS FOR THE
YEAR ENDED 31 DECEMBER 2018**

(All amounts are expressed in Euro unless otherwise stated)

	2018	2017
1. Governance Expenses		
ISB Meetings	-	432
Governance	13,761	-
CSB Meetings	1,940	4,797
EBOD Meetings	210	-
	<u>15,911</u>	<u>5,229</u>
2. Travel and Living Expenses		
Car Fuel	72,896	20,608
Car Maintenance	88,185	21,395
Car Mileage Expenses	1,697	15,645
Car Rental	141,387	26,458
Other Car Expenses	42,097	40,093
Domestic Flight Costs	180,832	11,497
International Flights Costs	15,167	20,320
Accommodation Expenses	269,746	46,682
Per Diems	82,969	15,888
Meals	19,282	1,385
Public Transport	116,307	11,006
Travel and Living Expenses	20,953	-
	<u>1,051,518</u>	<u>230,977</u>
3. Meetings		
Global Team Meeting	14,036	614
Local Team Meetings	8,384	9,586
Meetings	1,427	-
	<u>23,847</u>	<u>10,200</u>
4. Employees Expenses		
Associate Consultants	151,267	-
Gross Salaries	2,024,258	1,688,824
Employer Contributions: Benefits and Payroll Taxes	199,475	13,500
Employee Training /education and Seminars	12,617	25,045
Other Employee Expenses	55,342	21,327
Employee Insurance	39,827	-
Employees' Health Costs	56,079	-
Employee Expenses	274,399	-
Internship/Volunteers/National Service	15,407	3,043
	<u>2,828,671</u>	<u>1,751,739</u>

**SOLIDARIDAD NETWORK WEST AFRICA
EXPENDITURE DETAILS FOR THE
YEAR ENDED 31 DECEMBER 2018**

(All amounts are expressed in Euro unless otherwise stated)

	2018	2017
5. Communication Expenses		
Fundraising Expenses	-	6,138
Internet Costs	35,566	5,005
Publication Expenses	17,045	18,063
Advertisements	8,125	26
Other Communication Expenses	60,877	15,628
Social Media Expenses	5,025	-
Communication expenses	17,629	19,492
	<u>144,267</u>	<u>64,352</u>
6. Office Expenses		
Office Cleaning	11,054	4,698
Office Rent	79,243	82,229
Office Repair and Maintenance	24,010	10,612
Office Supplies	34,063	5,374
Other Office Costs	108,707	62,460
Local Office	85,256	32,176
Utilities	67,851	66,996
Small Hardware and Hardware Maintenance	20,673	1,810
Printing and Stationery Expenses	59,862	123,263
Softwares Licenses	34,658	2,872
Subscription	14,983	5,804
IT Support	4,684	-
Insurance Cost	5,241	67,967
Postage and Courier Expenses	283	2,285
Interest Expenses on Loans	2,000	-
	<u>552,568</u>	<u>468,546</u>
7. Programme Expenses		
Project Implementation Cost-Domestic Consultants	1,229,664	288,195
Project Implementation Cost-Inter Consultants	26,962	36,119
Project Implementation Cost-Partner Contract	1,788,296	1,458,241
Baselines & Evaluations	143,846	71,274
Program Materials and Input	2,320,984	842,980
Workshops/ Training and Conferences	3,598,253	1,261,393
Program Expenses	1,855,605	140,094
Other Cost and Services	-	16,667
Bank Charges	64,208	24,827
Field Preparation Expenses	3,177,305	203,447
Field Support staff expenses	597	-
Associate Consultants	-	98,569
Audit Expenses	3,661	-
Foreign Exchange Gain and Loss	70,535	46,597
Recruitment Expenses	7,682	1,106
	<u>14,287,598</u>	<u>4,489,509</u>

**SOLIDARIDAD NETWORK WEST AFRICA
EXPENDITURE DETAILS FOR THE
YEAR ENDED 31 DECEMBER 2018**

(All amounts are expressed in Euro unless otherwise stated)

	2018	2017
8. Professional Fees		
Business Registration Fees	48,223	721
IT Consultancy	8,273	16,894
Other Advisory Costs	1,028	54,191
Audit Fees	99,702	13,054
Legal Fees	17,296	3,774
	<u>174,522</u>	<u>88,634</u>
9. Depreciation Expenses		
Depreciation	<u>4,789</u>	<u>2,933</u>
10. Other Expenses		
Other Cost and Services	<u>78,751</u>	<u>-</u>

**SOLIDARIDAD NETWORK WEST AFRICA
FUND AND DISBURSEMENT SCHEDULE
FOR THE YEAR ENDED 31 DECEMBER 2018**

(All amounts are expressed in Euro unless otherwise stated)

	Grant Receivable as at 1/1/18	Deferred Grant as at 1/1/18	Receipts for the year	Total Receipts	Disbursements	Deferred Grants	Grants Receivable
Solidaridad	(89,570)	586,712	4,040,149	4,537,291	4,437,212	100,079	-
Dutch Embassy	(351,375)	3,681,400	7,691,071	11,021,096	9,684,610	1,336,486	-
SECO	-	957,116	1,250,000	2,207,116	1,060,618	1,146,498	-
Cargill Ghana	-	13,532	-	13,532	-	-	-
Mondelez	(521,373)	78,350	825,604	382,581	1,540,204	-	(1,157,623)
Legend	(58,210)	-	217,040	158,830	229,486	-	(70,656)
Masara	(5,511)	-	-	(5,511)	-	-	(5,511)
RSPO	(67,578)	-	65,672	(1,906)	90,307	-	(92,213)
World Bank	-	111,197	760,007	871,204	803,934	67,270	-
European Union	-	1,589,547	-	1,589,547	1,673,413	-	(83,866)
Cerelia	(50,578)	-	47,455	(3,123)	36,001	-	(39,124)
Agency NL	(5,133)	-	-	(5,133)	-	-	(5,133)
	<u>(1,149,328)</u>	<u>7,017,854</u>	<u>14,896,998</u>	<u>20,765,524</u>	<u>19,555,785</u>	<u>2,650,333</u>	<u>(1,454,126)</u>

**SOLIDARIDAD NETWORK WEST AFRICA
EXPENDITURE PER PROJECT
FOR THE YEAR ENDED 31 DECEMBER 2018**

(All amounts are expressed in Euro unless otherwise stated)

	2018	2017
Cargill Akua Adamfo Cocoa Sustainability Project (Ghana)	-	185,316
Cocoa Rehabilitation and Intensification Programme (Ghana)	-	737,089
Cocoa Life Programme (Ivory Coast)	738,011	616,403
Cocoa Life Ghana	137,445	-
Next Generation Cocoa Youth Programme Ghana (MASO)	2,271,575	2,098,028
IPC Cocoa	41,785	41,785
TRECC	664,748	315,540
Practice for Change-Cocoa	378,785	592,362
Cocoa Rehabilitation and Intensification Programme II	5,459,172	191,307
Liberia Cocoa Sector Improvement Programme	1,673,413	-
Aldi International	58,397	-
Sub-Total-Cocoa Programme	11,423,331	4,777,830
Production of Sustainable oil palm through capacity building programme	-	80,879
RSPO Ivory Coast	90,307	36,885
Integration Independent Smallholder Oil Palm Farmers-RSPO Ghana	-	71,679
Sustainable West Africa Palm Oil Palm Programme (SWAPP) II	5,286,056	170,178
Yield Intensification -Cerelia	36,001	50,578
Henkel Ghana/Achmea Foundation	267,276	39,500
Henkel Nigeria	85,489	121,511
Sub-Total-Oil Palm Programme	5,765,129	571,210
The Golden Line	193,224	151,546
Partnering for Better Livelihoods in the Gold Supply Chain (Ghana)	-	39,000
Practice for Change-Gold	615,761	142,220
Sub-Total-Gold Programme	808,985	332,766
Sustainable Maize Project	-	268,844
Exploratory	-	25,000
Sub-Total-Food Security Programme	-	293,844
VGGT in the development of a large-scale oil palm (Sierra Leone)	229,486	330,079
Policy influence for Gold Landscapes (Ghana)	149,760	115,200
Policy influence for Sustainable Cocoa Landscape (Ghana)	149,760	115,200
Dedicated Grant Mechanism	803,934	317,987
NISCOPS	70,000	-
Sub-Total-Landscape and Climate Change Programme	1,402,940	878,466

**SOLIDARIDAD NETWORK WEST AFRICA
EXPENDITURE PER PROJECT
FOR THE YEAR ENDED 31 DECEMBER 2018**

(All amounts are expressed in Euro unless otherwise stated)

	2018	2017
Practice for Change	140,000	141,000
Other minor projects	-	33,475
Gender Capacity Enhancement	15,400	-
	<u>155,400</u>	<u>174,475</u>
Sub-Total- Other Projects	<u>155,400</u>	<u>174,475</u>
	<u>155,400</u>	<u>174,475</u>
 TOTAL PROJECT COSTS	 <u>19,555,785</u>	 <u>7,028,591</u>