



SOLIDARIDAD NETWORK WEST AFRICA

***ANNUAL REPORTS AND AUDITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2019***

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ANNUAL REPORTS AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

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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	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 2019 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 2019, the statement of financial position as at 31 December 2019, 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 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 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 for SMEs and complied with the requirements of the Companies Act, 2019 (Act 992).

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.

**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) now repealed and placed by a new statute; 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.

Financial Results

The results for the year ended 31 December 2019 are as set out below.

	2019 €	2018 €
Excess Income over Expenditure	138,776	711,754
Transfer from Designated Fund	-	704,500
To which is added balance on Accumulated Fund Account brought forward of	1,631,614	215,360
Leaving a balance to be on carried on the Accumulated Account of	<u>1,770,390</u>	<u>1,631,614</u>

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, 2019 (Act 992).

Approval of Financial Statements

The financial statements for the year set out on pages 8 to 25, which have been prepared on the going concern basis, were approved by the Executive Members on 22-04-2020 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 2019, 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 2019, and its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards for SMEs 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 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 for SMEs, and in a manner required by the Companies Act, 2019 (Act 992) 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;
- 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.

7.

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

Report on Other Legal and Regulatory Requirements

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

The Companies Act 2019 (Act 992) 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, 2019 (Act 992).

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

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For and on behalf of:

Mazars (ICAG/F/2020/079)

Chartered Accountants and Business Advisors

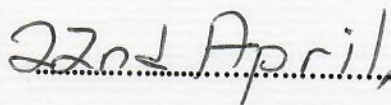
7/9 Nyame Adom Courts Adonai Lane,

Adjiringanor, East Legon, Accra

GD-165-5957

PMB LG DTD 20014

Accra

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**SOLIDARIDAD NETWORK WEST AFRICA
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2019**

(All amounts are expressed in Euros unless otherwise stated)

	Notes	2019	2018
Income			
Grants	5	24,027,376	19,555,785
Other Income	6	598,867	318,411
		<u>24,626,243</u>	<u>19,874,196</u>
Expenditure			
Governance Expenses	7	3,484	15,911
Travel and Living Expenses	8	1,149,340	1,051,518
Meetings	9	23,968	23,848
Employee Expenses	10	3,494,082	2,828,671
Communication expenses	11	317,866	144,268
Office Expenses	12	588,403	552,568
Program Expenses	13	18,754,513	14,287,598
Professional Fees	14	150,421	174,522
Provision for Depreciation Expenses	15	5,390	4,789
Other Expenses	16	-	78,751
		<u>24,487,465</u>	<u>19,162,442</u>
Surplus of Income over Expenditure		138,776	711,754
Transferred to Accumulated Fund		<u><u>138,776</u></u>	<u><u>711,754</u></u>

**SOLIDARIDAD NETWORK WEST AFRICA
STATEMENT OF ACCUMULATED FUND
FOR THE YEAR ENDED 31 DECEMBER 2019**

(All amounts are expressed in Euros unless otherwise stated)

	2019	2018
Balance at 1 January	1,631,614	215,360
Transfer from Designated Fund	-	704,500
Surplus Transferred from Income and Expenditure Statement	138,776	711,754
Balance at 31 December	<u><u>1,770,390</u></u>	<u><u>1,631,614</u></u>

**SOLIDARIDAD NETWORK WEST AFRICA
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019**

(All amounts are expressed in Euros unless otherwise stated)

	Notes	2019	2018
Assets			
Non-Current Assets			
Property, Plant and Equipment	17	3,671,928	2,863,418
Investment	18	35,000	35,000
		<u>3,706,928</u>	<u>2,898,418</u>
Current Assets			
Accounts Receivables	19	4,509,929	3,248,909
Prepayments	20	211,795	145,646
Branch Current Account	21	-	1,813
Deferred Expenses	22	810,269	1,233,512
Cash and Bank	23	1,086,157	4,210,331
		<u>6,618,150</u>	<u>8,840,211</u>
Total Assets		<u>10,325,078</u>	<u>11,738,629</u>
Reserves and Liabilities			
Accumulated Fund		1,770,390	1,631,614
Designated Fund	24	876,469	876,469
Total Reserves		<u>2,646,859</u>	<u>2,508,083</u>
Non-Current Liabilities			
Long Term Loan	25	603,000	800,000
Current Liabilities			
Accounts Payables	26	4,071,573	5,771,389
Short Term Portion of Loan	25	215,000	-
Deferred Grants	27	2,788,646	2,650,333
Bank Overdraft		-	8,824
		<u>7,075,219</u>	<u>8,430,546</u>
Total Liabilities		<u>7,678,219</u>	<u>9,230,546</u>
Total Reserves and Liabilities		<u>10,325,078</u>	<u>11,738,629</u>

These Financial Statements were approved on behalf of the Board on 22-4-2020 and signed on their behalf by:

.....
EXECUTIVE MEMBER

.....
EXECUTIVE MEMBER

The notes and appendixes on pages 12 to 25 are integral part of these financial statements.

**SOLIDARIDAD NETWORK WEST AFRICA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019**

(All amounts are expressed in Euros unless otherwise stated)

	2019	2018
Operating Activities:		
Surplus of Income over Expenditure	138,776	711,754
Add/(Less):		
Depreciation	35,292	45,107
Interest on Loan	18,000	-
Over-Charge of Depreciation recognized as income	-	(6,231)
	<u>192,068</u>	<u>750,630</u>
Change in Accounts Receivable	(1,261,020)	220,799
Change in Prepayments	(66,149)	(33,129)
Change in Deferred Expenses	423,243	(1,233,512)
Change in Branch Account	1,813	(1,813)
Change in Accounts Payable	(1,699,816)	4,675,741
Change in Deferred Grant	138,313	(4,367,521)
	<u>(2,463,616)</u>	<u>11,195</u>
Investing Activities:		
Purchase of Property, Plant and Equipment	(843,802)	(1,552,321)
Proceeds from Disposal of Assets	-	-
	<u>(843,802)</u>	<u>(1,552,321)</u>
Financing Activities:		
Decrease in designated fund	-	(360,419)
Acquisition of loan	-	550,000
	<u>-</u>	<u>189,581</u>
Net Cash Flow from Financing Activities	<u>-</u>	<u>189,581</u>
Increase/(Decrease) in Cash and Cash Equivalent	<u>(3,115,350)</u>	<u>(1,351,547)</u>
Analysis of Changes in Cash and Cash Equivalent during the year:		
Balance at 1 January	4,201,507	5,553,054
Net Cash Inflow/(Outflow)	(3,115,350)	(1,351,547)
	<u>1,086,157</u>	<u>4,201,507</u>
Analysis of Cash and Cash Equivalents as stated in the Statement of Financial Position		
Cash in Hand	499	5,300
Cash at Bank	1,085,658	4,205,031
Bank Overdraft	-	(8,824)
	<u>1,086,157</u>	<u>4,201,507</u>

**SOLIDARIDAD NETWORK WEST AFRICA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

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 2019**

(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 and Building	-	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 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 2019**

(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 2019

(All amounts are expressed in Euros unless otherwise stated)

	2019	2018
5. Grants Revenue		
Cocoa Programme	12,611,388	11,423,331
Oil Palm Programme	7,003,304	5,765,129
Gold Programme	880,571	808,985
Food Security Program	91,378	-
Landscape and Climate Change Programme	3,265,399	1,402,940
Other Projects	175,337	155,400
	<u>24,027,376</u>	<u>19,555,785</u>
6. Other Income		
Miscellaneous	-	-
Other minor Grants	598,867	312,976
Profit on disposal	-	-
Interest income on bank	-	5,435
	<u>598,867</u>	<u>318,411</u>
7. Governance Expenses		
ISB Meetings	2,709	-
Governance	-	13,761
CSB Meetings	775	1,940
EBOD Meetings	-	210
	<u>3,484</u>	<u>15,911</u>
8. Travel and Living Expenses		
Car Fuel	109,256	72,896
Car Maintenance	104,976	88,185
Car Mileage Expenses	4,523	1,697
Car Rental	201,316	141,387
Other Car Expenses	33,476	42,097
Domestic Flight Costs	-	180,832
International Flights Costs	-	15,167
Accommodation Expenses	272,653	269,746
Per Diems	190,011	82,969
Meals	46,628	19,282
Public Transport	124,223	116,307
Travel and Living Expenses	-	20,953
Car Insurance	51,097	-
Car Lease	11,181	-
	<u>1,149,340</u>	<u>1,051,518</u>

SOLIDARIDAD NETWORK WEST AFRICA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
9. Meetings		
Global Team Meeting	18,801	14,036
Local Team Meetings	5,167	8,384
Meetings	-	1,428
	<u>23,968</u>	<u>23,848</u>
10. Employees Expenses		
Associate Consultants	6,511	151,267
Gross Salaries	3,195,457	2,024,258
Employer Contributions: Benefits and Payroll Taxes	12,653	199,475
Employee Training /education and Seminars	12,190	12,617
Other Employee Expenses	108,774	55,342
Employee Insurance	71,335	39,827
Employees' Health Costs	65,825	56,079
Employee Expenses	-	274,399
Internship/Volunteers/National Service	21,337	15,407
	<u>3,494,082</u>	<u>2,828,671</u>
11. Communication Expenses		
Internet Costs	65,986	35,566
Publication Expenses	74,039	17,045
Advertisements	8915	8,125
Other Communication Expenses	158,636	60,877
Social Media Expenses	-	5,026
Communication expenses	6,666	17,629
Telephone expenses	3,624	-
	<u>317,866</u>	<u>144,268</u>
12. Office Expenses		
Office Cleaning	11,657	11,054
Office Rent	103,602	79,243
Office Repair and Maintenance	30,031	24,010
Office Supplies	47,111	34,063
Other Office Costs	129,537	108,707
Local Office	-	85,256
Utilities	80,648	67,851
Small Hardware and Hardware Maintenance	19,905	20,673
Printing and Stationery Expenses	79,382	59,862
Softwares Licenses	40,426	34,658
Subscription	9,917	14,983
IT Support	5,674	4,684
Insurance Cost	11,850	5,241
Postage and Courier Expenses	663	283
Interest Expenses on Loans	18,000	2,000
	<u>588,403</u>	<u>552,568</u>

**SOLIDARIDAD NETWORK WEST AFRICA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

(All amounts are expressed in Euro unless otherwise stated)

	2019	2018
13. Programme Expenses		
Project Implementation Cost-Domestic Consultants	1,717,194	1,229,664
Project Implementation Cost-Inter Consultants	419,701	26,962
Project Implementation Cost-Partner Contract	4,690,727	1,788,296
Baselines & Evaluations	686,781	143,846
Program Materials and Input	3,402,072	2,320,984
Workshops/ Training and Conferences	4,689,636	3,598,253
Program Expenses	-	1,855,605
Other Cost and Services	-	-
Bank Charges	126,755	64,208
Field Preparation Expenses	3,000,043	3,177,305
Field Support staff expenses	4,579	597
Audit Expenses	-	3,661
Foreign Exchange Gain and Loss	-	70,535
Recruitment Expenses	17,025	7,682
	<u>18,754,513</u>	<u>14,287,598</u>
14. Professional Fees		
Business Registration Fees	-	48,223
IT Consultancy	-	8,273
Other Advisory Costs	-	1,028
Audit Fees	108,197	99,702
Legal Fees	42,224	17,296
	<u>150,421</u>	<u>174,522</u>
15. Provision for Depreciation Expenses		
Provision for Depreciation	<u>5,390</u>	<u>4,789</u>
16. Other Expenses		
Other Cost and Services	<u>-</u>	<u>78,751</u>

SOLIDRIDAD NETWORK WEST AFRICA
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FOR THE YEAR ENDED 31 DECEMBER 2019

(All amounts are expressed in Euro unless otherwise stated)

17. Property, Plant and Equipment

	Land & Building	Motor Vehicles	Computers & Software	Furniture & Equipment	Total
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)
	-----	-----	-----	-----	-----
At 31/12/2019	3,601,207	106,716	66,594	85,689	3,860,207
	-----	-----	-----	-----	-----
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
	---	-----	-----	-----	-----
At 31/12/2019	-	45,318	65,153	77,807	188,278
	---	-----	-----	-----	-----
Net Book Value					
At 31/12/2019	3,601,207	61,398	1,441	7,882	3,671,928
	=====	=====	=====	=====	=====
Net Book Value					
At 31/12/2018	2,758,581	82,741	4,517	17,579	2,863,418
	=====	=====	=====	=====	=====

18. Investment

This represents 35,000.00 equity shares at a nominal value of € 1 made by Solidaridad Network West Africa Seafood Trade Intelligence Portal (STIP B.V) located in Netherlands.

19. Account Receivables

Grant Receivable	19a	2,423,118	1,454,126
Working Advances		274,606	91,658
Other Receivables	19b	539,787	79,689
Beneficiaries (via Financial Intermediary)	19c	1,272,418	1,623,436
		-----	-----
		4,509,929	3,248,909
		=====	=====

SOLIDARIDAD NETWORK WEST AFRICA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

(All amounts are expressed in Euro unless otherwise stated)

	2019	2018
19a. Grants Receivables		
Mondelez	1,376,335	1,157,624
European Union	-	83,866
Legend (DFID)	-	70,655
Agency NL	-	5,133
Cerelia/IPH	-	39,124
Masara	-	5,511
RSPO	68,757	92,213
World Bank	316,749	-
Solidaridad NL Europe	661,277	-
	<u>2,423,118</u>	<u>1,454,126</u>
9b. Other Receivables		
Albertin(UTZ)	-	14,433
Guarantees and Deposits	7,926	7,926
Obooma Farm Products Ltd	9,971	9,971
Other Debtors (Staff)	-	238
FAO	2,387	-
Cargill Ghana Limited	82,068	47,121
Emfed Farms	9,439	-
Assin oil mills	294,067	-
Other income Accrued	33,868	-
Palmci	71,201	-
SNV	28,860	-
	<u>539,787</u>	<u>79,689</u>
19c. Beneficiaries (via Financial Intermediary)		
DL Money Lending Co. Ltd	1,229,570	1,571,229
Opportunity International	42,848	52,207
	<u>1,272,418</u>	<u>1,623,436</u>
20. Prepayments		
Rent prepaid	103,772	58,649
Other Prepayments	108,023	86,997
	<u>211,795</u>	<u>145,646</u>

20a

SOLIDARIDAD NETWORK WEST AFRICA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

(All amounts are expressed in Euro unless otherwise stated)

	2019	2018
20a. Other Prepayments		
Hollard Insurance Company Limited	-	22,886
Credit Card Prepayment	9,584	9,585
Ashesi University College	35,204	-
Fidelity Bank MasterCard Foundation (MCF)	41,484	52,226
Fuel Card	1,124	2,300
Insurance Premium	20,627	
	<u>108,023</u>	<u>86,997</u>
21. Branch Current Account		
Solidaridad Nigeria Office	-	1,813
	<u>-</u>	<u>1,813</u>
22. Deferred Expenses		
Opening Balance as at 1 January	1,233,512	-
Accrued	-	1,233,512
Expensed	<u>(423,243)</u>	<u>-</u>
Closing Balance as at 31 December	<u>810,269</u>	<u>1,233,512</u>
23. Cash and Bank		
Cash in hand	499	5,300
Cash at bank	1,085,658	4,205,031
	<u>1,086,157</u>	<u>4,210,331</u>
24. 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 2019	876,469	
Closing balance as at 31 Dec 2019	<u>876,469</u>	

**SOLIDARIDAD NETWORK WEST AFRICA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

(All amounts are expressed in Euro unless otherwise stated)

25. 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.

	2019	2018
Non-Current Liability	603,000	800,000
Current Liability	215,000	-
	<u>818,000</u>	<u>800,000</u>

26. Accounts Payables

Accruals	26a	281,781	244,523
Sundry Payables		3,789,792	5,521,387
Solidaridad NL Europe		-	5,479
		<u>4,071,573</u>	<u>5,771,389</u>

26a. Accruals

Statutory Deduction	81,200	83,556
Withholding Tax	100,614	50,496
Audit Fees	94,825	99,702
Salaries Payables	1,096	883
Rent prepaid	-	2,626
Welfare	4,046	7,260
	<u>281,781</u>	<u>244,523</u>

27. Deferred Grant

Dutch Embassy CORIP II & SWAPP II Grant	234,064	1,336,486
Solidaridad	164,252	100,079
SECO	408,691	1,146,498
Mondelez CDI	-	67,270
Boosting Agric Food Security (EU)	287,733	-
Cocoa Value Chain Dev't program (EU)	1,286,183	-
LICSIP (EU)	407,723	-
	<u>2,788,646</u>	<u>2,650,333</u>

**SOLIDARIDAD NETWORK WEST AFRICA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

(All amounts are expressed in Euro unless otherwise stated)

28. Contingent Assets or Liabilities

There were no contingent assets or liabilities at the reporting date and at 31 December, 2018.

29. Legal Proceedings

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

30. 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).

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.

31. 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.

32. Comparatives

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

33. 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 2019

(All amounts are expressed in Euro unless otherwise stated)

Funds and Disbursement Schedule

	Grant Receivable as at 1/1/19	Deferred Grant as at 1/1/19	Receipts for the year	Total Receipts	Disbursements	Deferred Grants	Grants Receivable
Solidaridad	-	100,079	5,505,344	5,605,423	6,102,446	164,254	(661,277)
Dutch Embassy	-	1,336,486	8,967,857	10,304,343	10,070,279	234,064	-
SECO	-	1,146,498	1,000,000	2,146,498	1,737,808	408,690	-
Mondelez	(1,157,624)	-	2,609,315	1,451,691	2,828,026	-	(1,376,335)
Legend	(70,655)	-	135,498	64,843	64,843	-	-
RSPO	(92,213)	-	62,244	(29,969)	38,787	-	(68,757)
World Bank	-	67,270	1,341,458	1,408,728	1,725,477	-	(316,749)
EU - LICSIIP	(83,866)	-	1,422,853	1,338,987	931,264	407,723	-
EU - COVADEP	-	-	1,286,183	1,286,183	-	1,286,183	-
EU – BAFS	-	-	816,181	816,181	528,448	287,733	-
	(1,404,358)	2,650,333	23,146,933	24,392,908	24,027,376	2,788,647	(2,423,118)

Appendix II

SOLIDARIDAD NETWORK WEST AFRICA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

(All amounts are expressed in Euro unless otherwise stated)

Expenditure Per Project

	2019	2018
Boosting Agriculture for Food Security	528,448	-
Cocoa Life Programme (Ivory Coast)	1,073,000	738,011
Cocoa Life Ghana	997,372	137,445
Next Generation Cocoa Youth Programme Ghana (MASO)	2,872,111	2,271,575
IPC Cocoa	41,785	41,785
TRECC	757,655	664,748
Practice for Change-Cocoa	352,238	378,785
Cocoa Rehabilitation and Indemnification Programme II	5015,340	5,459,172
Liberia Cocoa Sector Improvement Programme	931,264	1,673,413
Aldi International	42,175	58,397
Sub-Total-Cocoa Programme	12,611,388	11,423,331
RSPO Ivory Coast	38,787	90,307
Integration Independent Smallholder Oil Palm Farmers-RSPO Ghana	-	-
Sustainable West Africa Palm Oil Palm Programme (SWAPP) II	6,768,997	5,286,056
Henkel Ghana	195,520	267,276
Henkel Nigeria	-	85,489
Sub-Total-Oil Palm Programme	7,003,304	5,765,129
Golden Line	166,751	193,224
Kering support women in small scale mining sector in Ghana	93,120	-
Practice for Change-Gold	620,700	615,761
Sub-Total-Gold Programme	880,571	808,985
Satellite for Business (Sat4Business)Gh	91,378	-
Sub-Total-Food Security Programme	91,378	-
VGGT in the development of a large-scale oil palm (Sierra Leone)	64,843	229,486
Policy influence for Gold Landscapes (Ghana)	122,112	149,760
Policy influence for Sustainable Cocoa Landscape (Ghana)	122,112	149,760
Dedicated Grant Mechanism	1,725,477	803,934
NISCOPS	1,230,855	70,000
Sub-Total-Landscape and Climate Change Programme	3,265,399	1,402,940

**SOLIDARIDAD NETWORK WEST AFRICA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

(All amounts are expressed in Euro unless otherwise stated)

Expenditure per Project

PFC Capacity Enhancement	142,500	140,000
Promotion of women empowerment and rights project	23,837	-
Gender Capacity Enhancement	9,000	15,400
	<u>-----</u>	<u>-----</u>
Sub-Total- Other Projects	175,337	155,400
	<u>=====</u>	<u>=====</u>
TOTAL PROJECT COSTS	24,027,376	19,555,785
	<u>=====</u>	<u>=====</u>