

SOLIDARIDAD NETWORK WEST AFRICA

***ANNUAL REPORT AND FINANCIAL STATEMENTS
31ST DECEMBER 2017***

(EURO ACCOUNT)

**SOLIDARIDAD NETWORK WEST AFRICA
ANNUAL REPORT AND FINANCIAL STATEMENTS**

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SOLIDARIDAD NETWORK WEST AFRICA
EXECUTIVE COUNCIL MEMBERS, OFFICIALS AND REGISTERED OFFICE

EXECUTIVE COUNCIL MEMBERS

Audrey Sitsofe Gadzekpo (*Chairman*)
Henry Kamau Kuria (*Member*)
Isaac Kwadwo Gyamfi (*Member*)

REGISTERED OFFICE

House No 18, Okine Street
East Legon,
P.M.B KD 11
Kanda, Accra

SECRETARY

Dehands Services Limited
HNo. 2nd Floor Opeibea House
37 Liberation Road
P. O. Box CT 9347
Cantonments, Accra.

AUDITORS

Baker Tilly Andah + Andah
Chartered Accountants
Nyanyo Lane
Asylum Down
P. O. Box CT 5443
Cantonments, Accra

BANKERS

Ecobank Ghana Limited
Bank of Africa Ghana Limited
Fidelity Bank Ghana

SOLIDARIDAD NETWORK WEST AFRICA
STATEMENT OF EXECUTIVE COUNCIL'S RESPONSIBILITIES

The members of the executive council are responsible for preparing the report of the Executive Council and the financial statements in accordance with applicable law and regulations.

The Companies Act, 1963 (Act 179) requires the members to prepare financial statements for each financial period. Under the law, the members have elected to prepare the financial statements in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs) and its interpretations adopted by the International Accounting Standards Board (IASB). The members of executive council must not approve the financial statements unless they are satisfied that they give true and fair view of the state of the financial position of the company and of its income statement for that period. In preparing those financial statements, the members are required to:

- select suitable accounting policies and apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the organisation will continue in business.

The members are responsible for keeping proper accounting records that are sufficient to show and explain the organisation's transactions and disclose with reasonable accuracy at any time the financial position of the organization and to enable them to ensure that the financial statements comply with the Companies Act, 1963 (Act 179). The members of executive council are also responsible for safeguarding the assets of the organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The above statements, which should be read in conjunction with the statement of the Auditor's responsibilities set out on pages 5 - 7, is made with a view to distinguish for donors the respective responsibilities of the members and the auditor in relation to the Financial Statements.

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

The Executive Council Members present the report and audited financial statements of Solidaridad Network West Africa for the year ended 31st December 2017.

Principal Activities

The Organization is engaged in:

- Certification and Training of Farmers

Executive Council Members Interest

The members of executive council have no material interest in contracts entered into by the Organization.

Auditors

Messrs Baker Tilly Andoh + Andoh have indicated their willingness to continue in office as auditors of the Organisation and in accordance with section 134(5) of the Companies Act 1963 (Act 179) they so continue.

Results for the Year

The results are summarized as follows:

	2017 €	2016 €
Excess of Income over Expenditure for the year amounted to	(57,520)	(94,156)
To which is added the balance brought forward on Accumulated Fund of	272,880	367,036
Leaving a balance to be carried forward on the Accumulated Fund Account of	215,360	272,880
	=====	=====

The members of executive council consider the state of the organization's affairs to be satisfactory.

Nature of Business

The object of the Solidaridad Network West Africa is to promote socially and environmentally responsible production and trade in West Africa.

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 ACCRA, 26.6.2018

EXECUTIVE COUNCIL

INDEPENDENT AUDITOR'S REPORT TO THE DONORS OF SOLIDARIDAD NETWORK WEST AFRICA

Opinion

We have audited the financial statements of Solidaridad Network West Africa, which comprise the statement of financial position as at December 31, 2017 and the statement of income and expenditure, and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies as set out on pages 11 to 21.

In our opinion, the accompanying financial statements of Solidaridad Network West Africa present fairly, in all material respects, the financial position of the company as at December 31, 2017 and of its financial performance and its cash flows for the year then ended in compliance with the significant requirements of IFRS for SMEs and in the manner required by the Companies Act, 1963 (Act 179).

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) and we have fulfilled our ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the 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 that we have performed, we conclude that there is a material misstatement of this other information, then we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the Financial Statements

The board of directors is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS) for Small and Medium Sized Entities (SMEs), 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, the board of directors 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 the board of directors either intend to liquidate the company or cease operations or has no realistic alternative but to do so. The directors are responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

The objectives of our audit 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 planning and performance of 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 entity'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.

We are required to communicate with board 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.



Report on other Legal and Regulatory Requirements

The Companies Act, 1963 (Act 179) requires that in carrying out our audit work we consider and report on the following matters.

We confirm that:

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of the audit;
- in our opinion proper books of account have been kept by the company, so far as appears from the examination of those books;
- the company's financial statements are in agreement with the books of account and returns.

Baker Tilly Andah + Andah

K. B. ANDAH (ICAG/P/1098)

For and on behalf of Baker Tilly Andah + Andah (ICAG/F/2018/122)

Nyanyo Lane
Asylum Down
Chartered Accountants
Accra

27th June, 2018

**SOLIDARIDAD NETWORK WEST AFRICA
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31ST DECEMBER 2017**

	Notes	2017 €	2016 €
INCOME			
Project Grants	4	7,028,591	7,599,647
Other Income	5	26,008	108,099
		-----	-----
		7,054,599	7,707,746
		-----	-----
EXPENDITURE			
Direct Project Expenses	20	6,853,318	7,563,287
General & Administrative Expenses	21	258,801	238,615
		-----	-----
		7,112,119	7,801,902
		-----	-----
EXCESS OF EXPENDITURE OVER INCOME	6	(57,520)	(94,156)
Transferred to Accumulated Fund		=====	=====

**ACCUMULATED FUND
FOR THE YEAR ENDED 31ST DECEMBER 2017**

	2017 €	2016 €
Balance at 1 st January	272,880	367,036
Excess of Expenditure over Income for the Year	(57,520)	(94,156)
	-----	-----
Balance at 31 st December	215,360	272,880
	=====	=====

SOLIDARIDAD NETWORK WEST AFRICA
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2017

	Notes	2017 €	2016 €
ASSETS			
NON-CURRENT ASSETS			
Property, Plant & Equipment	7	1,349,973	868,824
Investment	8	35,000	35,000
TOTAL NON-CURRENT ASSETS		1,384,973	903,824
CURRENT ASSETS			
Accounts Receivable	9	3,469,706	4,163,999
Prepayments	10	112,517	263,697
Cash & Bank Balances	12	5,553,054	137,967
TOTAL CURRENT ASSETS		9,135,277	4,565,663
TOTAL ASSETS		10,520,250	5,469,487
RESERVES AND LIABILITIES			
RESERVES			
Accumulated Fund		215,360	272,880
Designated Fund	15	1,941,388	3,078,159
TOTAL RESERVES		2,156,748	3,351,039
NON-CURRENT LIABILITIES			
Long term Loan	11	250,000	-
CURRENT LIABILITIES			
Accounts Payable	13	1,095,648	996,402
Deferred Grants	4	1,017,854	1,122,046
TOTAL CURRENT LIABILITIES		2,113,502	2,118,448
TOTAL RESERVES AND LIABILITIES		4,270,250	5,469,487

EXECUTIVE COUNCIL

26/6/2018
TOTAL RESERVES AND LIABILITIES

SOLIDARIDAD NETWORK WEST AFRICA
STATEMENT OF CASH FLOWS AS AT 31ST DECEMBER 2017

	2017 €	2016 €
Cash Flow from Operating Activities		
Excess Expenditure over Income	(57,520)	(94,156)
Adjustments for:		
Depreciation	29,334	30,686
Gain on disposal	(4,643)	(454)
	-----	-----
	(32,829)	(63,924)
Increase in Accounts Receivable	694,293	(204,904)
Decrease in Prepayments	151,180	243,139
Increase in Accounts Payable	99,246	236,055
Increase/(Decrease) in Deferred Grant	5,895,808	(2,294,627)
	-----	-----
Net Cash Flows from Operating Activities	6,807,698	(1,674,453)
	-----	-----
Cash Flow from Investing Activities		
Acquisition of Property, Plant and Equipment	(510,483)	(408,621)
Proceeds from Disposal of Assets	4,643	1,071
Redemption/(Purchase) of Treasury Bill	-	757,136
Investment	-	(35,000)
	-----	-----
Net Cash Flows from Investing Activities	505,840	314,586
	-----	-----
Cash Flows from Financing Activities		
Increase in designated fund	(1,136,771)	(661,090)
Acquisition of loan	250,000	-
	-----	-----
Net Cash Flows from Financing Activities	(886,771)	(661,090)
	-----	-----
Net Increase/Decrease in Cash and Cash Equivalents	5,415,087	(2,020,957)
Cash and Cash Equivalents as at 1 st January	137,967	2,158,924
	-----	-----
Cash and Cash Equivalents as at 31st December	5,553,054	137,967
	=====	=====

ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS FOR THE YEAR

	Balance as at 31/12/2017	Changes during the Year	Balance as at 31/12/2016
Cash in Hand	10,943	5,781	5,162
Cash at Bank	5,542,111	5,409,306	132,805
	-----	-----	-----
	5,553,054	5,415,087	137,967
	=====	=====	=====

**SOLIDARIDAD NETWORK WEST AFRICA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2017**

1. REPORTING ENTITY

Solidaridad Network West Africa is a non-governmental organization registered under the Companies Act, 1963 (Act 179) and the liability of its 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 OF THE FINANCIAL STATEMENTS

a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs) and its interpretations adopted by the International Accounting Standards Board (IASB).

b) Basis of measurement

These financial statements have been prepared using the historical cost basis and in accordance with International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs).

c) Functional and Presentational currency

The financial statements are presented in Euro (€) which is the organization's presentation currency. The functional currency of the organization is Ghana Cedis.

d) Use of Estimates and Judgment

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of income, expenditure, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. If in the future such estimates and assumptions which are based on management's best judgment at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change. Where necessary, the comparatives have been reclassified or extended from the previously reported results to take into account presentational changes.

e) Reclassification and changes in presentation

When there are changes in the presentation or classification of items in the financial statements, the foundation shall reclassify comparative amounts unless reclassification is impracticable. When the entity reclassifies comparative amounts, the entity shall disclose:

- a. the nature of the reclassification;
- b. the amount of each item or class of items that is reclassified; and
- c. the reason for the reclassification.

**SOLIDARIDAD NETWORK WEST AFRICA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2017 (CONT'D)**

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements by the company.

a. Property, plant and equipment

i) Recognition and measurement

Items of property, plant and equipment (PPE) are measured at acquisition or construction cost less accumulated depreciation and impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, and any other costs directly attributable to bringing the asset to a working condition for its intended use. The cost may also include the initial estimated costs of dismantling and removing the item (i.e. PPE) and restoring the site on which it is located.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components).

ii) Subsequent costs

The cost of replacing part of an item of property, plant or equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day maintenance, repair and servicing expenditures incurred on property, plant and equipment are recognized in the income and expenditure account.

iii) Depreciation

Depreciation is recognized in the statement of income and expenditure on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives.

The estimated rates of depreciation over the useful lives of major classes of depreciable property, plant and equipment are:

Motor vehicles	20.0%
Furniture and Fittings	25.0%
Computers and software	33.3%
Freehold Land	Nil

Depreciation methods, useful lives and carrying amount are reassessed at each reporting date. The carrying amounts of property plant and equipment are assessed whether they are recoverable in the form of future economic benefits. If the recoverable amount of an item of property, plant and equipment has declined below its carrying amount, an impairment loss is recognized to reduce the value of the assets to its recoverable amount. In determining the recoverable amount of the assets, expected cash flows are discounted to their present values.

**SOLIDARIDAD NETWORK WEST AFRICA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2017 (CONT'D)**

Gains and losses on disposal of property, plant and equipment are determined by company proceeds from disposal with the carrying amounts of property, plant and equipment and are recognized in the income and expenditure account as other income.

b. Project Grants

Project grants received from the 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 income and expenditure based on utilization. Any unused portions of grants for the financial year are accounted for in the statement of financial position as deferred grant and designated funds.

c. Accounts Receivable and Other Receivables

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

Other receivables are stated at their cost less impairment losses.

d. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and bank balances.

e. Accounts Payable

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

f. Deferred Grants

This relate to actual cash received from donors but not yet spent on the project under the year of review

g. Foreign Exchange

The organization's foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the 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. Taxation

The company is not subject to corporate income tax being a non-profit organization.

i. Interest Income

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

SOLIDARIDAD NETWORK WEST AFRICA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2017 (CONT'D)

j. 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.

k. Post Balance Sheet Events

Events subsequent to the balance sheet date are reflected in the financial statements only to the extent that they relate to the year under consideration and the effect is material.

	2017 €	2016 €
4. GRANT REVENUE		
Cocoa Programme	4,777,830	4,759,715
Oil Palm Programme	571,210	1,016,676
Gold Programme	332,766	358,418
Food Security Programme	293,844	837,035
Landscape and Climate Change Programme	878,466	209,219
Other projects	174,475	418,584
	----- 7,028,591 =====	----- 7,599,647 =====

5. OTHER INCOME

Miscellaneous	21,365	88,860
Other Grants	-	18,784
Profit on Disposal	4,643	455
	----- 26,008 =====	----- 108,099 =====

6. EXCESS OF EXPENDITURE OVER INCOME

This is stated after charging:

Audit Fees	7,234	7,050
Depreciation	29,334	30,686

SOLIDARIDAD NETWORK WEST AFRICA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2017 (CONT'D)

7(a). PROPERTY, PLANT & EQUIPMENT

	Motor Vehicles €	Computers & Software €	Furniture & Equipment €	Land €	Total €
Cost					
At 1/1/17	51,684	57,595	76,798	818,562	1,004,640
Addition (s)	106,071	2,776	2,921	398,715	510,483
Disposal	(21,044)	-	-	-	(21,044)
At 31/12/2017	<u>136,711</u> =====	<u>60,371</u> =====	<u>79,719</u> =====	<u>1,217,278</u> =====	<u>1,494,079</u> =====
Depreciation					
At 1/1/17	43,775	50,689	41,352	-	135,816
Charges for the Year	7,896	8,921	12,517	-	29,334
Disposal	(21,044)	-	-	-	(21,044)
At 31/12/2017	<u>30,627</u> =====	<u>59,610</u> =====	<u>53,869</u> =====	<u>-</u> =====	<u>144,106</u> =====
Net Value Book					
As at 31/12/2017	<u>106,084</u> =====	<u>761</u> =====	<u>25,850</u> =====	<u>1,217,278</u> =====	<u>1,349,973</u> =====
As at 31/12/2016	<u>7,909</u> =====	<u>6,909</u> =====	<u>35,446</u> =====	<u>818,563</u> =====	<u>868,824</u> =====

	2017 €	2016 €
7(b). FIXED ASSETS DISPOSALS		
Cost of Assets	21,044	1,219
Accumulated Depreciation	(21,044)	(602)
Net Book Value	-	617
Cash Received	4,643	1071
Profit / Loss on Disposal	<u>4,643</u> =====	<u>454</u> =====

**SOLIDARIDAD NETWORK WEST AFRICA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2017 (CONT'D)**

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.

		2017 €	2016 €
9. ACCOUNTS RECEIVABLE			
Grants Receivable	9a	1,149,328	1,269,127
Working Advances		131,927	51,704
Other Receivables		35,481	98,895
Beneficiaries (via Financial Intermediary)		2,152,970	2,744,273
		-----	-----
		3,469,706	4,163,999
		=====	=====

9a. Grants Receivable

Cargill Ghana Limited	-	66,333
Solidaridad NL	89,570	-
Sustainable Trade Initiative (IDH)	-	36,040
Mondelez	521,373	473,420
Embassy of the Netherlands	351,375	606,936
Enclude	-	38,459
Legend	58,210	47,939
Agency NL	5,133	-
Cerelia/IPH	50,578	-
Masara	5,511	-
RSPO	67,578	-
	-----	-----
	1,149,328	1,269,127
	=====	=====

10. PREPAYMENT

Rent Prepaid		42,780	44,800
Other Prepayments	10a	69,737	218,897
		-----	-----
		112,517	263,697
		=====	=====

SOLIDARIDAD NETWORK WEST AFRICA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2017 (CONT'D)

	2017 €	2016 €
10a. Other Prepayments		
Touton Ghana Limited	-	146,055
Credit Card prepayment	9,584	12,689
Vivo Ghana Guarantee	7,926	7,926
Fidelity Bank MasterCard Foundation (MCF)	52,227	52,227
	-----	-----
	69,737	218,897
	=====	=====

11. LONG TERM LOAN

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

Terms and Conditions

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

	2017 €	2016 €
12. CASH AND BANK BALANCES		
Cash in Hand	10,943	5,162
Cash at Bank	5,542,111	132,805
	-----	-----
	5,553,054	137,967
	=====	=====

13. ACCOUNTS PAYABLE

Accruals	13a	84,002	116,048
Sundry Creditors	13b	1,011,646	880,354
		-----	-----
		1,095,648	996,402
		=====	=====

**SOLIDARIDAD NETWORK WEST AFRICA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2017 (CONT'D)**

	2017 €	2016 €
13a. Accruals		
SSF	19,975	21,710
PAYE	18,216	19,938
Withholding Tax	28,345	13,894
Audit Fees	11,225	7,050
Operational project payables	-	53,456
Salaries Payables	6241	-
	-----	-----
	84,002	116,048
	=====	=====
13b. Sundry Creditors		

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

14. CONTINGENT LIABILITIES

a. Guarantees Issued

The organisation does not provide guarantees in support of loan or overdraft facilities granted to groups and individuals on its scheme. (2016: Nil)

b. Pending Legal Suits

There are no pending legal suits as at the end of the year and there exist no contingent liability at the balance sheet date. (2016: Nil)

15. CAPITAL COMMITMENTS

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

Movements in Designated Funds

	Incubator €	Office Building €	Total €
Opening balance 2017	2,373,659	704,500	3,078,159
Payments	(1,136,771)	-	(1,136,771)
	-----	-----	-----
Closing balance 2017	1,236,888	704,500	1,941,388
	=====	=====	=====

SOLIDARIDAD NETWORK WEST AFRICA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2017 (CONT'D)

16. STAFF COST

Included in the direct project expenses and general and administrative expenses is the staff cost. The breakdown is as follows:

	2017 €	2016 €
Administrative Staff Salary	52,329	54,500
Project Staff Cost	1,189,731	1,300,240
Employer SSF Contribution	18,434	19,746
	-----	-----
	1,260,494	1,374,486
	=====	=====

17. RELATED PARTY TRANSACTIONS

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

Terms and Conditions of related Party transactions

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

Amounts are recognised in the financial statements as grant income, account receivable and deferred income for the year under review

18. COMPLETED PROJECTS

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

Cocoa Rehabilitation and Intensification Project, Touton Cocoa Sustainability Project, Mitigating Food and Nutrition Insecurity Programme (Liberia) and Ambition 2020.

SOLIDARIDAD NETWORK WEST AFRICA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2017 (CONT'D)

	2017	2016
	€	€
20. DIRECT PROJECT EXPENSES		
Advocacy & Communication	253,815	283,658
Associate Consultants' Fees	152,760	155,377
Bank Charges	20,869	7,432
Equipment	150,142	96,225
Feasibility Studies	19,854	20,737
Field Preparation Expense	8,896	9,327
Field Support Staff Expense	9,650	12,000
Foreign Travel Expense	20,752	24,880
Local Travel Expense	205,616	168,601
Materials & Inputs	98,916	116,106
Office Rent and Utilities	340,402	18,435
Other Project Cost & Services	17,672	81,463
Producer Support Project	2,752,490	4,245,204
Project Staff Cost	1,189,731	1,300,240
Relocation Expenses	4,000	2,291
Site Office Cost	135,993	59,614
Stationery & Printing Expense	119,284	44,147
Studies & Research Expense	305,061	344,632
Training Expense	322,627	317,389
Vehicle Running Expense	192,165	65,239
Workshops, Conference & Meeting Expenses	474,689	190,291
Transport, Carriage & Loading Expense	57,934	-
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	6,853,318	7,563,287
	=====	=====

SOLIDARIDAD NETWORK WEST AFRICA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2017 (CONT'D)

	2017	2016
	€	€
21. GENERAL AND ADMINISTRATIVE EXPENSES		
Audit Expenses	925	1,195
Audit Fees	8,500	7,050
Bank Charges	3,078	4,022
Communication Expenses	7,379	9,183
Consumables - Office Supplies	1,074	1,293
Depreciation	2,933	6,137
Electricity & Water	2,258	2,800
Foreign Travels	1,568	1,717
Fuel & Lubricants	3,019	3,924
Gen. Office Expense	4,698	6,144
Insurance	10,677	12,845
IT Expenses	5,105	6,814
Local Travels	3,150	3,200
Newspapers/Journals	434	453
Other Staff Cost- 5% Provident Fund	6,500	7,287
Other Staff Cost-SSF 13%	18,434	19,746
Postage & Courier Services	284	319
QMS/PME Expenses	5,304	7,857
Registration and Legal Fees	721	2,064
Rent-Office	44,801	44,801
Repairs & Renewals	5,423	6,171
Security Expenses	4,083	5,069
Staff Salary	52,329	54,500
Staff Training	5,015	5,079
Stationery, Printing & Inventory	3,979	4,822
Transport Expense	9,243	12,439
Workshop, Conference & Meeting Expenses	1,290	1,684
Exchange Difference	46,597	-
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	258,801	238,615
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Appendix 1

FUNDS & DISBURSEMENT SCHEDULE

	Opening Balance at 1/1/2017 €	Receipts €	Total Receipts €	Disbursement €	Deferred Grants €
Solidaridad	678,923	3,427,016	4,105,941	3,622,352	586,712
Dutch Embassy	385,714	4,000,000	4,385,714	1,055,689	3,681,400
SECO	-	1,000,000	1,000,000	42,885	957,115
Cargill Ghana	-	198,848	198,848	185,316	13,532
Mondelez	-	616,403	616,403	616,403	-
Legend	-	257,674	257,674	330,079	-
Masara	-	258,199	258,199	268,844	-
RSPO	57,407	110,039	167,446	189,443	-
TRECC		393,890	393,890	315,540	78,350
World Bank		429,185	429,185	317,987	111,197
European Union	-	1,589,547	1,589,547	-	1,589,547
Cerelia	-	-	-	50,578	-
Minor Projects	-	33,475	33,475	33,475	-
Total	1,122,044	12,314,276	13,436,321	7,028,591	7,017,854

Appendix II

SOLIDARIDAD NETWORK WEST AFRICA EXPENDITURE PER PROJECT

	2017 €	2016 €
Cargill Akuafo Adamfo Cocoa Sustainability Project (Ghana)	185,316	374,552
Cocoa Rehabilitation and Intensification Programme (Ghana)	737,089	1,781,207
Touton Cocoa Sustainability Project (Ghana)	-	20,402
Cocoa Life Programme (Ivory Coast)	616,403	603,542
Next Generation Cocoa Youth Programme Ghana (MASO)	2,098,028	1,938,227
IPC Cocoa	41,785	41,785
TRECC	315,540	-
Practice for Change-Cocoa	592,362	400,000
Cocoa Rehabilitation and Intensification Programme II	191,307	-
Sub-Total -Cocoa Programme	4,777,830	5,159,715
Production of sustainable oil palm through capacity building programme		
RSPO Ivory Coast	80,879	21,291
Integrating Independent Smallholder Oil Palm Farmers-RSPO Ghana	36,885	1,684
Integrating Independent Smallholder Farmers-RSPO Nigeria	71,679	81,401
Sustainable West African Palm Oil Programme (SWAPP)	-	912,300
Sustainable West African Palm Oil Programme (SWAPP) II	170,178	-
Yield Intensification-Cerelia	50,578	-
Henkel-Ghana	39,500	-
Henkel-Nigeria	121,511	-
Sub-Total -Oil Palm Programme	571,210	1,016,676
Golden Line	151,546	128,110
Partnering for Better Livelihoods in the Gold Supply Chain (Ghana)	39,000	230,308
Practice for Change	142,220	-
Sub-Total -Gold Programme	332,766	358,418
Sustainable Maize Project	268,844	437,035
Exploratory Facility	25,000	-
Sub-Total -Food Security Programme	293,844	437,035

	2017 €	2016 €
VGGT in the development of a large-scale oil palm (Sierra Leone)	330,079	47,939
Policy influence for Gold Landscapes (Ghana)	115,200	80,640
Policy influence for Sustainable Cocoa Landscapes (Ghana)	115,200	80,640
Dedicated Grant Mechanism	317,987	-
Sub-Total-Landscape and Climate Change Programme	878,466	209,219
Ambition 2020	-	180,567
PFC Capacity Enhancement	141,000	-
Other minor projects	33,475	238,017
Sub-Total-Other Projects	174,475	418,584
Total Project Costs	7,028,591	7,599,647

