Solidaridad

THE SOLIDARIDAD NETWORK SA TRUST

TRUST NUMBER 1419/2012 NPO REGISTRATION NO. 148-926 NPO

ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2024



Annual Financial Statements for the year ended 31 December 2024

General Information

Country of

incorporation and domicile

South Africa

Nature of business and principal activities

The Trust is engaged in promoting production with respect for people and planet, and reliable trade relations that give producers a fair deal in developing countries within the Southern African region.

Trustees The following trustees held office during the year under review:

Name

M. Nkomo J. Douglas W.Matthews

Legal form Non Profit Trust

Registration numbers Trust registration 1419/2012

NPO registration no. 148-926 NPO

Registered office and business address

25 Sturdee Avenue

Rosebank Johannesburg

2196

Website address <u>solidaridadnetwork.org</u>

Principal Bankers Standard Bank of South Africa Limited.

Preparer The annual financial statements were internally prepared by S. Manda.

Level of assurance These annual financial statements have been audited independently in

compliance with the Trust Deed and the Trust Property Control Act, 1988.

Reporting and

operating currency South African Rands and Euros

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TRUSTEES' RESPONSIBILITIES AND APPROVAL

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees are required by the Trust Property Control Act, 1988, and the trust deed, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the trust as at the end of the financial year and the results of its operations and cash flows for the year then ended, in conformity with its accounting policies. The external auditors are are engaged to express an independent opinion on the annual financial statements.

The financial statements are prepared in accordance with International Financial Reporting Standards for Small and Medium - sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The trustees acknowledge that they are ultimately responsible for the system of internal financial controls established by the trust and place considerable importance on maintaining a strong control environment. To enable the trustees to meet these responsibilities, the board of trustees sets out standards for internal control aimed at reducing the risk of error or loss in a cost - effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the trust and employees are required to maintain the highest ethical standards in ensuring the trust's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the trust is on identifying, assessing, managing and monitoring all known forms of risk across the trust. While operating risk cannot be fully eliminated, the trust endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The trustees are of the opinion, based on the information and explanations given by management, that the system of internal controls provides reasonable assurance that the financial records may be relied on for the presentation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The trustees have reviewed the trust's cash flow forecast for the years to 31st December 2026 and, in the light of this review and the current financial position, they are satisfied that the trust has or has access to adequate resources to continue in operational existence for the foreseeable future.

Although the board of trustees is primarily responsible for the financial affairs of the trust, it is supported by the trust's external auditors.

The external auditors are responsible for independently auditing and reporting on the trust's financial statements. The financial statements have been examined by the trust's external auditors and their report is presented on pages 2 to 4.

The annual financial statements set out on pages 5 to 24, which have been prepared on the going concern basis, were approved by the board of trustees on 16th October 2025 and signed on its behalf by:

Wendy Matthews

W. Matthews (Head of Finance/Finance Controller)



INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES

THE SOLIDARIDAD NETWORK SA TRUST TRUST NUMBER 1419/2012

Forum 2, BraamPark, 33 Hoofd St Braamfontein, Johannesburg 2001 PO Box 32707 Braamfontein 2017 Tel: 011-403-3835

Fax: 011-339-7762 Email: info@d-v.co.za

Unqualified Opinion

We have audited the financial statements of The Solidaridad Network SA Trust, set out on pages 6 to 24, which comprise the statement of financial position as at 31 December 2024, and the statement of comprehensive income, statement of changes in reserves and statement of cash flows for the financial year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements fairly present, in all material respects, the financial position of The Solidaridad Network SA Trust, as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with its accounting policies, International Financial Reporting Standards for Small and Medium - sized Entities and the Trust Deed.

Basis for Unqualified 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 Association in accordance with the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code), together with the ethical requirements that are relevant to our audit of financial statements in South Africa. We have fulfilled our other ethical requirements in accordance with these requirements and the IRBA Code. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Part A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Trustees is responsible for the other information. The other information comprises the Report of the Trustees set out on page 5.

The other information 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 we 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 their accounting policies and the requirements of the Trust Deed, 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 Trust'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 Trust or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Trust's financial reporting process.

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 scepticism 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 Trust'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 Trust'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 Trust 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
- obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the trust to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the trust 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. We have communicated with those charged with governance on all relationships and other matters, which may reasonably be thought to bear on our independence and, where applicable, related safeguards.

Rev Vincent Bhengu CA (SA), RA (IRBA 507361) Douglas & Velcich

Chartered Accountants (S.A.)

Johannesburg 16 October 2025

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees present their report, together with the annual financial statements of the Trust for the financial year ended 31 December 2024.

General

The Trust was formally registered on the 9th May 2012.

The Trust is engaged in promoting production with respect for people and planet, and reliable trade relations that give producers a fair deal in developing countries within the Southern African region.

The operating results and state of affairs of the Trust are fully set out in the attached

Equipment

During the year under review, the Trust purchased equipment with a total cost of R330,119 (2023: R517,191).

Events after the reporting period

There were no material facts or circumstances which have occurred in the Trust's operations between the financial position date and the date of this report.

Litigation

The Trust is not currently involved in any claims or lawsuits, which individually or in aggregate, are expected to have a material adverse effect on the Trust or its assets.

Going concern

The trustees believe that the Trust has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The trustees have satisfied themselves that the Trust is in a sound financial position and that it has capacity to raise additional funding to meet its foreseeable cash requirements. The trustees are not aware of any new material developments that may adversely impact the Trust. The trustees are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Trust.

Trustees

The following trustees held office during the year under review:

M Nkomo J Douglas W Matthews

Auditors

Douglas & Velcich were retained as auditors for the year under review.

STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2024

	Note	2024 R	2023 R
ASSETS		34 719 590	29 323 298
Non current assets		949 100	1 132 463
Property, plant and equipment	3	949 100	1 132 463
Current assets		33 770 490	28 190 835
Accounts receivable Accrued grant income Amounts due from other Solidaridad entities Amounts due from other related entities Cash and cash equivalents	4 5 6 7 8	986 368 3 911 294 3 662 832 3 587 822 21 622 175	1 044 041 6 548 716 4 160 360 2 583 041 13 854 677
Total assets		34 719 590	29 323 298
RESERVES AND LIABILITIES		34 719 590	29 323 298
Reserves		7 574 457	5 310 498
Trust capital General fund Foreign translation reserve Equipment fund Motor vehicle fund		100 6 938 234 (362 151) 949 100 49 174	100 6 498 268 (2 369 508) 1 132 463 49 174
Current liabilities		27 145 133	24 012 800
Accounts payable Amounts due to other Solidaridad entities Deferred income Managed funds - Kvuno Ventures NPC Taxation payable	10 11 9 12	3 109 935 3 873 206 19 966 573 - 195 418	2 732 427 1 101 570 20 108 963 - 69 841
Total reserves and liabilities		34 719 590	29 323 298

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 R	2023 R
INCOME		37 093 733	38 294 312
Grant income from related Solidaridad Organisations	13	62 832 214	57 852 257
Transfers (to) related Solidaridad Organisations	14	(40 597 060)	(36 232 923)
Grant income	15	13 986 074	15 813 266
Foreign exchange gain		-	465 868
Other project income		177 985	15 151
Other income		-	4 353
Proceeds on disposal of assets		17 607	12 962
Interest received	16	676 913	363 378
EXPENDITURE		36 674 609	32 913 489
Assets expensed directly		52 079	10 099
Auditors' remuneration		113 470	138 885
Bank charges		152 497	191 037
Communication costs		156 343	190 122
Conference attendance		667 239	47 345
Depreciation		494 841	287 494
Foreign exchange loss		1 349 306	-
Insurance		219 885	160 125
IT support		144 212	643 369
Legal fees		159 739	90 000
Office expenses		66 908	76 065
Printing, postage and stationery	47	3 387	15 211
Programme costs	17	11 181 912 738 984	11 311 257 647 904
Rent, water and electricity Repairs and maintenance		54 211	23 987
Salaries and contributions		20 003 642	18 072 624
Staff development and training		276 026	291 152
Travel and accommodation		839 927	716 814
NET SURPLUS FOR THE YEAR		419 123	5 380 823
TAXATION	18	(143 879)	(76 836)
NET SURPLUS AFTER TAXATION		275 244	5 303 987
Items that will not be reclassified as profit or loss		164 722	(229 696)
Depreciation charge transferred to equipment fund		494 841	287 494
Cost of assets purchased - transferred to equipment func	i	(330 119)	(517 191)
COMPREHENSIVE INCOME FOR THE YEAR		439 966	5 074 291

STATEMENT OF CHANGES IN RESERVES FOR THE YEAR ENDED 31 DECEMBER 2024

FOR THE YEAR ENDED 31 DECEMBER 2024						
	Trust capital R	General fund R	Foreign translation reserve R	Equipment fund R	Motor vehicle fund R	Total R
Restated balance at 31 December 2022	100	1 423 977	(2 428 230)	916 047	49 174	(38 932)
Balance as previously report Restatement of the General fund at 31 December 2021 Restatement of Foreign Translation Reserve (2021) Restatement of Foreign Translation Reserve (2022) Restatement of the opening balances	100 - - - -	4 881 664 10 196 (2 544 709) - (902 125)	- 2 544 709 (4 972 940) -	894 998 - - - - -	49 174 - - - -	5 825 936 10 196 - (4 972 940) (902 125)
Transfer to equipment fund - purchase of assets	-	(21 049)	-	21 049	-	-
<u>2023</u>						
Comprehensive income/(deficit) for the year	-	5 074 291	-	229 696	-	5 303 987
Net surplus for the year Depreciation for the year Transfer to equipment fund - purchase of assets		5 303 987 287 494 (517 191)	- - -	- (287 494) 517 191		5 303 987 - -
Net book value of assets disposed of	-	-	-	(13 280)	-	(13 280)
Translation of the Foreign currency Balances	-	-	58 723	-	-	58 723
Net balances due from other Solidaridad entities Deferred income Euro denominated bank account	- - -	- - -	858 078 (1 511 074) 711 719	- - -		858 078 (1 511 074) 711 719
Balance at 31 December 2023	100	6 498 268	(2 369 508)	1 132 463	49 174	5 310 498
<u>2024</u>						
Comprehensive income/(deficit) for the year	-	439 966	-	(164 722)	-	275 244
Net surplus for the year Depreciation for the year Transfer to equipment fund - purchase of assets	- - -	275 244 494 841 (330 119)	- - -	- (494 841) 330 119		275 244 - -
Net book value of assets disposed of	-	-	-	(18 642)	-	(18 642)
Translation of the Foreign currency Balances	-	-	2 007 357	-	-	2 007 357
Net balances due from other Solidaridad entities Deferred income Euro denominated bank account	- - -	- - -	(310 515) 2 398 515 (80 643)	- - -		(310 515) 2 398 515 (80 643)
Balance at 31 December 2024	100	6 938 234	(362 151)	949 100	49 174	7 574 457

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

		2024 R	2023 R
Cash received from related Solidaridad Organisations Cash received from funders and other sources Cash transferred to related Solidaridad Organisations Cash expended on programmes, suppliers and employees		66 101 377 16 659 092 (40 597 060) (35 744 587)	54 058 546 23 787 982 (36 232 923) (32 729 802)
Cash generated from operations	19	6 418 823	8 883 803
Interest earned Taxation paid		676 913 (18 302)	363 378 -
Net cash inflow from operating activities		7 077 435	9 247 182
Cash flows (utilised in) investing activities		(312 512)	(504 229)
Acquisition of property, plant and equipment Proceeds from disposal of assets	3	(330 119) 17 607	(517 191) 12 962
Cash flows generated from/(utilised in) financing activities		1 002 576	(2 524 319)
Foreign translation on foreign denominated balances Funds spent on other related Entities		2 007 357 (1 004 780)	58 723 (2 583 041)
Net increase in cash and cash equivalents		7 767 499	6 218 635
Cash and cash equivalents at beginning of year		13 854 677	7 636 042
Cash and cash equivalents at end of year	8	21 622 175	13 854 677

NOTES TO ANNUAL THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES

The financial statements have been prepared on a going concern basis and in compliance with the International Financial Reporting Standard for Small and Medium-sized entities (IFRS for SMEs) issued by the International Accounting Standards Board. They are presented in South African Rands. The measurement basis used is the historical costs basis, except where otherwise stated in the accounting policies below.

1.1 Accounting convention

The Trust is registered with the Master of the High Court under the Trust Property Control Act, 1988, and, as such no part of its income or property shall be transferred to its Trustees directly or indirectly. All reserves of the Trust are consequently non-distributable.

1.2 Property, plant and equipment

The cost of an item of tangible assets is recognised as an asset when:

- it is probable that future economic benefits associated with the item will flow to the Trust; and
- the cost of the item can be measured reliably.

Costs include costs incurred initially to acquire or construct an item of tangible assets and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of tangible assets, the carrying amount of the replaced part is derecognised.

Tangible assets are carried at cost less accumulated depreciation and any impairment losses.

Depreciation is provided on all tangible assets other than freehold land, to write down the cost, less residual value, by equal instalments over their useful lives as follows:

Item	Useful life
Computer equipment	3 years
Computer software	2 years
Motor vehicle	5 years
Office equipment	5 years
Office furniture	6 years

The depreciation charge for each period is recognised through the equipment fund, unless it is included in the carrying amount of another asset. The gain or loss arising from the derecognising of an item of equipment is included in the equipment fund when the item is derecognised. The gain or loss arising from the derecognising of an item of equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

It is the policy of the Trust to write off all asset purchases against the operating fund in the year that the assets are acquired as most income is from funders who request that the assets be expensed in the year of purchase.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (Continued)

1. ACCOUNTING POLICIES (Continued)

1.2 Property, plant and equipment (continued)

This is a deviation from IAS 16, which requires that all asset purchases are capitalised and depreciated. This deviation has been resolved by raising an equipment fund as discussed. (refer to note **1.5**)

1.3 Financial instruments

Measurement

Financial instruments are initially measured at cost, which includes transaction costs. Subsequent to initial recognition, these instruments are measured as set out below:

Accounts receivable

Accounts receivables and accrued income are stated at cost less provision for any impairment losses.

Cash and cash equivalents

Cash and cash equivalents are measured at cost as the Trust's banks are reputable and it is reasonably expected that the accounts will retain their fair value.

Accounts payable

Accounts payable which are short-term obligations, are stated at their nominal value, as no change to their settlement values is expected.

1.4 Impairment

The carrying amount of all assets are reviewed at financial year-end to determine whether there is an indication of possible impairment. Should such indication appear probable, the asset is written down to its estimated recoverable value via an amortisation provision. The recoverable amount of an asset is the higher of its estimated net selling price and its value in use.

1.5 Equipment fund

In order that operating reserves reflect assets available to the operations of the Trust, an equipment fund is maintained to separate out the funding of such assets.

The mechanism whereby this fund is maintained at a value equal to the carrying value of such assets in the statement of financial position is that an amount equal to the cost of equipment acquired be charged against operating income each year and credited to the equipment fund.

Depreciation, and profits or losses on disposal are adjusted annually against the fund.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (Continued)

1. ACCOUNTING POLICIES (Continued)

1.6 Provisions

Provisions are recognised when, as a result of past events, the Trust has a current legal or constructive obligation that will probably result in an outflow of economic resources, the value of which may be reasonably estimated, in order to achieve settlement.

1.7 Deferred income

The amounts consist of unused cash received from various donors where grants are conditional upon certain conditions being met. The funds are earmarked for specific projects with specific targets and deliverables that are set by the donors. The amount is expected to be realised as revenue over the next 12 months. The amounts are included at amortised cost.

1.8 Revenue recognition

Revenue comprises grants and donations received and income from administration and management fees charged to donors.

Grants income - revenue from contracts with donors

Grant income comprises amounts receivable from donors under grant letters of award or grant agreements.

Amounts received from donors as compensation for expenditure on specified activities, goods or services are classified as deferred income when the amounts are received prior to the related expenditure being incurred.

Grants income - revenue from contracts with donors (continued)

Deferred income is recognised over the periods of the related grants and are matched to the expenditure that they are intended to compensate, provided there is reasonable assurance that the Trust will comply with the conditions attached to the grants.

Amounts that become payable by donors as compensation for expenditure or losses already incurred are accrued provided there is reasonable assurance that the Trust has complied with the conditions attached to the grant.

1.9 Interest income

Interest is brought to account as and when received.

1.10 Expenditure recognition

Expenditure is accounted for on the accrual basis.

1.11 Project accounting and expense allocation

In terms of its contractual obligations to donors, the Trust's policy is to allocate project expenses that are clearly identifiable as such, directly against project funds. Indirect and shared costs are apportioned on the basis of management estimates.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (Continued)

1. ACCOUNTING POLICIES (Continued)

1.12 Translation of foreign currencies

The operating currency of the Trust is the South African Rand. Transactions involving foreign currencies are recorded in the operational currency using the spot rate at the date of the transaction. Euro denominated Bank account, and foreign receivable or payable balances are translated to Rands on the reporting date at spot rate. These exchange differences are recognised through the Foreign Translation Reserve. All other exchange differences arising on settlement are recognised as profit or loss in the income statement.

1.13 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employee renders service that increases their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (Continued)

2. FINANCIAL RISK MANAGEMENT

2.1 Financial risk factors

The Trust's activities could expose it to a variety of financial risks: market risk (including fair value interest rate risk), credit risk, liquidity risk and cash flow interest rate risk. The Trust's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Trust's financial performance.

Risk management is carried out by the Trustees, who evaluate financial risks.

(a) Market risk

The Trust is exposed to currency risk to the extent that all transfers are received by the Trust in foreign currency and the Trust also maintains two foreign currency bank accounts, one designated in Euros and the other in US Dollars.

(b) Credit risk

The Trust's credit risk is attributable to accounts receivable and liquid funds. The credit risk on liquid funds is limited because the counter party is a bank with credit rating assigned by international credit-rating agencies. The Trust has no significant concentration of credit risk.

(c) Liquidity risk

Using cash flow forecasting, management maintains adequate levels of cash to fund ongoing obligations.

(d) Cash flow and fair value interest rate risk

The Trust has minimal exposure to interest rate risk as surplus funds are invested in local interest-bearing accounts.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (Continued)

3. Property, plant and equipment	Computer equipment R	Computer software R	Motor vehicle R	Office equipment R	Office furniture R	Total R
31 December 2024						
Net book value at 1/1/2024	383 403		273 599	385 035	90 427	1 132 463
Cost	813 731	150 075	522 920	635 195	310 975	2 432 895
Accumulated depreciation	(430 328)	(150 075)	(249 321)	(250 160)	(220 548)	(1 300 432)
Additions for the year	225 036	-	-	26 285	78 799	330 119
Disposals at net book value	(7 472)			(11 170)		(18 642)
Cost	(108 397)	-	-	(13 098)	-	(121 495)
Accumulated depreciation	100 925	-	-	1 928	-	102 853
Depreciation for the year	(225 640)	-	(104 584)	(118 515)	(46 102)	(494 841)
Net book value at 31/12/2024	375 326	-	169 015	281 635	123 123	949 100
Cost	930 369	150 075	522 920	648 382	389 774	2 641 519
Accumulated depreciation	(555 043)	(150 075)	(353 905)	(366 747)	(266 650)	(1 692 420)
31 December 2023						
Net book value at 1/1/2023	154 782	4 699	378 184	247 181	131 202	916 047
Cost	620 563	150 075	522 920	443 626	310 975	2 048 159
Accumulated depreciation	(465 781)	(145 376)	(144 737)	(196 445)	(179 772)	(1 132 111)
Additions for the year	309 644	-	-	207 546	_	517 191
Disposals at net book value	(1 446)	-	-	(11 834)	-	(13 280)
Cost	(116 476)	-	-	(15 978)	-	(132 454)
Accumulated depreciation	115 030	-	-	4 144	-	119 174
Depreciation for the year	(79 577)	(4 699)	(104 584)	(57 858)	(40 776)	(287 494)
Net book value at 31/12/2023	383 403	-	273 599	385 035	90 427	1 132 463
Cost	813 731	150 075	522 920	635 195	310 975	2 432 895
Accumulated depreciation	(430 328)	(150 075)	(249 321)	(250 160)	(220 548)	(1 300 432)

		2024 R	2023 R
4.	Accounts receivable		
	Interest receivable	17 539	_
	Travel advances	46 057	9 038
	Staff debtors	810	-
	Prepaid Expenses	4 294	2 323
	VAT receivable	101 829	291 788
	Rental deposit	272 628	197 681
	Sundry receivables	543 210	543 210
		986 368	1 044 041
5.	Accrued income		
	International Livestock Research Institute	-	4 255 474
	One Tree Planted	3 043 484	2 101 418
	Solidaridad Nederland Stichting - Planboo	184 281	-
	Solidaridad Nederland Stichting - Tropical Cyclone Freddy		
	(Storm Freddy)	185 027	191 825
	Southern African Development Community (SADC) Secretariat	498 501	
		3 911 294	6 548 716
6.	Amounts due from Solidaridad Entities		
	Solidaridad - Central and East Africa	1 270 755	1 841 686
	Solidaridad - Egypt	2 256 816	2 318 674
	Solidaridad - Network	135 261	
		3 662 832	4 160 360
7.	Amounts due from other related Entities		
	Kvuno Enterprise (Egypt)	13 823	-
	Kvuno Enterprise (Malawi)	1 939 060	1 401 014
	Kvuno Mozambique LDA	209 770	138 303
	Kvuno Services Limited (Zambia)	1 329 443	973 688
	Kvuno Ventures NPC (South Africa)	95 726	70 036
		3 587 822	2 583 041
8.	Cash and cash equivalents		
	Standard Bank - Call account	3 452 500	1 093 215
	Standard Bank - Call deposit account	283 485	260 748
	Standard Bank - Current account	246 747	90 640
	Standard Bank - Credit card accounts	60 968	653
	Standard Bank - Euro denominated account	16 929 712	10 748 004
	Standard Bank - Project bank account	49 870	48 674
	Standard Bank - Project bank account	595 044	1 609 390
	Petty cash - Local	11 520	1 988
	Petty cash - Foreign	(7 669)	1 364
		21 622 175	13 854 677

9. Deferred income

. Deferred income					
	Balance at beginning of year R	Received during the year R	Project expenditure R	Foreign exchange gain/(loss) R	Balance at end of year R
2024 Deferred income per funding source	K	K	K	ĸ	K
Solidaridad Netherlands Stichting					
Agrigrow PLUSPLUS	375 602	-		(12 448)	363 154
Global Linking and Learning - Biochar Study	254 966	-	(246 516)	(8 450)	-
Pathways to Prosperity	6 481 725	27 151 061	(27 204 946)	(1 210 426)	5 217 414
Planboo	-	500 464	(693 046)	8 300	(184 281)
Reclaim Sustainability GET	262 997	-	-	(8 716)	254 281
Reclaim Sustainability!	924 845	26 837 836	(23 064 719)	(656 656)	4 041 306
Testing Digital Access	1 053 417	-	-	(34 912)	1 018 506
Tropical Cyclone Freddy (Storm Freddy)	(191 825)	432	-	6 365	(185 027)
	9 161 727	54 489 794	(51 209 226)	(1 916 943)	10 525 352
Solidaridad Network Stichting					
Budget support and reimbursements	-	1 427 469	(1 427 469)	-	-
Solidaridad - East and Central Africa					
Climate Heroes		660 961		23 643	684 603
PCU Support	(1 404 635)	1 468 228	(893 323)	(65 011)	(894 741)
т об оцироп	(1 404 635)	2 129 189	(893 323)	(41 368)	(210 138)
Solidaridad - Latin America/Netherlands					
Farmer Support Programme	43 334	_	_	(1 436)	41 898
	40 004			(1 400)	41 000
Solidaridad - North America					
Bill and Melinda Gates Foundation	5 000 185	9 426 019	(9 302 195)	(479 008)	4 645 001
Grant funds received directly					
Fonds Danone pour L'Ecosysteme	3 584 044	-	-	(118 781)	3 465 263
Industrial Development Corporation (IDC) - SEF project		9 256 972	(9 807 757)	-	235 148
International Livestock Research Institute	(4 255 474)	3 759 998	262 039	233 437	-
International Water Management Institute (IWMI)	76 764	698 200	(799 594)	24 630	-
One Tree Planted	(2 101 418)	789 501	(1 859 056)	127 489	(3 043 484)
Southern African Development Community					
(SADC) Secretariat	1 265 152	-	(1 721 724)	(41 929)	(498 501)
St Het Wereld	-	799	(799)	-	-
	(645 000)	14 505 471	(13 926 892)	224 846	158 426
Analysis of the total movement for the 2024 year	12 155 611	81 977 941	(76 759 105)	(2 213 908)	15 160 539
Add : disclosed separately under Accrued income Add : disclosed as under amounts due from	6 548 716				3 911 294
Solidaridad Entities (part of note 6)	1 404 635				894 741
Solidaridad - East and Central Africa	1 404 635				894 741
Total deferred income	20 108 962			-	19 966 573
				=	

9.	Deferred	income	(cont	inued))
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Balance at Received Project Kvuno Forei beginning of during the year year year R R R R 2023 Deferred income per funding source Solidaridad Netherlands Stichting	nge end of year
2023 Deferred income per funding source	ĸ
Solidaridad Netherlands Stichting	
Agrigrow PLUSPLUS 339 017 36	585 375 602
	835 254 966
	592 6 481 725
······································	956 -
	411 262 997
Reclaim Sustainability! 3 636 342 23 732 509 (27 448 473) - 1 004	466 924 845 608 1 053 417
0 0	670 (191 825)
5 975 145 53 825 007 (52 697 546) - 2 059	
Solidaridad Network Stichting	
Budget support and reimbursements - 264 422 (263 989) -	(432) -
Solidaridad - Central America	
GET Good Practise (1 418 286) 1 515 863 (97	577) -
Solidaridad - East and Central Africa	
PCU Support (592 835) - (811 801) -	- (1 404 635)
Solidaridad - Latin America/Netherlands	
Farmer Support Programme 39 113 4	221 43 334
Solidaridad - North America	
	532) 5 000 185
	- 039
	493) 5 000 185
Grant funds received directly	
, , , , , , , , , , , , , , , , , , , ,	208 3 584 044
Industrial Development Corporation (IDC) - SEF project 340 984 8 068 190 (7 623 241) -	- 785 933
	(4 255 474)
	618) 76 764
One Tree Planted (265 389) - (1 807 390) - (28 Southern African Development Community	(2 101 418)
	043 1 265 152
	614) -
·	082 (645 000)
Analysis of the total movement for the 2023 year 3 580 693 81 176 730 (73 665 523) (429 212) 1 492	923 12 155 611
Add : disclosed separately under Accrued income 2 129 090 Add : disclosed as under amounts due from	6 548 716
Solidaridad Entities (part of note 6) 2 490 208	1 404 635
Solidaridad - Central America 1 418 286	-
Solidaridad - East and Central Africa 592 835	1 404 635
Solidaridad - North America 479 088	-
Total deferred income 8 199 992	20 108 962

THE	YEAR ENDED 31 DECEMBER 2024 (Continued)		
	,	2024	2023
		R	R
10	Accounts payable		
	Accounts payable		
	Accruals	2 459 304	2 142 356
	Payroll liabilities	540 456	491 138
	Travel advances	110 175	98 932
		3 109 935	2 732 427
11.	Amounts due to Solidaridad Entities		
	Solidaridad - Asia	97 800	101 153
	Solidaridad - Mozambique (Transfer due)	330 512	-
	Solidaridad - Network	-	1 000 418
	Solidaridad - Zambia (Transfer due)	3 444 894	-
	Condandad Zambia (Hanoloi dao)	3 873 206	1 101 570
		3 873 200	
12.	Funds managed - Kvuno Ventures NPC		
	Funds recognised during the year	872 317	685 190
	Transfers from Solidaridad - North America	554 969	429 212
	Recoveries due from other Kvuno entities	317 348	255 977
	Funds spent during the year	(872 317)	(685 190)
	Office costs (allocated to projects)	(124 657)	(28 027)
	Other employee expenses	(1 002)	` (540)
	Partners and consultants - other	(305 766)	(230 147)
	Program materials and inputs	(70 760)	(179 370)
	Publication expenses	(122 190)	(43 113)
	Telephone expenses	(500)	(20 133)
	Travel and accommodation	(247 443)	(183 859)
	Net funds spent		

The Trust established Kvuno Ventures NPC as a separate entity within South Africa that would be used to facilitate trading and support for the various South African farmers that had been previously supported through funded programmes under the Solidaridad Network SA Trust, so that future sustainability of the farmers could be secured.

THE	YEAR ENDED 31 DECEMBER 2024 (Continued)		
		2024	2023
		R	R
13.	Grant income from related Solidaridad Organisations		
	Solidaridad Netherlands Stichting	51 209 226	52 697 546
	Recovery from Solidaridad East and Central Africa	893 323	811 801
	Recovery from Solidaridad North and Central America Recovery from Solidaridad Network Stichting and	9 302 195	4 078 920
	budget support	1 427 469	263 989
		62 832 214	57 852 257
14.	Transfers (to) related Solidaridad Organisations		
	Malawi office	(10 812 650)	(4 155 288)
	Funds transferred directly to office	(10 756 020)	(4 044 234)
	Expenses paid on behalf of the office	(56 630)	(111 054)
	Mozambique office	(16 341 007)	(16 084 236)
	Funds transferred directly to office	(15 822 376)	(15 369 575)
	Add: Transfer of funds due to the office (refer note 11)	(330 512)	` - 1
	Expenses paid on behalf of the office	(188 120)	(714 662)
	Zambia office	(13 068 162)	(15 548 476)
	Funds transferred directly to office	(8 593 495)	(16 415 430)
	Add: Transfer of funds due to the office (refer note 11)	(3 444 894)	· _ /
	Expenses paid for other offices/(on behalf of the office)	(1 029 773)	866 954
	Solidaridad Network	(375 241)	(444 922)
	Transfers of funds - 2 % Contribution	(375 241)	(444 922)
	Total transfers	(40 597 060)	(36 232 923)
15.	Grant income		
	Industrial Development Corporation (IDC) SEF Project	9 866 939	7 623 241
	Income recognised	9 807 757	7 623 241
	Funds received for participant wages	35 766 664	30 743 503
	Funds paid directly for participant wages	(35 707 482)	(30 743 503)
	International Livestock Research Institute	(262 039)	-
	International Water Management Institute IWMI)	799 594	3 885 456
	One Tree Planted	1 859 056	385 413
	Southern African Development Community (SADC)	1 721 724	1 807 390
	St Het Wereld	799	-
	Stichting Netherlands Food Partnership	- .	2 111 766
		13 986 074	15 813 266

THE YEAR ENDED 31 DECEMBER 2024 (Continued)	2024 R	2023 R
16. Net interest received		
Interest received - current account Interest received - staff loan	676 913 	363 378 -
	676 913	363 378
17. Programme costs		
Employee costs Equipment and other rentals Internship/volunteers/national service Office costs (allocated to projects) Office supplies Partners and consultants - other Program materials and inputs Publication expenses Telephone expenses Travel and accommodation Workshops, conferences and training	1 100 448	967 836 35 920 150 731 819 43 869 2 438 611 2 495 785 46 861 52 356 3 605 191 892 859 11 311 257
South African Normal Taxation		
S A normal tax @ 45% Underprovision in the prior years	120 316 23 563 143 879	75 102 1 734 76 836
Taxation computation		
Net surplus per statement of comprehensive income	419 123	5 380 823
Net taxable income	419 123	5 380 823
Less: adjustment for apportionment of expenditure against income of a capital nature	(151 755)	(5 213 929)
Estimated taxable income Assessed accumulated taxable (loss) brought forward	267 369	166 894
Estimated taxable income for the year	267 369	166 894

The Trust is in the process of applying for tax exemption from South African Normal tax in terms of section 10(1)(cN) as read with Section 30 of the South African Income Tax Act 58 of 1962.

	2024 R	2023 R
19. Cash generated from operations		
Surplus for the year	419 123	5 380 823
Adjustments for :		
Interest received Depreciation Proceeds on disposal of assets Decrease/(increase) in Accrued income (Decrease)/increase in Deferred income Changes in working capital Accounts receivable Accounts payable Net amount due to/(from) other Solidaridad entities	(676 913) 494 841 (17 607) 2 637 423 (142 389) 57 673 377 509 3 269 164	(363 378) 287 494 (12 962) (4 419 626) 11 908 970 (118 686) 14 879 (3 793 711)
	6 418 823	8 883 803
20. Commitments		
The trust has the following commitment in respect of rental agreement covering office premises as follows:		
Operating lease - premises		

Payable within one year	609 566	573 231
Payable thereafter	965 146	
	1 574 713	573 231

21. Related parties

The Trust is part of the Solidaridad Southern African Region, which, in turn, is part an international network of Solidaridad organisations. The Southern African Region comprises Solidaridad non-profit companies, trusts and operations in Egypt, Malawi, Mozambique, South Africa, Zambia and Zimbabwe.

The members of the Southern African Region cooperate in determining common standards of good governance, operations and reporting, planning, fund raising, budgeting and the implementation of programmes.

The international Solidaridad Network provides strategic, programmatic, internal quality control and communications support through a structure that incorporates an International Supervisory Board, an Executive Board of Directors and five Continental Supervisory Boards, facilitated by the services of the Solidaridad Network Secretariat.

The international Solidaridad Network is paid a 2% subscription on funds generated at a regional basis.

Funds received and paid from/to the different Solidaridad entities are fully disclosed in the financial statements.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (Continued)

THE YEAR ENDED 31 DECEMBER 2024 (Continued) 21. Related parties (continued)	2024 R	2023 R
Funds received from other related Solidaridad entities		
Solidaridad Netherlands Stichting Solidaridad Network Stichting Solidaridad - Central America Solidaridad - East and Central Africa Solidaridad - North America	54 489 794 1 427 469 - 2 129 189 9 426 019 67 472 470	53 825 007 264 422 1 515 863 - 10 480 898 66 086 190
Funds transferred and payable to other Solidaridad regional off	ices	
Solidaridad Network - Malawi Solidaridad Network - Mozambique Solidaridad Network - Zambia	(10 756 020) (16 152 887) (12 038 389) (38 947 297)	(4 044 234) (15 369 575) (16 415 430) (35 829 239)
	(30 947 297)	(33 029 239)
Expenses paid on behalf (of) from other regional offices		
Solidaridad Network - Malawi Solidaridad Network - Mozambique Solidaridad Network - Zambia	(56 630) (188 120) (1 029 773) (1 274 522)	(111 054) (714 662) 866 954 41 238
Amounts due from / (to) other Solidaridad entities		
For detailed breakdown refer to notes 6 and 11 on pages 16 and	19.	
Accrued income - other related Solidaridad entities		
Solidaridad Netherlands Stichting	369 309	191 825
For detailed breakdown refer to note 5 and 9 on pages 16, 17 and	d 18.	
Deferred income - other related Solidaridad entities		
Solidaridad Netherlands Stichting Solidaridad - Latin America/Netherlands Solidaridad - North America	10 894 661 41 898 4 645 001 15 581 559	9 353 552 43 334 5 000 185 14 397 071

For detailed breakdown refer to note 9 on pages 17 and 18.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (Continued)

21. Related parties (continued)	2024 R	2023 R
Funds managed - Kvuno Ventures NPC		
Fund recognised during the year Funds spent during the year	872 317 (872 317)	685 190 (685 190) -

The Trust established Kvuno Ventures NPC as a separate entity within South Africa that would be used to facilitate trading and support for the various South African farmers that had been previously supported through funded programmes under the Solidaridad Network SA Trust, so that future sustainability of the farmers could be secured.

For further details on the funds managed refer to note 12 on page 19.