

Solidaridad



SOLIDARIDAD SOUTHERN AFRICA NGO

MOZAMBIQUE OFFICE

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2024**

**SOLIDARIDAD SOUTHERN AFRICA
MOZAMBIQUE OFFICE**

Annual Financial Statements for the year ended 31 December 2024

General Information

Country of incorporation and domicile	Mozambique
Nature of business and principal activities	The Organisation 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.
Directors	The following directors held office for the year under review:- Name Mandlenkosi Nkomo - Regional Representative Francisco Nhanale - Country Manager
Company secretary	Nthabiseng Makafana
Legal form	Non Governmental Organisation
Registered office and business address	1st Floor, Okapi Plaza Cnr 25 September and Albert Lithuli Maputo
Website address	solidaridadnetwork.org
Principal Bankers	Stanbic Bank
Preparer	The annual financial statements were internally prepared by S. Manda.
Level of assurance	These annual financial statements have been audited independently on the request of the Solidaridad Network.

**SOLIDARIDAD SOUTHERN AFRICA NGO
MOZAMBIQUE OFFICE**

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FOR THE YEAR ENDED 31 DECEMBER 2024**

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**SOLIDARIDAD SOUTHERN AFRICA NGO
MOZAMBIQUE OFFICE**

DIRECTORS' RESPONSIBILITIES AND APPROVAL

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

The directors are required, by the Solidaridad Network, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the organisation as at the end of the financial period and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the 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 directors acknowledge that they are ultimately responsible for the system of internal financial controls established by the organisation and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors 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 organisation and employees are required to maintain the highest ethical standards in ensuring the organisation's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the organisation is on identifying, assessing, managing and monitoring all known forms of risk across the organisation. While operating risk cannot be fully eliminated, the organisation endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors 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 directors have reviewed the organisation's cash flow forecast for the year to 31st December 2025 and, in the light of this review and the current financial position, they are satisfied that the organisation has access to adequate resources to continue in operational existence for the foreseeable future.

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

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

The annual financial statements set out on pages 5 to 18, which have been prepared on the going concern basis, were approved by the board of directors on the 10th October 2025 and signed on its behalf by:

DocuSigned by:

Wendy Matthews

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W. Matthews (Head of Finance/Finance Controller)



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INDEPENDENT AUDITOR'S REPORT

TO THE DIRECTORS

SOLIDARIDAD SOUTHERN AFRICA NGO MOZAMBIQUE OFFICE

Unqualified Opinion

We have audited the financial statements of The Solidaridad Network Southern Africa NGO - Mozambique, Office, set out on pages 6 to 18, 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 Southern Africa NGO - Mozambique Office, 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 and International Financial Reporting Standards for Small and Medium - sized Entities.

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 Organisation 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 Directors is responsible for the other information. The other information comprises the Report of the Directors 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 International Financial Reporting Standards for Small and Medium - sized Entities, 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 Organisation'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 Organisation or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Organisation'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 Organisation'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 Organisation'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 Organisation 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 organisation to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the organisation 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.

A handwritten signature in black ink, appearing to read 'Vincent Bhengu', enclosed within a circular scribble.

Rev Vincent Bhengu CA (SA), RA (IRBA 507361)
Douglas & Velcich
Chartered Accountants (S.A.)

Johannesburg
10 October 2025

**SOLIDARIDAD SOUTHERN AFRICA NGO
MOZAMBIQUE OFFICE****REPORT OF THE DIRECTORS FOR THE
YEAR ENDED 31 DECEMBER 2024**

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

General

Prior to 2018, the Organisation was operating as a regional office which was consolidated into the accounting records of the Solidaridad Network SA Trust registered in South Africa.

At the beginning of 2018, it was decided by the Network to reflect the Organisation separately from the South African Trust.

The operating results and state of affairs of the Organisation are fully set out in the attached annual financial statements.

Litigation

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

Going concern

The directors believe that the Organisation 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 directors have satisfied themselves that the Organisation is in a sound financial position and that it has capacity to raise additional funding to meet its foreseeable cash requirements. The directors are not aware of any new material developments that may adversely impact the Organisation. The directors 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 Organisation.

Equipment

During the year under review, the Organisation purchased equipment with a total cost of MZN 3,372,517 (2023:MZN 1,070,500)

Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report which might have a material impact on the reported results.

Directors

The directors of the Organisation are :

Mandlenkosi Nkomo	- Regional Representative
Francisco Nhanale	- Country Manager

Auditors

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

**SOLIDARIDAD SOUTHERN AFRICA NGO
MOZAMBIQUE OFFICE**

STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2024

	Note	2024 MZN	2023 MZN
ASSETS		17 953 562	13 514 139
Non current assets		6 055 260	5 513 617
Equipment	3	6 055 260	5 513 617
Current assets		11 898 302	8 000 522
Accounts receivable	4	261 344	313 373
Accrued income	5	8 710 759	5 108 170
Cash and cash equivalents	6	2 926 199	2 578 978
Total assets		17 953 562	13 514 139
RESERVES AND LIABILITIES		17 953 562	13 514 139
Reserves		9 758 272	9 216 428
General fund		3 702 746	3 702 812
Equipment fund		6 055 526	5 513 617
Current liabilities		8 195 290	4 297 711
Accounts payable	7	8 195 290	4 297 711
Managed funds - Kvuno Mozambique LDA	8	-	-
Total reserves and liabilities		17 953 562	13 514 139

**SOLIDARIDAD SOUTHERN AFRICA NGO
MOZAMBIQUE OFFICE**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	2024 MZN	2023 MZN
INCOME		60 022 895	59 821 453
Transfers from Solidaridad South Africa		54 627 531	52 206 833
Expenses paid on behalf by Solidaridad Southern Africa		653 680	1 702 832
Grant and other contributions	9	4 741 683	5 794 772
Foreign exchange gain		-	117 016
EXPENDITURE		59 481 051	58 454 426
Audit Fees		212 000	197 129
Bank charges		32 250	32 191
Cleaning		-	5 000
Communication costs		154 626	184 423
Consulting fees		-	60 163
Depreciation		2 830 874	2 384 134
Foreign exchange loss		336 681	-
Insurance		999 928	212 486
IT support		27 450	1 350
Legal fees		3 800	284 667
Office expenses		223 391	117 190
Printing, postage and stationery		183 188	13 670
Programme costs	10	23 140 750	27 929 289
Rent, water and electricity		1 022 280	1 014 432
Salaries and contributions		30 072 046	25 658 061
Staff recruitment, training and development		98 745	58 491
Travel and accommodation		143 042	301 750
SURPLUS FOR THE YEAR		541 843	1 367 028
OTHER COMPREHENSIVE INCOME		(541 643)	1 509 672
Depreciation charge transferred to equipment fund		2 830 874	2 384 134
Transfer to the equipment fund - fund assets		(3 372 517)	(1 070 500)
Transfer from the equipment fund - insurance proceeds		-	196 038
COMPREHENSIVE INCOME		200	2 876 699

**SOLIDARIDAD SOUTHERN AFRICA NGO
MOZAMBIQUE OFFICE**

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

	General fund MZN	Equipment fund MZN	Total MZN
Balance at 31 December 2022	826 112	6 864 378	7 690 491
Allocation of funds during the year	2 680 661	(1 313 634)	1 367 028
Surplus for the year	1 367 028	-	1 367 028
Depreciation for the year	2 384 134	(2 384 134)	-
Transfer to equipment fund - funded assets	(1 070 500)	1 070 500	-
Assets disposed during the year	196 038	(37 128)	158 910
Profit from disposal/stolen assets	-	158 910	158 910
Proceeds from disposed/stolen assets	196 038	(196 038)	-
Balance at 31 December 2023	3 702 812	5 513 617	9 216 428
Allocation of funds during the year	(66)	541 909	541 843
Surplus for the year	541 843	-	541 843
Depreciation for the year	2 830 608	(2 830 608)	-
Transfer to equipment fund - funded assets	(3 372 517)	3 372 517	-
Balance at 31 December 2024	3 702 746	6 055 526	9 758 272

**SOLIDARIDAD SOUTHERN AFRICA NGO
MOZAMBIQUE OFFICE**

**STATEMENT OF CASH FLOWS FOR THE
YEAR ENDED 31 DECEMBER 2024**

	Note	2024 MZN	2023 MZN
Cash received from Solidaridad - South Africa		54 154 091	53 909 665
Cash received from Grantors and other		2 266 215	686 602
Cash (expended) on programmes, suppliers and employees		<u>(52 700 568)</u>	<u>(57 460 023)</u>
Cash generated from/(utilised in) operations	12	3 719 738	(2 863 756)
Interest received		-	-
Interest paid		<u>-</u>	<u>-</u>
Net cash inflow/(outflow) from operating activities		3 719 738	(2 863 756)
Cash flows (utilised in) investing activities		(3 372 517)	(874 462)
Acquisition of equipment	3	<u>(3 372 517)</u>	<u>(1 070 500)</u>
Proceeds from insurance claims		<u>-</u>	<u>196 038</u>
Cash flows generated from financing activities		-	5 691 424
Net increase in amounts from Solidaridad entities		<u>-</u>	<u>5 691 424</u>
Net increase in cash and cash equivalents		347 221	1 953 206
Cash and cash equivalents at beginning of year		2 578 978	625 772
Cash and cash equivalents at end of year	6	<u>2 926 199</u>	<u>2 578 978</u>

**SOLIDARIDAD SOUTHERN AFRICA NGO
MOZAMBIQUE OFFICE**

**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 Mozambican Meticaís. The measurement basis used is the historical costs basis, except where otherwise stated in the accounting policies below.

1.1 Accounting convention

The entity is registered as a Non-Governmental Organisation (NGO) with the Republic of Mozambique.

1.2 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 organisation; 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
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 organisation 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.

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)

**SOLIDARIDAD SOUTHERN AFRICA NGO
MOZAMBIQUE OFFICE**

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

1. ACCOUNTING POLICIES (Continued)

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 impairment losses.

Cash and cash equivalents

Cash and cash equivalents are measured at fair value.

Accounts payable

Accounts payable which are short - term obligations, are stated at their nominal value.

1.4 Impairment

The carrying amount of assets are reviewed at the reporting date to determine whether there is any indication of impairment. If there is such indication, the assets are written down to the estimated recoverable amounts. The recoverable amount is the higher of the net selling price and the value in use.

1.5 Equipment fund

In order that operating reserves reflect assets available to the operations of the organisation, 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.

1.6 Provisions

Provisions are recognised when the organisation has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

**SOLIDARIDAD SOUTHERN AFRICA NGO
MOZAMBIQUE OFFICE**

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

1. ACCOUNTING POLICIES (Continued)

1.7 Income recognition

Income from grants and transfers is generally brought to account in the period to which it relates.

Amounts received from donors and transfers from the Solidaridad Network - South Africa 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. 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 organisation 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 organisation has complied with the conditions attached to the grant.

All other income is brought to account as and when received.

1.8 Interest income

Interest is brought to account as and when received.

1.9 Expenditure recognition

Expenditure is accounted for on the accrual basis.

1.10 Project accounting and expense allocation

In terms of its contractual obligations to donors, the organisation'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.

1.11 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.

**SOLIDARIDAD SOUTHERN AFRICA NGO
MOZAMBIQUE OFFICE**

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

2. FINANCIAL RISK MANAGEMENT

2.1 Financial risk factors

The organisation's activities could expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The organisation's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the organisation's financial performance.

Risk management is carried out by the Board of Directors, who evaluate financial risks.

(a) Market risk

The organisation is exposed to currency risk to the extent that it operates a foreign currency (United States Dollar) bank account.

(b) Credit risk

The organisation'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 organisation has no significant credit risk arising from its receivables in the current year.

(c) Liquidity risk

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

**SOLIDARIDAD SOUTHERN AFRICA NGO
MOZAMBIQUE OFFICE**

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

3. EQUIPMENT

	Computer equipment MZN	Motor vehicle MZN	Office Equipment MZN	Office furniture MZN	Total MZN
31 December 2024					
Net book value at 1/1/2024	779 915	2 271 706	2 087 463	374 532	5 513 617
Cost	1 786 733	6 005 605	4 333 811	1 062 613	13 188 763
Accumulated depreciation	(1 006 818)	(3 733 899)	(2 246 349)	(688 081)	(7 675 146)
Additions for the year	180 000	2 520 000	672 517	-	3 372 517
Depreciation for the year	(403 922)	(1 304 664)	(979 034)	(143 255)	(2 830 874)
Net book value at 31/12/2024	555 994	3 487 042	1 780 946	231 277	6 055 260
Cost	1 966 733	8 525 605	5 006 329	1 062 613	16 561 280
Accumulated depreciation	(1 410 740)	(5 038 563)	(3 225 382)	(831 336)	(10 506 021)
31 December 2023					
Net book value at 1/1/2023	346 621	2 990 867	2 852 109	674 781	6 864 378
Cost	1 186 051	5 785 165	4 241 311	1 062 613	12 275 141
Accumulated depreciation	(839 430)	(2 794 298)	(1 389 203)	(387 832)	(5 410 762)
Additions for the year	678 000	300 000	92 500	-	1 070 500
Disposals for the year	-	(37 128)	-	-	(37 128)
Cost	(77 318)	(79 560)	-	-	(156 878)
Accumulated depreciation	77 318	42 432	-	-	119 750
Depreciation for the year	(244 706)	(982 033)	(857 146)	(300 250)	(2 384 134)
Net book value at 31/12/2023	779 915	2 271 706	2 087 463	374 532	5 513 617
Cost	1 786 733	6 005 605	4 333 811	1 062 613	13 188 763
Accumulated depreciation	(1 006 818)	(3 733 899)	(2 246 349)	(688 081)	(7 675 146)

**SOLIDARIDAD SOUTHERN AFRICA NGO
MOZAMBIQUE OFFICE**

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

	2024 MZN	2023 MZN
4. ACCOUNTS RECEIVABLE		
Deposits	80 000	80 000
Prepaid expenses	-	87 270
Sundry receivables	30 000	-
Travel advances	151 344	146 103
	261 344	313 373
5. ACCRUED INCOME		
Agencia Do Zambeze (ADVZ)	4 741 683	5 108 170
Heineken Africa Foundation	2 841 955	-
Solidaridad Network - South Africa (Transfer due)	1 127 121	-
	8 710 759	5 108 170
6. CASH AND CASH EQUIVALENTS		
Standard Bank - Mozambique (MTN)	2 885 665	2 544 628
Standard Bank - Mozambique (US Dollars)	39 270	33 287
Standard Bank - Mozambique Project bank account	1 264	1 064
	2 926 199	2 578 978
7. ACCOUNTS PAYABLE		
Creditors	8 026 266	4 214 167
Travel advances	169 024	83 543
	8 195 290	4 297 711
8. FUNDS MANAGED - KVUNO MOZAMBIQUE LDA		
Funds recognised during the year	2 729 809	352 062
Transfers from Solidaridad Network - South Africa	2 729 809	352 062
Funds spent during the year	(1 260 017)	(267 062)
Accommodation expenses	(76 165)	(36 020)
Associate consultants	-	(35 000)
Internship/Volunteers/National Service	(376 080)	(149 580)
Meals	(38 395)	-
Motor vehicle expenses	(310 537)	-
Office and admin expenses	(60 490)	(17 162)
Per diems	(74 000)	(29 300)
Programme Materials and inputs	(219 300)	-
Public transport	(105 050)	-
Equipment purchased during the year	(1 469 792)	(85 000)
Net funds spent	-	-

**SOLIDARIDAD SOUTHERN AFRICA NGO
MOZAMBIQUE OFFICE**

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

2024 **2023**
MZN **MZN**

8. FUNDS MANAGED - KVUNO MOZAMBIQUE LDA (continued)

Solidaridad - Network established Kvuno Mozambique LDA as a separate trading entity within Mozambique that would be used to facilitate trading and support for the various Mozambiquan farmers that had been previously supported through funded programmes under Solidaridad Southern Africa NGO, so that future sustainability of the farmers could be secured.

9. GRANT AND OTHER CONTRIBUTIONS

Agencia Do Zambeze (ADVZ)	-	5 108 170
Received	2 266 215	-
Accrued in 2023	(5 108 170)	5 108 170
Accrued in 2024	2 841 955	-
Heineken Africa Foundation	4 741 683	-
The Mozambique National Cotton Producers Forum	-	686 602
	4 741 683	5 794 772

10. PROGRAMME COSTS

Accommodation expenses	1 412 071	2 565 475
Air travel	466 838	3 148 583
Associate consultants	3 566 199	949 882
Communication costs	38 500	-
Equipment and other rentals	114 370	227 825
Internship/Volunteers/National Service	1 884 779	1 888 680
Meals	1 680 477	2 199 849
Motor vehicle expenses	4 664 904	6 475 142
Office and admin expenses	1 216 523	1 277 034
Per diems	1 606 975	3 375 484
Programme Materials and inputs	4 484 044	3 200 996
Public transport	767 763	556 047
Publication expenses	69 926	65 652
Workshops, training and conferences	1 167 380	1 998 640
	23 140 750	27 929 289

11. TAXATION

No provision has been made for taxation as there is correspondence from the Mozambique Government declaring that the NGO is registered in the Republic of Mozambique as the Solidaridad Network Southern Africa NGO with its origins in South Africa.

**SOLIDARIDAD SOUTHERN AFRICA NGO
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2024 (Continued)**

	2024 MZN	2023 MZN
12. CASH GENERATED FROM/(UTILISED IN) OPERATIONS		
Surplus for the year	541 843	1 367 028
Adjusted for :		
Depreciation for the year	2 830 874	2 384 134
(Increase) in accrued income	(3 602 589)	(5 108 170)
(Deficit) before working capital changes	(229 871)	(1 357 009)
Working capital changes	3 949 609	(1 506 747)
Decrease/(increase) in accounts receivable	52 029	(42 397)
Increase/(decrease) in accounts payable	3 897 580	(1 464 350)
	3 719 738	(2 863 756)

13. COMMITMENTS

The organisation has the following commitment in respect of rental agreement covering office premises as follows :

Operating lease - premises

Payable within one year	1 488 000	1 488 000
Payable thereafter	-	-
	1 488 000	1 488 000

14. RELATED PARTIES

The Company 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 and institutions that operate in 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.

**SOLIDARIDAD SOUTHERN AFRICA NGO
MOZAMBIQUE OFFICE**

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

	2024	2023
	MZN	MZN
14. RELATED PARTIES (continued)		
Funds received and paid from/to the different Solidaridad entities are fully disclosed in the financial statements.		
Transfers from other regional offices		
Solidaridad Network - South Africa	56 230 219	52 558 895
Add : Accrued Transfer due (refer to note 5)	1 127 121	-
Less : Transfers attributable to Kvuno Mozambique LDA	(2 729 809)	(352 062)
	54 627 531	52 206 833
Expenses paid on behalf from other regional offices		
Solidaridad Network - South Africa	653 680	1 242 674
Solidaridad Network - Zambia	-	111 619
SEED NL - 2022	-	348 540
	653 680	1 702 832
Funds managed - Kvuno Mozambique LDA		
Fund recognised during the year	2 729 809	352 062
Funds spent during the year	(2 729 809)	(352 062)
	-	-

For further details on the funds managed refer to note 8.

15. GOING CONCERN

The existence of the organisation is dependent on the continued support of Solidaridad Network, by way of transfers. Should the transfers be withdrawn it is highly unlikely that the organisation will be able to continue as a going concern. The Solidaridad Network has agreed to continue supporting the organisation in 2025.

16. EVENTS AFTER THE REPORTING PERIOD

The directors are not aware of any material event which occurred after the reporting date and up to the date of the report which might have a material impact on the reported results.