

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 2023**

**THE SOLIDARIDAD NETWORK SA TRUST
TRUST NUMBER 1419/2012**

Annual Financial Statements for the year ended 31 December 2023

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
NPO registration no.

1419/2012
148-926 NPO

**Registered office and
business address**

25 Sturdee Avenue
Rosebank
Johannesburg
2196

Website address

solidaridadnetwork.org

Principal Bankers

Standard Bank of South Africa Limited.

Preparer

The annual financial statements were internally prepared by W Matthews.

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

**THE SOLIDARIDAD NETWORK SA TRUST
TRUST NUMBER 1419/2012**

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FOR THE YEAR ENDED 31 DECEMBER 2023**

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**THE SOLIDARIDAD NETWORK SA TRUST
TRUST NUMBER 1419/2012**

TRUSTEES' RESPONSIBILITIES AND APPROVAL

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

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 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 2025 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 25, were approved by the board of trustees on 12 December 2024. The trustees have delegated their authority to the Managing Director of the Trust, Mr Shungu Kanyemba to sign on their behalf.



Shungu Kanyemba MD



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

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES

THE SOLIDARIDAD NETWORK SA TRUST TRUST NUMBER 1419/2012

Unqualified Opinion

We have audited the financial statements of The Solidaridad Network SA Trust, set out on pages 6 to 25, which comprise the statement of financial position as at 31 December 2023, 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 2023, 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.

A handwritten signature in black ink, appearing to read 'V. Bhengu', written in a cursive style.

Rev Vincent Bhengu CA (SA), RA (IRBA 507361)

Douglas & Velcich

Chartered Accountants (S.A.)

Johannesburg

18 December 2024

**THE SOLIDARIDAD NETWORK SA TRUST
TRUST NUMBER 1419/2012**

**REPORT OF THE TRUSTEES FOR THE
YEAR ENDED 31 DECEMBER 2023**

The trustees present their report, together with the annual financial statements of the Trust for the financial year ended 31 December 2023.

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 R517,191 (2022 : R511,188).

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.

THE SOLIDARIDAD NETWORK SA TRUST
TRUST NUMBER 1419/2012

STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2023

	Note	2023 R	Restated 2022 R
ASSETS		29 323 298	14 698 395
Non current assets		1 132 463	916 047
Equipment	3	1 132 463	916 047
Current assets		28 190 835	13 782 348
Accounts receivable	4	1 044 041	925 355
Accrued grant income	5	6 548 716	2 129 090
Amounts due from other Solidaridad entities	6	4 160 360	3 084 865
Amounts due from other related entities	7	2 583 041	-
Cash and cash equivalents	8	13 854 677	7 636 042
Taxation receivable		-	6 995
Total assets		29 323 298	14 698 395
RESERVES AND LIABILITIES		29 323 298	14 698 395
Reserves		5 310 498	(38 932)
Trust capital		100	100
General fund		6 498 268	1 423 977
Foreign translation reserve		(2 369 508)	(2 428 230)
Equipment fund		1 132 463	916 047
Motor vehicle fund		49 174	49 174
Current liabilities		24 012 800	14 737 327
Accounts payable	10	2 732 427	2 717 548
Amounts due to other Solidaridad entities	11	1 101 570	3 819 787
Deferred income	9	20 108 963	8 199 992
Managed funds - Kvuno Ventures NPC	12	-	-
Taxation payable		69 841	-
Total reserves and liabilities		29 323 298	14 698 395

**THE SOLIDARIDAD NETWORK SA TRUST
TRUST NUMBER 1419/2012**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	2023 R	Restated 2022 R
INCOME		38 294 312	34 184 491
Grant income from related Solidaridad Organisations	13	57 852 257	60 034 492
Transfers (to) related Solidaridad Organisations	14	(36 232 923)	(40 846 627)
Grant income	15	15 813 266	14 851 271
Foreign exchange gain		465 868	-
Other project income		15 151	-
Other income		4 353	46 783
Proceeds on disposal of assets		12 962	6 402
Interest received	16	363 378	92 170
EXPENDITURE		32 913 489	32 962 921
Assets expensed directly		10 099	17 752
Auditors' remuneration		138 885	293 644
Bank charges		191 037	179 267
Communication costs		190 122	195 429
Conference attendance		47 345	-
Depreciation		287 494	342 275
Foreign exchange loss		-	(1 287 838)
Insurance		160 125	162 504
IT support		643 369	546 151
Legal fees		90 000	336 594
Office expenses		76 065	31 220
Printing, postage and stationery		15 211	11 355
Programme costs		11 311 257	10 918 627
Rent, water and electricity		647 904	771 071
Repairs and maintenance		23 987	122 529
Salaries and contributions		18 072 624	19 755 172
Staff development and training		291 152	66 576
Travel and accommodation		716 814	500 595
NET SURPLUS FOR THE YEAR		5 380 823	1 221 570
TAXATION	17	(76 836)	(10 468)
NET SURPLUS AFTER TAXATION		5 303 987	1 211 102
Items that will not be reclassified as profit or loss		(229 696)	(218 087)
Depreciation charge transferred to equipment fund		287 494	342 275
Cost of assets purchased - transferred to equipment fund		(517 191)	(511 188)
Transfer to motor vehicle fund		-	(49 174)
COMPREHENSIVE INCOME FOR THE YEAR		5 074 291	993 015

THE SOLIDARIDAD NETWORK SA TRUST
TRUST NUMBER 1419/2012

STATEMENT OF CHANGES IN RESERVES
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Trust capital R	General fund R	Foreign translation reserve R	Equipment fund R	Motor vehicle fund R	Total R
Balance at 31 December 2021		100	430 962	2 544 709	755 334	-	3 731 105
2022 (Restated)							
Comprehensive income/(deficit) for the year		-	993 015	-	168 913	49 174	1 211 102
Net surplus for the year (restated)		-	1 211 102	-	-	-	1 211 102
Depreciation for the year		-	342 275	-	(342 275)	-	-
Transfer to equipment fund - purchase of assets (restated)		-	(511 188)	-	511 188	-	-
Transfer to motor vehicle fund		-	(49 174)	-	49 174	49 174	-
Net book value of assets disposed of		-	-	-	(8 200)	-	(8 200)
Translation of the Foreign currency Balances		-	-	(4 972 940)	-	-	(4 972 940)
Net balances due from other Solidaridad entities		-	-	461 023	-	-	461 023
Deferred income		-	-	(5 433 963)	-	-	(5 433 963)
Euro denominated bank account		-	-	-	-	-	-
Restated balance at 31 December 2022		100	1 423 977	(2 428 230)	916 047	49 174	(38 932)
Balance as previously report	21	100	4 881 664	-	894 998	49 174	5 825 936
Restatement of the General fund at 31 December 2021	21	-	10 196	-	-	-	10 196
Restatement of Foreign Translation Reserve (2021)	21	-	(2 544 709)	2 544 709	-	-	-
Restatement of Foreign Translation Reserve (2022)	21	-	-	(4 972 940)	-	-	(4 972 940)
Restatement of the opening balances	21	-	(902 125)	-	-	-	(902 125)
Transfer to equipment fund - purchase of assets	21	-	(21 049)	-	21 049	-	-
2023							
Comprehensive income/(deficit) for the year		-	5 074 291	-	229 696	-	5 303 987
Net surplus for the year		-	5 303 987	-	-	-	5 303 987
Depreciation for the year		-	287 494	-	(287 494)	-	-
Transfer to equipment fund - purchase of assets		-	(517 191)	-	517 191	-	-
Transfer to motor vehicle fund		-	-	-	-	-	-
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		-	-	858 078	-	-	858 078
Deferred income		-	-	(1 511 074)	-	-	(1 511 074)
Euro denominated bank account		-	-	711 719	-	-	711 719
Balance at 31 December 2023		100	6 498 268	(2 369 508)	1 132 463	49 174	5 310 498

**THE SOLIDARIDAD NETWORK SA TRUST
TRUST NUMBER 1419/2012**

**STATEMENT OF CASH FLOWS FOR THE
YEAR ENDED 31 DECEMBER 2023**

		2023	2022
		R	R
Cash received from related Solidaridad Organisations		54 058 546	61 723 955
Cash received from funders and other sources		23 787 982	10 403 351
Cash transferred to related Solidaridad Organisations		(36 232 923)	(37 825 008)
Cash expended on programmes, suppliers and employees		(32 729 802)	(33 605 403)
Cash generated from operations	18	8 883 803	696 896
Interest earned		363 378	92 170
Taxation paid		-	-
Net cash inflow from operating activities		9 247 182	789 066
Cash flows (utilised in) investing activities		(504 229)	(504 786)
Acquisition of equipment	3	(517 191)	(511 188)
Proceeds from disposal of assets		12 962	6 402
Cash flows generated from/(utilised in) financing activities		(2 524 319)	(4 972 940)
Foreign translation on foreign denominated balances		58 723	(4 972 940)
Funds spent on other related Entities		(2 583 041)	-
Net increase/(decrease) in cash and cash equivalents		6 218 635	(4 688 659)
Cash and cash equivalents at beginning of year		7 636 042	12 324 702
Cash and cash equivalents at end of year	8	13 854 677	7 636 042

**THE SOLIDARIDAD NETWORK SA TRUST
TRUST NUMBER 1419/2012**

**NOTES TO ANNUAL THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

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 Equipment - tangible assets

The cost of a tangible asset is recognised as an asset of the Trust 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 (thus equalling net book value) less provision for any impairment losses.

An impairment loss is the amount by which the net book value of an asset exceeds the present value of the probable future economic benefits associated with that asset.

As most Trust income is from funders who require that assets be expensed in the year of purchase, it is Trust policy to write off the cost of all asset purchased as an allocation of income in the year that the assets are acquired. In order to remain compliant with IFRS for SMEs, while accounts for the assets, reflecting their respective costs, accumulated depreciation and provision for any amortisation, are created in the General Ledger, corresponding entries are made to an Equipment Fund reserve account. The balance of the Equipment Fund and the net book value of the Trust's assets, per its General Ledger and financial statements are therefore equal.

**THE SOLIDARIDAD NETWORK SA TRUST
TRUST NUMBER 1419/2012**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2023 (Continued)**

1. ACCOUNTING POLICIES (Continued)

1.2 Equipment - tangible assets (continued)

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

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

As the cost of assets purchased are charged against the Trust's income, as an allocation of the cost to the Equipment Fund (see above) it would be incorrect to show the ongoing depreciation of these assets as an additional annual cost. The depreciation charge for each period is therefore initially shown in the income statement and subsequently reversed as an allocation of the cost to the Equipment Fund.

When an asset is sold or otherwise derecognised, its carrying value, as represented by its net book value plus any provision for amortisation, is removed by corresponding entries in the relevant accounts.

As the cost of assets purchased are allocated to an Equipment Fund and charged against the Trust's income, all the proceeds on disposal of assets are shown as Trust income and the concept of profit or loss on the disposal of assets does not form part of the financial statements.

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.

**THE SOLIDARIDAD NETWORK SA TRUST
TRUST NUMBER 1419/2012**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2023 (Continued)**

1. ACCOUNTING POLICIES (Continued)

1.3 Financial instruments (continued)

Measurement (continued)

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

An Equipment Fund is created so that the cost of assets purchased by the Trust is reflected as a charge against its income in the year of their acquisition. Corresponding entries between the Equipment Fund account and relevant Equipment, Accumulated Depreciation and Provision for Amortisation accounts ensure that the net totals of these accounts remain equal.

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.

**THE SOLIDARIDAD NETWORK SA TRUST
TRUST NUMBER 1419/2012**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2023 (Continued)**

1. ACCOUNTING POLICIES (Continued)

1.8 Revenue recognition (continued)

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.

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.

**THE SOLIDARIDAD NETWORK SA TRUST
TRUST NUMBER 1419/2012**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2023 (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.

THE SOLIDARIDAD NETWORK SA TRUST
TRUST NUMBER 1419/2012

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2023 (Continued)

3. Equipment	Computer equipment R	Computer software R	Motor vehicle R	Office equipment R	Office furniture R	Total R
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)
31 December 2022 (restated)						
Net book value at 1/1/2022	95 864	60 979	476 735	63 976	57 779	755 334
Cost	538 815	150 075	522 920	203 828	203 098	1 618 737
Accumulated depreciation	(442 951)	(89 095)	(46 185)	(139 852)	(145 319)	(863 403)
Additions for the year	161 309	-	-	242 002	107 876	511 188
Disposals at net book value	(6 087)	-	-	(2 112)	-	(8 200)
Cost	(79 562)	-	-	(2 204)	-	(81 766)
Accumulated depreciation	73 475	-	-	92	-	73 566
Depreciation for the year	(96 305)	(56 280)	(98 552)	(56 685)	(34 453)	(342 275)
Net book value at 31/12/2022	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)

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2023 (Continued)

	2023 R	Restated 2022 R
4. Accounts receivable		
Rental deposit	197 681	58 742
Travel advances	9 038	6 924
Staff debtors	-	209 363
Sundry receivables	543 210	543 210
VAT receivable	291 788	106 451
Prepaid Expenses	2 323	663
	1 044 041	925 355
5. Accrued income		
International Livestock Research Institute	4 255 474	1 682 727
One Tree Planted	2 101 418	265 389
Solidaridad Nederland Stichting - Tropical Cyclone Freddy (Storm Freddy)	191 825	-
Stichting Netherlands Food Partnership	-	180 975
	6 548 716	2 129 090
6. Amounts due from Solidaridad Entities		
Solidaridad - Central America	-	1 424 281
Solidaridad - Central and East Africa	1 841 686	920 766
Solidaridad - Egypt	2 318 674	242 019
Solidaridad - Europe	-	4 677
Solidaridad - Network	-	12 009
Solidaridad - North America	-	481 113
	4 160 360	3 084 865
7. Amounts due from other related Entities		
Kvuno Enterprise (Malawi)	1 401 014	-
Kvuno Mozambique LDA	138 303	-
Kvuno Services Limited (Zambia)	973 688	-
Kvuno Ventures NPC (South Africa)	70 036	-
	2 583 041	-
8. Cash and cash equivalents		
Standard Bank - Call account	1 093 215	951 960
Standard Bank - Call deposit account	260 748	243 641
Standard Bank - Current account	90 640	783 215
Standard Bank - Credit card accounts	653	32 565
Standard Bank - Euro denominated account	10 748 004	4 479 047
Standard Bank - Project bank account	48 674	49 104
Standard Bank - Project bank account	1 609 390	1 093 866
Petty cash - Local	1 988	190
Petty cash - Foreign	1 364	2 454
	13 854 677	7 636 042

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2023 (Continued)

9. Deferred income

	Balance at beginning of year R	Received during the year R	Project expenditure R	Kvuno Ventures NPC R	Foreign exchange gain/(loss) R	Balance at end of year R
2023 Deferred income per funding source						
<u>Solidaridad Netherlands Stichting</u>						
Agrigrow PLUSPLUS	339 017	-	-	-	36 585	375 602
Global Linking and Learning - Biochar Study	230 131	-	-	-	24 835	254 966
Pathways to Prosperity	-	30 156 696	(24 470 563)	-	795 592	6 481 725
Reclaim Sustainability Egypt	453 645	(502 600)	-	-	48 956	-
Reclaim Sustainability GET	365 200	-	(141 613)	-	39 411	262 997
Reclaim Sustainability!	3 636 342	23 732 509	(27 448 473)	-	1 004 466	924 845
Testing Digital Access	950 810	-	-	-	102 608	1 053 417
Tropical Cyclone Freddy (Storm Freddy)	-	438 402	(636 897)	-	6 670	(191 825)
	5 975 145	53 825 007	(52 697 546)	-	2 059 122	9 161 727
<u>Solidaridad Network Stichting</u>						
Budget support and reimbursements	-	264 422	(263 989)	-	(432)	-
<u>Solidaridad - Central America</u>						
GET Good Practise	(1 418 286)	1 515 863	-	-	(97 577)	-
<u>Solidaridad - East and Central Africa</u>						
PCU Support	(592 835)	-	(811 801)	-	-	(1 404 635)
<u>Solidaridad - Latin America/Netherlands</u>						
Farmer Support Programme	39 113	-	-	-	4 221	43 334
<u>Solidaridad - North America</u>						
Bill and Melinda Gates Foundation	-	10 003 850	(4 078 920)	(429 212)	(495 532)	5 000 185
Public Procurement	(479 088)	477 048	-	-	2 039	-
	(479 088)	10 480 898	(4 078 920)	(429 212)	(493 493)	5 000 185
<u>Grant funds received directly</u>						
Fonds Danone pour L'Ecosysteme	1 117 302	2 330 533	-	-	136 208	3 584 044
Industrial Development Corporation (IDC) - SEF project	340 984	8 068 190	(7 623 241)	-	-	785 933
International Livestock Research Institute	(1 682 727)	1 499 005	(3 885 456)	-	(186 297)	(4 255 474)
International Water Management Institute (IWMI)	-	464 795	(385 413)	-	(2 618)	76 764
One Tree Planted	(265 389)	-	(1 807 390)	-	(28 640)	(2 101 418)
Southern African Development Community (SADC) Secretariat	727 448	2 541 427	(2 111 766)	-	108 043	1 265 152
Stichting Netherlands Food Partnership	(180 975)	186 589	-	-	(5 614)	-
	56 644	15 090 540	(15 813 266)	-	21 082	(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					6 548 716
Add : disclosed as under amounts due from						
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

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2023 (Continued)

9. Deferred income (continued)

	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
2022 Deferred income per funding source					
<u>Solidaridad Netherlands Stichting</u>					
Agrigrow PLUSPLUS	628 918	429 505	(756 784)	37 379	339 017
Climate Dashboard	167 123	-	(169 616)	2 493	-
Fair Data Coordination and Yoda	-	1 836 926	(1 836 926)	-	-
Global Linking and Learning - Biochar Study	-	216 522	-	13 609	230 131
Global Linking and Learning - Enabling Policy Environment	-	669 031	(693 997)	24 967	-
Global Linking and Learning - Green Jobs Study	-	279 178	(296 725)	17 547	-
Practice for Change programme	(9 676)	16 762 568	(18 140 781)	1 387 889	-
Reclaim Sustainability GET	-	311 652	-	53 548	365 200
Reclaim Sustainability!	4 550 110	24 403 536	(28 322 787)	3 005 483	3 636 342
Reclaim Sustainability! Egypt	1 102 869	3 930 978	(4 782 156)	201 954	453 645
Testing Digital Access	935 848	-	-	14 962	950 810
	7 375 192	48 839 896	(54 999 774)	4 759 831	5 975 145
<u>Solidaridad Network Stichting</u>					
Budget support and reimbursements	-	2 085 279	(2 085 279)	-	-
<u>Solidaridad - Central America</u>					
GET Good Practise	-	-	(1 418 286)	-	(1 418 286)
<u>Solidaridad - East and Central Africa</u>					
PCU Support	-	-	(592 835)	-	(592 835)
<u>Solidaridad - Latin America/Netherlands</u>					
Farmer Support Programme	38 538	-	-	575	39 113
<u>Solidaridad - North America</u>					
Farm Fair Data Initiative	-	459 232	(459 232)	-	-
Public Procurement	-	-	(479 088)	-	(479 088)
	-	459 232	(938 319)	-	(479 088)
<u>Grant funds received directly</u>					
Climate Focus B.V	(281 439)	439 788	(158 349)	-	-
European Union (EU)	(555 440)	2 413 622	(2 002 646)	144 463	-
Fonds Danone pour L'Ecosysteme	-	2 897 322	(1 956 042)	176 022	1 117 302
Gauteng Provincial Government Department of Agriculture and Rural Development (GDARD)	(30 170)	245 000	(214 830)	-	-
Industrial Development Corporation (IDC) - SEF project	-	2 454 850	(2 113 866)	-	340 984
International Livestock Research Institute	1 940 045	-	(3 823 634)	200 862	(1 682 727)
One Tree Planted	-	455 105	(765 199)	44 705	(265 389)
Southern African Development Community (SADC) Secretariat	-	1 892 087	(1 271 762)	107 123	727 448
Stichting Netherlands Food Partnership	-	703 907	(904 875)	19 994	(180 975)
The Alliance for a Green Revolution in Africa (AGRA)	-	1 628 735	(1 640 068)	11 333	-
	1 072 997	13 130 417	(14 851 272)	704 502	56 644
Analysis of the total movement for the 2022 year	8 486 727	64 514 822	(74 885 763)	5 464 907	3 580 693
Add : disclosed separately under Accrued income	867 049				2 129 090
Add : disclosed as under amounts due from Solidaridad Entities (part of note 6)					2 490 208
Solidaridad - Central America					1 418 286
Solidaridad - East and Central Africa					592 835
Solidaridad - North America					479 088
Total deferred income	9 353 776				8 199 992

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2023 (Continued)

	2023 R	Restated 2022 R
10. Accounts payable		
Accruals	2 142 356	2 200 574
Payroll liabilities	491 138	384 091
Travel advances	98 932	132 883
	<u>2 732 427</u>	<u>2 717 548</u>
11. Amounts due to Solidaridad Entities		
Solidaridad - Asia	101 153	91 300
Solidaridad - Network	1 000 418	-
Solidaridad - Mozambique	-	1 517 845
Solidaridad - Zambia	-	2 052 527
Solidaridad - Zimbabwe	-	158 116
	<u>1 101 570</u>	<u>3 819 787</u>
12. Funds managed - Kvuno Ventures NPC		
Funds recognised during the year	685 190	-
Transfers from Solidaridad - North America	429 212	-
Recoveries due from other Kvuno entities	255 977	-
Funds spent during the year	(685 190)	-
Office costs (allocated to projects)	(28 027)	-
Other employee expenses	(540)	-
Partners and consultants - other	(230 147)	-
Program materials and inputs	(179 370)	-
Publication expenses	(43 113)	-
Telephone expenses	(20 133)	-
Travel and accommodation	(183 859)	-
Net funds spent	<u>-</u>	<u>-</u>

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 SOLIDARIDAD NETWORK SA TRUST
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2023 (Continued)

	2023 R	Restated 2022 R
13. Grant income from related Solidaridad Organisations		
Solidaridad Netherlands Stichting	52 697 546	54 999 774
Recovery from Solidaridad East and Central Africa	811 801	592 835
Recovery from Solidaridad North and Central America	4 078 920	2 356 605
Recovery from Solidaridad Network Stichting and budget support	263 989	2 085 279
	57 852 257	60 034 492
14. Transfers (to) related Solidaridad Organisations		
Malawi office	(4 155 288)	(5 403 063)
Funds transferred directly to office	(4 044 234)	(5 259 212)
Expenses paid on behalf of the office	(111 054)	(143 851)
Mozambique office	(16 084 236)	(17 691 360)
Funds transferred directly to office	(15 369 575)	(15 503 396)
Expenses paid on behalf of the office	(714 662)	(2 187 963)
Zambia office	(15 548 476)	(17 079 941)
Funds transferred directly to office	(16 415 430)	(16 138 557)
Expenses paid for other offices/(on behalf of the office)	866 954	(941 384)
Solidaridad - Eastern and Central Africa	-	(302 142)
Expenses incurred on behalf of Solidaridad ECA	-	(302 142)
Solidaridad Network	(444 922)	(370 122)
Transfers of funds - 2 % Contribution	(444 922)	(370 122)
Total transfers	(36 232 923)	(40 846 627)

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2023 (Continued)

	2023 R	Restated 2022 R
15. Grant income		
Alliance for A Green Revolution (AGRA)	-	1 640 068
Climate Focus B.V	-	158 349
European Union (EU)	-	2 002 646
Fonds Danone pour L'Ecosysteme	-	1 956 042
Gauteng Provincial Government Department of Agriculture and Rural Development (GDARD)	-	214 830
Industrial Development Corporation (IDC) SEF Project	7 623 241	2 113 866
Income recognised	7 623 241	2 113 866
Funds received for participant wages	30 743 503	6 310 951
Funds paid directly for participant wages	(30 743 503)	(6 310 951)
International Livestock Research Institute	-	3 823 634
International Water Management Institute (IWMI)	3 885 456	-
One Tree Planted	385 413	765 199
Southern African Development Community (SADC)	1 807 390	1 271 762
Stichting Netherlands Food Partnership	2 111 766	904 875
	15 813 266	14 851 271
16. Net interest received		
Interest received - current account	363 378	88 800
Interest received - staff loan	-	3 370
	363 378	92 170
17. Taxation		
South African Normal Taxation		
S A normal tax @ 45%	75 102	10 468
Underprovision in the prior year	1 734	-
	76 836	10 468
Taxation computation		
Net surplus per statement of comprehensive income	5 380 823	1 221 570
Net taxable income	5 380 823	1 221 570
Less: adjustment for apportionment of expenditure against income of a capital nature	(5 213 929)	(1 172 664)
Estimated taxable income	166 894	48 906
Assessed accumulated taxable (loss) brought forward	-	(25 644)
Estimated taxable income for the year	166 894	23 262

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.

**THE SOLIDARIDAD NETWORK SA TRUST
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2023 (Continued)**

	2023	Restated
	R	2022
		R
18. Cash generated from operations		
Surplus for the year	5 380 823	1 221 570
Adjustments for :		
Interest received	(363 378)	(92 170)
Depreciation	287 494	342 275
Proceeds on disposal of assets	(12 962)	(6 402)
(Increase)/decrease in Accrued income	(4 419 626)	896 044
Increase/(decrease) in Deferred income	11 908 970	(5 390 747)
Changes in working capital		
Accounts receivable	(118 686)	(242 093)
Accounts payable	14 879	1 202 781
Net amount due (from)/to other Solidaridad entities	(3 793 711)	2 765 638
	8 883 803	696 896

19. Commitments

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

Operating lease - premises

Payable within one year	573 231	486 556
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20. 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.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2023 (Continued)

	2023 R	2022 R
20. Related parties (continued)		
Funds received from other related Solidaridad entities		
Solidaridad Netherlands Stichting	53 825 007	48 839 896
Solidaridad Network Stichting	264 422	2 085 279
Solidaridad - Central America	1 515 863	-
Solidaridad - North America	10 480 898	459 232
	66 086 190	51 384 406
Funds transferred to other Solidaridad regional offices		
Solidaridad Network - Malawi	(4 044 234)	(5 259 212)
Solidaridad Network - Mozambique	(15 369 575)	(15 503 396)
Solidaridad Network - Zambia	(16 415 430)	(16 138 557)
	(35 829 239)	(36 901 165)
Expenses paid on behalf (of) from other regional offices		
Solidaridad Network - Malawi	(111 054)	(143 851)
Solidaridad Network - Mozambique	(714 662)	(2 187 963)
Solidaridad Network - Zambia	866 954	(941 384)
	41 238	(3 273 198)
Amounts due from / (to) other Solidaridad entities		
For detailed breakdown refer to notes 6 and 11 on pages 16 and 19.		
Deferred income - other related Solidaridad entities		
Solidaridad Netherlands Stichting	9 353 552	5 975 145
Solidaridad - Latin America/Netherlands	43 334	39 113
Solidaridad - North America	5 000 185	-
	14 397 071	6 014 258
For detailed breakdown refer to note 9 on pages 17 and 18.		
Funds managed - Kvuno Ventures NPC		
Fund recognised during the year	685 190	-
Funds spent during the year	(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.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2023 (Continued)

	2023 R	2022 R
21. Prior year adjustments		
<u>Statement of Comprehensive Income</u>		
Income	-	(2 872 023)
Grant income from related Solidaridad Organisations	-	24 938 113
Transfers (to) related Solidaridad Organisations	-	(40 174 363)
Grant income	-	12 364 226
Expenditure	-	(1 969 898)
Bank charges	-	8 161
Foreign exchange loss	-	(1 978 060)
Changes to the surplus for the year	-	(902 125)
<u>Statement of Changes in Reserves</u>		
General fund	-	(3 457 687)
General fund opening balance at 31 December 2021 (restated)	-	10 196
Changes to the surplus for the year	-	(902 125)
Transfer to equipment fund - purchase of assets	-	(21 049)
Restatement of Foreign Translation Reserve (2021)	-	(2 544 709)
Foreign Translation Reserve	-	(2 428 230)
Restatement of Foreign Translation Reserve (2021)	-	2 544 709
Net balances due from other Solidaridad entities	-	461 023
Deferred income	-	(5 433 963)
Equipment Fund	-	21 049
Transfer to equipment fund - purchase of assets	-	21 049
Total net changes to the Reserves	-	(5 864 868)
<u>Statement of Financial Position</u>		
ASSETS	-	5 722 627
Non current assets	-	21 049
Equipment	-	21 049
Current assets	-	5 701 578
Accrued grant income	-	2 129 090
Amounts due from other Solidaridad entities	-	(906 559)
Cash and cash equivalents	-	4 479 047
Total assets	-	5 722 627
RESERVES AND LIABILITIES	-	5 722 627
Reserves	-	(5 864 868)
General fund	-	(3 457 687)
Foreign translation reserve	-	(2 428 230)
Equipment fund	-	21 049
Current liabilities	-	11 587 495
Amounts due to other Solidaridad entities	-	3 728 487
Deferred income	-	7 859 008
Total reserves and liabilities	-	5 722 627

**THE SOLIDARIDAD NETWORK SA TRUST
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2023 (Continued)**

21. Prior year adjustments (continued)

In the 2021 financial year, it was decided to separate the denominated Euro bank account from the aggregated figures for the Solidaridad Network SA Trust as it was determined that the unrealised foreign exchange translation of the Euro denominated balance was distorting the overall financial position of the Trust. The reported expenditure within the Trust was not significantly impacted, but as Solidaridad - Netherlands and the Network as a whole transact through transfer of funds in Euros through this denominated Euro bank account, the inter-related transactions were not being adequately reflected in the Trust.

At the 1 January 2023, it was decided to reinstate the denominated Euro bank account in the financial statements of the Solidaridad Network SA Trust. This has resulted in a restatement of the comparative figures which has been detailed on page 24.