

SEMILLA NUEVA
Consolidated Financial Statements
As of December 31, 2024 and 2023
With Independent Auditor's Report

AUDIT REPORT

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INDEPENDENT AUDITOR'S REPORT

Honorable
Board of Directors
Semilla Nueva

Report on the audit of the consolidated financial statements

Opinion

We have audited the attached Consolidated financial statements of Asociación Semilla Nueva, Semilla Nueva, S.A. and Semilla Nueva 501 (c)(3), which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, the Consolidated statement of activities and changes in net assets and cash flows for the year then ended and the notes to the financial statements that include a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements of Asociación Semilla Nueva, Semilla Nueva, S.A. and Semilla Nueva 501 (c)(3), for the year ended December 31, 2024 and 2023 have been prepared on the accrual basis of accounting (or accrual) in accordance with accounting principles generally accepted in the United States of America (US GAAP for non-profit organizations), indicated in Note 2. And that they reflect fairly, in all material respects, the financial condition of the three organizations.

Basis for the opinion

We have conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under these standards are described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Asociación Semilla Nueva, Semilla Nueva, S.A. and Semilla Nueva 501 (c)(3) in accordance with the ethical requirements that are relevant to our audit of financial statements in Guatemala, and we have fulfilled other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and provides a reasonable basis to support our opinion. The administration has stated that the Asociación Semilla Nueva and Semilla Nueva 501 (c)(3) will continue to operate; However, Semilla Nueva S.A. provisionally closed operations in 2023.

Accounting Basis

Without affecting our opinion, we draw attention to Note 2) of the accompanying consolidated financial statements that have been prepared on an accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (US GAAP for non-profit organizations). As a result, our report is intended exclusively for the Board of Directors of the Asociación Semilla Nueva, Semilla Nueva S.A. and Semilla Nueva 501 (c) (3).

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the accounting policies of the Asociación Semilla Nueva, Semilla Nueva, S.A. and Semilla Nueva 501 (c)(3). Likewise, the Administration is responsible for the internal control that it considers necessary to allow the consolidated financial statements to be free of material error, whether due to fraud or error.

In preparing the Consolidated financial statements, management is responsible for assessing the ability of the Asociación Semilla Nueva, Semilla Nueva, S.A. and Semilla Nueva 501 (c)(3) to continue as going concerns, disclosing, where appropriate, matters relating to going concern and using the going concern basis of accounting unless management intends to liquidate or cease operations, or has no more realistic alternative to do it.

Those in charge of the administration of the Asociación Semilla Nueva, Semilla Nueva, S.A. and Semilla Nueva 501 (c)(3), are responsible for supervising the entity's financial reporting process.


Auditor's responsibilities for the audit of the consolidated financial statements

Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatements, whether due to fraud or error, and to issue an audit 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 International Standards on Auditing will always detect a material misstatement when one exists.

Misstatements may arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to affect the economic decisions made by users on the basis of these financial statements.

A more detailed description of our responsibilities in relation to the audit of the financial statements is included in Appendix "A" to this report. This description is an integral part of this audit report.

Our report is intended exclusively for use by the services of the Asociación Semilla Nueva, Semilla Nueva, S.A. and Semilla Nueva 501 (c)(3).



Lic. Manuel Cervantes
Certified Public Accountant
Register No.CPA – 45

Manuel Cervantes & Asociados, S.C.
Auditores y Consultores

Guatemala, March 3, 2025

SEMILLA NUEVA

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

At December 31

Figures expressed in Dollars

	<u>Notes</u>	<u>2024</u>	<u>2023</u>
<u>ASSETS</u>			
CURRENT ASSETS			
Cash and cash equivalent	4	263,315	401,521
Accounts receivable	5	470,381	240,355
Inventories	6	20,388	14,211
Investments	7	2,122,241	2,707,359
Total current assets		2,876,325	3,363,446
NON-CURRENT ASSET			
Property, plant and equipment	8	40,964	53,655
Intangibles	9	951	952
Total non-current assets		41,915	54,607
TOTAL ASSETS		2,918,240	3,418,053
<u>LIABILITIES AND NET ASSETS</u>			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities	10	98,794	75,920
Total current liabilities		98,794	75,920
NON-CURRENT LIABILITIES			
Labor provisions	11	161,702	85,186
Other provisions	12	54,684	33,051
Total current liabilities		216,386	118,237
TOTAL LIABILITIES		315,180	194,157
<u>NET ASSETS</u>			
Not restricted	13	2,014,789	2,756,161
Restricted	13	588,271	467,735
Total net assets		2,603,060	3,223,896
TOTAL LIABILITIES AND NET ASSETS		2,918,240	3,418,053

The accompanying notes are an integral part of the consolidated financial statements.

SEMILLA NUEVA

CONSOLIDATED STATEMENT OF ACTIVITIES

From January 1 to December 31, 2024

Figures expressed in Dollars

	Notes	Net Assets		2024
		Not restricted	Restricted	
Operating income				
Donations	14	2,871,103	1,288,860	4,159,963
Sales	15	130,807	-	130,807
Financial income		133,415	-	133,415
Other Income		96		96
Total operating income		3,135,421	1,288,860	4,424,281
Net assets released from restrictions		1,168,324	(1,168,324)	-
Total operating income and net assets released without restrictions		4,303,745	120,536	4,424,281
Operating expenses				
Service program		3,980,494	-	3,980,494
Administration and general expenses		600,322	-	600,322
Fundraising		381,102	-	381,102
Total operating expenses		4,961,918	-	4,961,918
Change in net assets from operating activities		(658,173)	120,536	(537,637)
Non-Operational Activities				
Exchange rate differential		-	-	-
Profit (loss) financial statement conversion		(83,199)	-	(83,199)
Change in net assets from non-operating activities		(83,199)	-	(83,199)
Change in net assets		(741,372)	120,536	(620,836)
Net assets, at the beginning of the year		2,756,161	467,735	3,223,896
Net assets, at the end of the year	13	2,014,789	588,271	2,603,060

The accompanying notes are an integral part of the consolidated financial statements.

SEMILLA NUEVA

CONSOLIDATED STATEMENT OF ACTIVITIES

From January 1 to December 31, 2023

Figures expressed in Dollars

	Notes	Net Assets		2023
		Not restricted	Restricted	
Operating income				
Donations	14	3,734,611	915,809	4,650,420
Sales	15	138,304	-	138,304
Financial income		47,249	-	47,249
Total operating income		3,920,164	915,809	4,835,973
Net assets released from restrictions	13	572,550	(572,550)	-
Total operating income and net assets released without restrictions		4,492,714	343,259	4,835,973
Operating expenses				
Service program		2,293,865	-	2,293,865
Administration and general expenses		508,508	-	508,508
Fundraising		140,377	-	140,377
Total operating expenses		2,942,750	-	2,942,750
Change in net assets from operating activities		1,549,964	343,259	1,893,223
Non-Operational Activities				
Exchange rate differential		(14,230)	-	(14,230)
Profit (loss) financial statement conversion		(18,359)	-	(18,359)
Change in net assets from non-operating activities		(32,589)	-	(32,589)
Change in net assets		1,517,375	343,259	1,860,634
Net assets, at the beginning of the year		1,238,785	124,476	1,363,261
Net assets, at the end of the year	13	2,756,161	467,735	3,223,896

The accompanying notes are an integral part of the consolidated financial statements

SEMILLA NUEVA

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSE

From January 1 to December 31, 2024 and 2023

Figures expressed in Dollars

	Notes	Services program	Administration and general expenses	Fundraising	2024
Salaries and benefits	16	1,216,248	319,632	91,115	1,626,995
Professional services	17	70,489	-	5,640	76,129
General development activities	18	2,282,682	76,387	231,078	2,590,147
Transportation, mobilization and fuel	19	354,193	5,890	4,099	364,182
Rentals and maintenance expenses	20	30,588	102,205	-	132,793
General office expenses	21	10,670	67,315	29,183	107,168
Taxes, fees and excise duties	22	5,818	11,953	19,987	37,758
Depreciations	23	9,806	2,884	-	12,690
Banking expenses	24	-	14,056	-	14,056
Total operating expenses		3,980,494	600,322	381,102	4,961,918

	Notas	Services program	Administration and general expenses	Fundraising	2023
Salaries and benefits	16	748,321	218,858	-	967,179
Professional services	17	143,554	57,535	139,532	340,621
General development activities	18	1,020,570	24,191	-	1,044,761
Transportation, mobilization and fuel	19	279,109	487	845	280,441
Rentals and maintenance expenses	20	27,807	90,875	-	118,682
General office expenses	21	70,598	53,754	-	124,352
Taxes, fees and excise duties	22	128	55,508	-	55,636
Depreciations	23	3,778	2,884	-	6,662
Banking expenses	24	-	4,416	-	4,416
Total operating expenses		2,293,865	508,508	140,377	2,942,750

The accompanying notes are an integral part of the consolidated financial statements

SEMILLA NUEVA

CONSOLIDATED STATEMENTS OF CASH FLOW

At December 31

Figures expressed in Dollars

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities		
Increase (decrease) in net assets	(620,836)	1,860,634
Adjustments to reconcile the increase in net assets with net cash (used in) provided by operational activities:		
Depreciation and amortization	12,691	6,662
Changes in working capital		
Accounts receivable	(230,026)	(35,608)
Inventories	(6,178)	(12,048)
Accounts payable and accrued liabilities	22,875	12,441
Compensation and other provisions	98,149	46,201
Net cash from (used) in operating activities	<u>(723,325)</u>	<u>1,878,282</u>
Cash flows from investing activities		
Acquisition of property, plant and equipment	-	(31,565)
Investment acquisition	585,119	(2,707,359)
Net cash provided (used) in investing activities	<u>585,119</u>	<u>(2,738,924)</u>
Cash flows from financing activities		
Contracting (cancellation) of loans payable	-	-
Net cash from (used) in financing activities	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	(138,206)	(860,642)
Cash and cash equivalents at the beginning of the year	401,521	1,262,163
Cash and cash equivalents at the end of the year	<u>263,315</u>	<u>401,521</u>

The accompanying notes are an integral part of the consolidated financial statements.