



AfricaRice

Africa Rice Center (AfricaRice)



# Audited Financial Statements

for the year ended  
31 December 2012



**Audited  
Financial  
Statements**

for the year ended  
31 December 2012



## STATEMENT OF THE BOARD CHAIR YEAR ENDED 31 DECEMBER 2012

The Board of Trustees of the Africa Rice Center (AfricaRice) met at the temporary headquarters in Cotonou, Benin, during the month of March and later the Executive and Finance Committee (EFC) of the Board met in Cotonou, in September 2012.

The Board is pleased with the continued improvements in the financial health and stability of the Center during the financial year ended on 31 December 2012. The Center operated 3 CRPs in 2012. Total CRP funding reached US\$ 9.8 million demonstrating the strength of the new CGIAR funding procedures. Because of the strong financial health of AfricaRice, the short payment delay imposed by the Fund Council under W1 and W2 in November had no effect on research activities. The Board is pleased to note that, AfricaRice recorded positive result and closed the year with a surplus of US\$ 0.549 million for the year-ended 31 December 2012. The Board wishes to commend the management for the sound and prudent manner in which it has managed the Center's resources in accordance with Board-approved program of work and budget.

The total revenue during the year increased by US\$ 0.290 million to US\$ 22.671 million, up from US\$ 22.381 million in 2011. The net expenditure increased by US\$ 0.931 million to US\$ 22.122 million up from US\$ 21.190 million in 2011. This resulted in a surplus of US\$ 0.549 million and increased the Center's net assets. The Center's Undesignated Net Assets increased from US\$ 11.453 million at end of 2011 to US\$ 12.050 million at end of 2012. Out of this increase, an amount of US\$ 0.488 million was set aside as "Designated Net Assets" to support future capital replacement. This increase was due to a combination of revenue recognition of member states receipts from 2011, US\$ 1.142 million, unrestricted grant received from Japan through Window 3 during the year, US\$ 0.372, netted off by the increase in expenditure as mentioned above.

### Other Indicators of Financial Health

The Center's liquidity and reserve indicator levels remained high at 215 days, slightly lower than the 222 days recorded in 2011. It is the sixth consecutive year that these financial indicators are above CGIAR recommended level. We expect that once again, AfricaRice will remain the CG Center with the highest reserve indicator ratio. In 2011, no other CG Center reached the 200 days mark. The audited Indirect Cost Rate for AfricaRice increased slightly to 15.3% during the year, up from 13.8% in 2011. This is well below the historic trend of the CGIAR Centers Median of 17.0% for 2011 and 17.8% for 2010.

Restricted Receivables to Restricted Payables from donors ratio increased further from 3.59 to 4.99 which exceeds the CG recommended level of less than 1. This is explained by the level of unsettled donor debts resulting from the delayed payments budgeted in line with new funding processes within the CGIAR System. Like all CGIAR Centers in 2012, AfricaRice had to resort to pre-financing to maintain adequate level of research activities for on-going projects, pending disbursement of funds through the new funding mechanisms, of which more than 50% of the

GRiSP funding was unpaid as of year-end. This was in addition to delays in processing EC and Japanese funds channelled through Window 3 of the CG Fund.

Africa Rice Center - Centre du riz pour l'Afrique

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## Risk Management

The Board approved a risk management statement at its 26<sup>th</sup> session in March 2006 and continues to monitor and manage identified risks as related to their likely impact and probability of occurrence. The Board, in close consultation with the Director General, sets the risk appetite for the Center.

## Fiduciary Responsibility

The Board recognizes its fiduciary responsibility for the financial statements of the center as well as in setting the overall strategy for the Center and following up on its implementation in accordance with agreed policies, timelines and output/outcomes.

## AfricaRice Strategy, Global Rice Science Partnership (GRiSP), and Climate Change, Agriculture and Food Security (CAAFS) CGIAR Programs

The Board congratulates the leadership and management of AfricaRice for developing the AfricaRice Center Strategy for 2011-2020 the Global Rice Science Partnership (GRiSP) as the first Consortium Research Program of the CGIAR, and for successfully implementing the 2011 and 2012 work plans and activities related to the GRiSP program. The GRiSP is the result of the continuing effective partnership of AfricaRice with the International Rice Research Institute (IRRI) and the International Center for Tropical Agriculture (CIAT). AfricaRice as a member of the CCAFS also received funds allocations from this CRP in late 2011 and was able to carry out all planned activities during the years 2011 and 2012. In December 2012, AfricaRice signed the agreement to become part of the Genebank CRP. US\$ 377,878 was raised in this CRP for 2012.

## Appreciation

On behalf of the Board of Trustees, I would like to thank the management and staff for their dedication and commitment in continuing the provision of corporate services to the International Institute of Tropical Agriculture (IITA), Bioversity International and the International Potato Center (CIP) offices for their West Africa activities in our Cotonou research station during the course of the year. I would also like to put on record our sincere appreciation to our member states, donors, collaborating national and international institutions and the CGIAR partners for their continued support and cooperation towards meeting the mission of the Center, which is aimed at alleviating poverty and enhancing income of resource-poor farmers in Africa.

**Peter J. Matlon**  
**Chairman, Board of Trustees**

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## BOARD STATEMENT ON RISK MANAGEMENT YEAR ENDED 31 DECEMBER 2012

The Board of Trustees of the Africa Rice Center (AfricaRice) has the responsibility for ensuring that an appropriate mechanism is in place for Center-wide risk management in order to ensure the achievement of the Center's research objectives. These risks include strategic, operational, financial and reputational elements that are inherent to the nature, *modus operandi* and locations of the Center's activities. These risks evolve over time owing to the environment in which the Center operates. There is potential for negative impact arising from inadequate or failed internal processes, systems, human factors and/or external events.

Most critical risks include:

- Irrelevant priorities and poor strategy resulting in low impact science (and therefore inappropriate technology);
- Misallocation of scientific efforts from agreed priorities;
- Loss of reputation for scientific excellence and integrity;
- Research disruption and information system failure;
- Financial liquidity problems;
- Transaction processing failures;
- Loss of assets, including information assets;
- Failure to recruit, retain and effectively utilize qualified and experienced staff;
- Failures in staff health and safety systems;
- Failures in the execution of Center's legal and fiduciary responsibilities; and
- Failure on the part of donors to make appropriate level of investments to support research.

The Board has adopted a risk management policy – communicated to all staff – that includes a framework by which the Center's management identifies, evaluates and prioritizes risks and opportunities across the organization; develops risk mitigation strategies which balance benefits with costs; monitors the implementation of these strategies; and periodically reports to the Board on results. This process draws upon risk assessments and analysis prepared by the staff of the Center's business units, internal auditors, Center-commissioned external reviewers and the external auditors.

The risk assessments also incorporate the results of collaborative risk assessments with other CGIAR Centers, System Office components, and other entities in relation to shared risks arising from jointly managed activities. The risk management framework seeks to draw upon best practices, as promoted in codes and standards promulgated in a number of CGIAR member countries. It is subject to ongoing review as part of the Center's continuous improvement efforts.

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# AfricaRice

Risk mitigation strategies include the implementation of systems of internal controls, which, by their nature, are designed to manage rather than eliminate risk. The Center endeavors to manage risk by ensuring that the appropriate infrastructure, control systems and people are in place throughout the organization. Key practices employed in managing risks and opportunities include environmental reviews, clear policies and accountabilities, transaction approval frameworks, financial and management reporting, and the monitoring of metrics designed to highlight positive or negative performance of individuals and processes across a broad range of key performance areas. The design and effectiveness of the risk management system and internal controls is subject to coordination through a Risk Management Committee and ongoing review by the Center's Internal Audit Unit, which is independent of the operating units, and which reports on the results of its audits directly to the Director General and to the Board through its Audit Committee.

The AfricaRice Board and management have reviewed the implementation of the risk management process during 2012 and the Board is satisfied with the progress made.

The Board has monitored and satisfied themselves of the sound fiscal management of Africa Rice Center (AfricaRice). The Board monitored the effectiveness of internal controls through the interactions with the Internal and External Audit functions that report to the Audit Committee.

**Peter J. Matlon**  
**Chairman, Board of Trustees**

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## CERTIFICATE BY CENTER MANAGEMENT YEAR ENDED 31 DECEMBER 2012

We have prepared the accompanying financial statements of the Africa Rice Center (AfricaRice) as of 31 December 2012. These financial statements are the responsibility of the Africa Rice Center management, and have been duly presented to the Center's external auditors, Ernst and Young for review.

The Center's management has worked closely with the internal and external auditors to ensure that the financial statements are presented in compliance with the CGIAR Manual, Financial Guideline Number 2 and the related Advisory Note issued by the CGIAR Consortium Office on 25 January, 2013.

In accordance with the requirement of Financial Guideline Number 2, the undersigned certify that:

- (i) the financial records of Africa Rice Center have been properly maintained;
- (ii) the financial statements, together with the explanatory notes thereto, comply in full with the provisions of the manual; and that
- (iii) the financial statements and the notes thereto give a true and fair view of the financial position, financial performance and cash flows of the Africa Rice Center.

**Denis Huneault**  
*Director of Administration and Finance*

**Papa Abdoulaye Seck**  
*Director General*

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## **REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF AFRICA RICE CENTER (AfricaRice)**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Africa Rice Center, which comprise the Statement of Financial Position as at 31 December 2012, the Statement of Activities and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### **Management's Responsibilities for the Financial Statements**

The management is responsible for the preparation and fair presentation of these financial statements in accordance with policies and practices prescribed for international research center seeking assistance from the Consultative Group on International Agricultural Research (CGIAR) as described on page 5 of the audited financial statements.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements give a true and fair view of the financial position of Africa Rice Center (AfricaRice) as at 31 December 2012, and of its surplus and its cash flows for the year then ended in accordance with CGIAR Accounting Policies and Reporting Practices Manual.

Lagos, Nigeria.  
22 March 2013



**AFRICA RICE CENTER (AfricaRice)**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2012**

	Note	2012	2011
<b><u>ASSETS</u></b>			
<u>Current Assets</u>			
Cash and Cash Equivalent	3(a)	8,038,183	12,155,406
Accounts Receivable:			
Donors	4	10,307,822	5,841,551
Employees (net of allowances)	5	431,054	409,127
Others (net of allowances)	6	432,257	273,324
Inventories	13	299,701	325,468
Prepaid Expenses	7	338,890	447,405
<b>Total Current Assets</b>		<b>19,847,907</b>	<b>19,452,281</b>
<u>Property and Equipment</u>			
Property and Equipment	8	14,149,832	12,544,953
Less: Accumulated Depreciation	8	(13,661,526)	(12,009,318)
<b>Total Property and Equipment-Net</b>		<b>488,306</b>	<b>535,635</b>
<b>TOTAL ASSETS</b>		<b>20,336,213</b>	<b>19,987,916</b>
<b><u>LIABILITIES AND NET ASSETS</u></b>			
<u>Current Liabilities</u>			
Bank Balances (Overdraft)	3(b)	39,574	
Accounts Payable:			
Donors	9	2,573,211	2,771,273
Employees	10(a)	562,259	424,756
Others	11	705,857	692,880
Employees Investment Account	10(b)	214,365	214,136
Provisions and Accruals	12	3,702,580	3,895,815
<b>Total Current Liabilities</b>		<b>7,797,846</b>	<b>7,998,860</b>
<b>TOTAL LIABILITIES</b>		<b>7,797,846</b>	<b>7,998,860</b>
<u>Net Assets</u>			
<u>Unrestricted Net Assets:-</u>			
Undesignated		12,050,061	11,453,421
Designated		488,306	535,635
<b>TOTAL NET ASSETS</b>		<b>12,538,367</b>	<b>11,989,056</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>		<b>20,336,213</b>	<b>19,987,916</b>

The accompanying notes to the financial statements (1-16) form part of this statement.

The financial statements were approved by the Board of Trustees on **22 March, 2013** and were signed on their behalf by:



**Mr. Denis Huneault**  
*Director of Administration and Finance*



**Dr. Papa Abdoulaye Seck**  
*Director General*

**AFRICA RICE CENTER (AfricaRice)**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**  
**(Expressed in US Dollars)**

	Unrestricted	Restricted - CRPs			Restricted - Other			Total 2012	Total 2011
		CGIAR Fund Windows 1 & 2	CGIAR Fund Window 3	Bilateral	CGIAR Fund Window 3	Bilateral	Total		
<b>Revenue and Gains</b>									
Grant Revenue	371,778	9,805,025	1,645,120	9,208,327	-	257,510	257,510	21,738,874	
Member States Operating Income	1,142,107							492,964	
Other Revenue and Gains	241,094							149,315	
<b>Total Revenue and Gains</b>	<b>1,754,978</b>	<b>9,805,025</b>	<b>1,645,120</b>	<b>9,208,327</b>	<b>-</b>	<b>257,510</b>	<b>257,510</b>	<b>22,381,153</b>	
<b>Expenses and Losses</b>									
Research Expenses	5,988	9,805,025	1,645,120	9,208,327	-	257,510	257,510	20,457,985	
General and Administration Expenses	3,213,102							2,898,843	
Other Losses								-	
<b>Sub-total</b>	<b>3,219,090</b>	<b>9,805,025</b>	<b>1,645,120</b>	<b>9,208,327</b>	<b>-</b>	<b>257,510</b>	<b>257,510</b>	<b>23,356,828</b>	
Indirect Cost Recovery	(2,013,423)							(2,166,407)	
<b>Total Expenses and Losses</b>	<b>1,205,667</b>	<b>9,805,025</b>	<b>1,645,120</b>	<b>9,208,327</b>	<b>-</b>	<b>257,510</b>	<b>257,510</b>	<b>21,190,421</b>	
<b>Surplus (Deficit)</b>	<b>549,311</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,190,732</b>	
<b>Expenses by Natural Classification</b>									
Personnel	1,577,299	3,856,932	579,993	2,450,015		26,368	26,368	7,690,790	
Supplies and Services	1,290,901	3,124,454	702,238	3,577,049		132,028	132,028	8,196,215	
Collaborators - CGIAR Centers									
Collaborators - Partners		922,893	170,996	2,011,084				3,652,468	
Travel	190,138	614,950	172,503	991,557		29,415	29,415	1,452,354	
Depreciation	160,751	1,285,796	19,389	140,939		69,699	69,699	2,344,614	
System Cost (CSP)	-	-	-	37,681				20,387	
<b>Sub-total</b>	<b>3,219,090</b>	<b>9,805,025</b>	<b>1,645,120</b>	<b>9,208,327</b>	<b>-</b>	<b>257,510</b>	<b>257,510</b>	<b>23,356,828</b>	
Indirect Cost Recovery	(2,013,423)							(2,166,407)	
<b>Total Expenses and Losses</b>	<b>1,205,667</b>	<b>9,805,025</b>	<b>1,645,120</b>	<b>9,208,327</b>	<b>-</b>	<b>257,510</b>	<b>257,510</b>	<b>21,190,421</b>	

The accompanying notes to the financial statements (1-16) form part of this statement

**AFRICA RICE CENTER (AfricaRice)**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

<b>UNRESTRICTED NET ASSETS</b>	<b>Undesignated US \$</b>	<b>Designated <sup>1/</sup> US \$</b>	<b>Total US \$</b>
<b>Balance as at 1 January 2011</b>	<b>9,990,278</b>	<b>808,046</b>	<b>10,798,324</b>
Net Surplus for the year	1,190,732		<b>1,190,732</b>
<u>Net Gain and Losses not recognised in Statement of Activities:</u>			
Prior Period Adjustments			
Net Changes in Investment in Fixed Assets	272,411	(272,411)	
<b>Balance as at 31 December 2011</b>	<b>11,453,421</b>	<b>535,635</b>	<b>11,989,056</b>
Net Surplus for the year	549,311		<b>549,311</b>
Net Changes in Investment in Fixed Assets	47,329	(47,329)	
<sup>1/</sup> Designated in an amount equal to the Investment in Net book Value of Property Plant and Equipment			
<b>Balance as at 31 December. 2012</b>	<b>12,050,061</b>	<b>488,306</b>	<b>12,538,367</b>

<sup>1/</sup> **Designated Net Assets**

This amount has been transferred from undesignated net assets in an amount representing the accumulated net book value of investment in fixed assets with effect from 2007

Net Assets are the residual interest in the Center's assets remaining after liabilities are deducted.  
These are classified as follows:-

(a) Undesignated Net Assets

These represent that part of net assets accumulated from past and present surpluses of revenue over expenses that are not designated by Center Management for specific purposes.

(b) Designated Net Assets

These represent that part of net assets that has been designated by Center Management for the future acquisitions and replacement of property and equipment in an amount equal to the net investment in fixed assets. This has been introduced in order to disclose this amount in line with the requirements of CG Financial Guideline Series No.2

The accompanying notes to the financial statements (1-16) form part of this statement

**AFRICA RICE CENTER (AfricaRice)**  
**STATEMENT OF CASHFLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

	<b>Total</b>	
	<b>2012</b>	<b>2011</b>
<b>CASHFLOWS PROVIDED (USED) IN OPERATING ACTIVITIES</b>		
<b>Change in Net Assets</b>	<b>549,311</b>	<b>1,190,732</b>
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities :		
Prior Period Adjustments	91,079	227,631
Depreciation	1,676,574	2,344,614
Gain on Disposal of Fixed Assets	(6,922)	(44,929)
Decrease (Increase) in Assets		
Accounts Receivable:		
Donors	(4,466,270)	(1,229,957)
Employees	(21,926)	(130,707)
Others	(158,932)	139,366
Inventories	25,766	(6,527)
Prepaid Expenses	108,514	(163,271)
Increase (Decrease) in Liabilities		
Accounts Payable:		
Donors	(198,063)	797,237
Employees	137,503	44,122
Others	12,976	(34,882)
Employees Investment Account	229	136
Provisions and Accruals	(193,235)	709,658
<b>Net Cash Provided in Operating Activities</b>	<b>(2,443,395)</b>	<b>3,843,223</b>
<b>CASHFLOWS PROVIDED (USED) IN INVESTING ACTIVITIES</b>		
Acquisition of Property and Equipment	(1,720,324)	(2,299,834)
Proceeds from Disposal of Property and Equipment	6,922	44,929
<b>Net Cash Used in Investing Activities</b>	<b>(1,713,402)</b>	<b>(2,254,905)</b>
<b>CASHFLOWS PROVIDED (USED) IN FINANCING ACTIVITIES</b>		
Bank Overdraft	39,574	
<b>Net Cash Used in Financing Activities</b>	<b>39,574</b>	
<u>Net Increase (Decrease) in Cash and Cash Equivalents</u>		
Cash and Cash Equivalents at Beginning of Year	12,155,406	10,567,088
(Decrease)/Increase in Cash and Cash Equivalents	(4,117,224)	1,588,318
<b>Cash and Cash Equivalents at End of Year</b>	<b>8,038,183</b>	<b>12,155,406</b>

The accompanying notes to the financial statements (1-16) form part of this statement

# AFRICA RICE CENTER (AfricaRice)

## NOTES THE FINANCIAL STATEMENTS

### 1. ORGANIZATION AND OBJECTIVES

The Africa Rice Center (AfricaRice) is an autonomous intergovernmental research association of African member countries. It is also a leading pan-African research organization with a mission to contribute to poverty alleviation and food security in Africa through research, development and partnership activities. It belongs to the Consortium of Centers supported by the CGIAR Fund. The Center was created in 1971 by 11 African countries. Today its membership comprises 24 countries, covering West, Central, East and North African regions, namely Benin, Burkina Faso, Cameroon, Central African Republic, Chad, Côte d'Ivoire, Democratic Republic of Congo, Egypt, Gabon, the Gambia, Ghana, Guinea, Guinea Bissau, Liberia, Madagascar, Mali, Mauritania, Niger, Nigeria, Republic of Congo, Senegal, Sierra Leone, Togo and Uganda.

Recognizing the strategic importance of rice for Africa and for the effective geographic expansion of the Center – which was constituted as the West Africa Rice Development Association (WARDA) – its Council of Ministers took a historic decision in 2009 to officially change its name to “Africa Rice Center (AfricaRice)” and to no longer refer to it as WARDA.

Following the political crisis in Côte d'Ivoire, AfricaRice's headquarters was temporarily relocated in 2005 to Cotonou, Benin. Research staff are also based in Senegal, Nigeria, Tanzania and Côte d'Ivoire.

The Center receives funds from the CGIAR Fund, as well as from its member countries and other donors.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounts have been prepared under the historical cost convention. The significant accounting policies, which have been applied consistently with the previous year, are set out below.

#### ***(i) Basis of Preparation and Presentation of Financial Statements***

The financial statements are prepared and presented in accordance with the recommendations made in the CGIAR Financial Guidelines Series No. 2: Accounting Policies and Reporting Practices Manual (March 2004 – updated in February 2006) which are in conformity with International Accounting Standards (IAS) for not-for-profit organizations.

This guideline was last updated in 2006 and does not provide any guidance on the presentation of the financial aspects of CGIAR Research Programs (CRP). As a consequence, an “Advisory Note” was issued from the CGIAR Consortium Office on 22 December, 2011 to all CGIAR centers to provide guidance for the centers and their auditors with regards to 2011 Financial Statements reporting and accounting treatment by the individual centers for the funds disbursed through CGIAR Fund Windows( 1, 2, and 3). An update of the “Advisory Note” was once again issued on 25<sup>th</sup> January, 2013 with a view to clarify on issues relating to the preparation of the 2012 Audited Financial Statements. A comprehensive review of FG2 guidelines is planned to take place during 2013, and that revised version of FG2 will be used for 2013 Financial Statements reporting and presentation.

#### ***(ii) Revenue Recognition***

The financial statements of AfricaRice have been presented using the accrual basis of accounting except for contributions from member states in support of the operational budget of AfricaRice that are recognized as revenue in the fiscal year following the one in which the contributions are received. Funds paid by Member States and other Donors towards Capital Development are therefore credited to Revenue when they are received in accordance with the existing Board-approved Policy

All grants whether restricted or unrestricted, are recognized as revenue upon fulfillment of the donor-imposed conditions, or the donor has explicitly waived the conditions.

They are classified as follows according to the type of donor-imposed restrictions:

- ❖ Unrestricted grants are funds made available to AfricaRice to meet normal operating costs or whatever other purpose AfricaRice may deem fit.

# AFRICA RICE CENTER (AfricaRice)

## NOTES THE FINANCIAL STATEMENTS

- ❖ Restricted bilateral grants, which may be pledged for more than one year, are funds that are used to finance and support specific projects identified and agreed upon by their donors and AfricaRice. Such projects may include fixed assets acquisitions and replacement funds as well as research and training activities, and are recognized as revenue only to the extent that related expenses have been incurred. They are labeled as permanently or temporarily restricted. CGIAR Challenge Programs continue to be treated as bilateral grants based on the agreements signed with the coordinating centers. The Genebank Stability Funds are also similarly treated as restricted bilateral grants.
- ❖ Restricted CGIAR Research Programs (CRP) that are funded through the CGIAR Funding Windows, are treated as restricted funds for carrying out the approved workplans and budgets.

### ***(iii) Foreign Currency Transactions***

Since the currency for accounting at AfricaRice is the US dollar, AfricaRice accounts are maintained in US dollars. Local currency of various member states and other countries in which AfricaRice operates are recorded in the books of AfricaRice at the rate of exchange prevailing on the dates of the transactions.

Pledges in currencies other than US dollars are recorded at the exchange rates prevailing at the time of receipt or, if outstanding, at the rate of exchange prevailing at the year end.

Monetary assets and liabilities in currencies other than the US dollars are restated at market rates of exchange prevailing at the year-end. Differences in exchange are accounted for in the statement of activities.

### ***(iv) Property, Plant, Equipment and Depreciation***

The CGIAR Accounting Financial Guidelines No. 2 effective from year 2004 and updated in February 2006 prescribes the depreciation rates for all purchases made from restricted project funds be made at a 100% of cost during the year of purchase.

Likewise, the treatment of fixed assets intended to revert to host countries in the event that AfricaRice ceases its operations in that country have been revised. The assets constructed or purchased effective 1 January 2005 are capitalized in accordance with those guidelines.

The annual depreciation rates are as follows:

	<b>Rates</b>
Physical Facilities (buildings and installations)*	1.67%
Heavy duty equipment	10.00%
Agricultural equipment	10.00%
Vehicles and tractors	14.29%
Furniture and office equipment	10.00%
Laboratory and scientific equipment	10.00%
Computer equipment	20.00%

\* With the exception of Physical Facilities (buildings and installations) constructed in Benin which have been depreciated at an accelerated rate of 20% in line with the Board-approved decision to remain in the new temporary location for 5 years.

### ***(v) Accrued Relocation Allowance***

A provision has been made to meet the end of contract relocation allowance in accordance with the contracted amount for each international staff member. This provision takes into account the Board-approved policy that no allowance is payable before one full year of service, and is further prorated for the period between one and two years of service before attaining the full sum contracted.

### ***(vi) Inventories***

Inventories of materials and supplies are stated at the lower of the acquisition cost and the net realizable values. Acquisition cost is determined using the moving average method.

Materials in transit are stated at invoice cost, inclusive of insurance and freight.

## AFRICA RICE CENTER (AfricaRice)

### NOTES THE FINANCIAL STATEMENTS

#### 2.1 TAX STATUS

In accordance with the agreements between AfricaRice and the governments of Côte d'Ivoire and Benin, signed on 26 September 1989 and 14 December 2004 respectively, AfricaRice, its assets, income and any other property are exempted from any form of direct taxation in Côte d'Ivoire and Benin. AfricaRice may be reimbursed on its request value added tax on construction work for buildings, supplies and services used exclusively for official purposes, except for tax on services in the case of Benin. AfricaRice and its staff are not required to contribute to the social security plan of Côte d'Ivoire although in practice a certain number of staff are affiliated to the Social Security Organization in Côte d'Ivoire. Certain AfricaRice staff are exempt from all taxes on salaries and benefits for their activities at AfricaRice.

#### 2.2 GRANTS IN-KIND

Grants-in-kind are recorded at the fair value of the assets (or services) received or promised, or the fair value of the liabilities satisfied.

The only grants-in-kind relating to seconded staff support that will be recognized by AfricaRice in the financial statements will be subject to the fulfillment of following conditions:

- (i) the donated staff must be fully engaged in a project within AfricaRice's agreed agenda activities;
- (ii) the project must be full-cost budgeted in AfricaRice's work program;
- (iii) the full cost as budgeted is borne by the in-kind provider; and
- (iv) the in-kind provider approves of the inclusion, and the value, of their support as revenue in AfricaRice's financial statements.

The financial statements as a consequence do not include seconded staff grants in-kind, and these are disclosed as detailed below:

##### *Seconded personnel*

The following countries and institutions provided support in the form of seconded scientific personnel to AfricaRice during the year. The costs were borne by the donors based on a fair valuation of the services provided by these personnel as shown below, whilst AfricaRice provided the necessary operational services and utilities.

	2012 Number of personnel	2012 Estimated costs (US \$)	2011 Number of personnel	2011 Estimated costs (US \$)
Japan	0	0	2	240,000
France	3	360,000	2	240,000
<b>Total</b>	<b>3</b>	<b>360,000</b>	<b>4</b>	<b>480,000</b>

#### 2.3 NATIONALLY RECRUITED STAFF (GSS) PROVIDENT FUND

The nationally recruited staff, commonly referred to as General Support Staff (GSS), participate in a Contributory Provident Fund where the employer and employee both contribute funds to the Fund on a monthly basis. Where as GSS Provident Fund exists by that name since it's inception, the constitution follows rather different practices that in reality that make it more of a Contingency Fund as members are free to withdraw 75% of their contributions after the first 4 years and subsequently after every 2 years. The Provident Fund is managed by an independent management committee comprising of elected representatives of the staff body and ex-officio representatives of the Center management. The Fund operates under an intra-Center constitution which lays out the guidelines for granting loans to its members as well as fund withdrawal options.

AfricaRice has invested part of the Provident Fund savings in an interest-earning short-term cash-reserve account with Citibank, New York.

## **AFRICA RICE CENTER (AfricaRice)**

### **NOTES THE FINANCIAL STATEMENTS**

#### **2.4 INDIRECT COST RECOVERY**

The pooling of direct and indirect costs is based on the principle of attribution and assignability. Expenditures that are common to the different cost centers are allocated on the basis of resource drivers. Non-operating and non-recurring expenditures are excluded in the computation.

The method of calculating the indirect cost recovery rate is based in accordance with the CGIAR Financial Guidelines No.5 (refer to Annex 12).

The indirect cost rates on restricted projects may vary depending on the rates agreed upon in the terms and conditions of the relevant agreements.

#### **2.5 CONTINGENT LIABILITIES AND SUBSEQUENT EVENTS**

Post year-end events and contingent liabilities that may have an impact on the Center's financial situation as at the end of the reporting period, if any, are reflected in the financial statement, and any significant non-adjusting post year-end events are disclosed in the notes to the financial statements.



## AFRICA RICE CENTER (AfricaRice)

### NOTES TO THE FINANCIAL STATEMENTS - (Continued)

3(a)	CASH AND CASH EQUIVALENTS	2012	2011
		US \$	US \$
	Bank Balances-Current Accounts <sup>a/</sup>	2,649,866	6,534,693
	Bank Balances-Short Term Investment Accounts <sup>b/</sup>	5,339,905	5,582,806
	Cash on Hand <sup>c/</sup>	48,412	37,907
		<b>8,038,183</b>	<b>12,155,406</b>

<sup>a/</sup> The bank balances include bank accounts at headquarters and those held by outstations for local cash management in the respective locations

<sup>b/</sup> The short-term deposits are investments acquired with original maturities of three months or less. Currently most of the funds are held in Cash Reserve Accounts and are therefore readily available on call.

<sup>c/</sup> The cash on hand balances include cash imprests both at headquarters and those held by outstations for local cash management in the respective locations

3(b)	BANK BALANCES (OVERDRAFT)	2012	2011
		US \$	US \$
	Bank Balances (Overdraft)-Ecobank (XOF) Current Account	39,504	
	Bank Balances (Overdraft)-Ecobank (LRD) Current Project Account	70	
		<b>39,574</b>	<b>-</b>

4	ACCOUNTS RECEIVABLE-DONORS	2012	2011
		US \$	US \$

#### Unrestricted Grants:-

##### Sub-Total Unrestricted Grants Receivable

#### Restricted Grants:-

##### Restricted Project Fund Balances Receivable-See note (a) below

Bilateral Restricted Grants Receivable	5,611,469	4,900,677
Challenge Program Grants Receivable	81,634	77,538
IRRI Bilateral GRiSP	502,116	
CGIAR Research Programs Receivable-GRiSP	3,531,713	863,336
CGIAR Research Programs Receivable-CCAF	203,012	
CGIAR Genebank Stability Fund Receivable	377,878	

##### Sub-Total Restricted Grants Receivable

**10,307,822**      **5,841,551**

**10,307,822**      **5,841,551**

(a) Details of amounts receivable from restricted donors are given in the Schedule of Restricted Agenda Funding on Annex 11

(b) No general provisions are made for doubtful donor receivables, as expenditures are only incurred on the basis of Bilateral Agreements signed between the donors and AfricaRice

## AFRICA RICE CENTER (AfricaRice)

### NOTES TO THE FINANCIAL STATEMENTS - (Continued)

5	ACCOUNTS RECEIVABLE-EMPLOYEES	2012	2011
		US \$	US \$
	Due from Staff Members	429,535	410,094
	Due from Separated Staff Members	3,300	268
	<b>Sub-Total Employee Accounts Receivable</b>	<b>432,834</b>	<b>410,362</b>
	Less: Provision for Doubtful Accounts Receivable <sup>a/</sup>	(1,781)	(1,235)
		<b>431,054</b>	<b>409,127</b>

<sup>a/</sup> No general provision is made for doubtful receivables.

The accounts deemed doubtful are identified based on case by case review

6	ACCOUNTS RECEIVABLE-OTHERS	2012	2011
		US \$	US \$
	<b>Corporate Services Inter-Center Receivables:</b>		
	International Institute of Tropical Agriculture (IITA)	198,692	67,494
	Bioversity International	12,669	
	International Potato Center (CIP)	877	60
	<b>Sub-Total Inter-Center Accounts Receivable</b>	<b>212,238</b>	<b>67,554</b>
	<b>Other CGIAR Centers Accounts Receivable</b>	<b>71,622</b>	<b>45,744</b>
	<b>Sundry Receivable Accounts</b>	<b>148,397</b>	<b>160,026</b>
	<b>Sub-Total</b>	<b>432,257</b>	<b>273,324</b>
	Less: Provision for Doubtful Accounts Receivable <sup>a/</sup>		
		<b>432,257</b>	<b>273,324</b>

<sup>a/</sup> No general provision is made for doubtful receivables.

The accounts deemed doubtful are identified based on case by case review

7	PREPAID EXPENSES	2012	2011
		US \$	US \$
	Petrol Coupons	3,896	667
	Pre-Paid to Suppliers	334,994	446,738
		<b>338,890</b>	<b>447,405</b>

**AFRICA RICE CENTER (AfricaRice)  
NOTES TO THE FINANCIAL STATEMENTS - (Continued)**

**Note 8: PROPERTY, PLANT & EQUIPMENT**

	Physical Facilities and Installations	Heavy Duty Equipment	Agricultural Equipment	Vehicles and Tractors	Furniture and Office Equipment	Laboratory & Scientific Equipment	Computers	Fixed Assets in Transit	Total 2012	Total 2011
Note (a)										
<b><u>COST</u></b>										
<b>Balance: 1 January, 2012</b>	<b>1,326,744</b>	<b>702,547</b>	<b>1,656,365</b>	<b>2,367,726</b>	<b>1,331,591</b>	<b>3,399,800</b>	<b>1,467,383</b>	<b>292,797</b>	<b>12,544,953</b>	<b>10,407,080</b>
<b><u>CURRENT PERIOD</u></b>										
Prior Period Adjustment ©	17,494		20,748	115,479		69,431	14,746	(54,899)	(54,899)	-
Reclassified Assets in Transit				(24,518)	(34,356)		(1,672)	(237,898)	-	-
Disposals	190,550	18,163	63,055	254,331	23,557	882,059	209,066	79,543	(60,545)	(161,961)
<b>Balance: 31 December, 2012</b>	<b>1,534,788</b>	<b>720,710</b>	<b>1,740,168</b>	<b>2,713,018</b>	<b>1,320,792</b>	<b>4,351,290</b>	<b>1,689,523</b>	<b>79,543</b>	<b>14,149,832</b>	<b>12,544,953</b>
<b><u>ACCUMULATED DEPRECIATION</u></b>										
<b>Balance: 1 January, 2012</b>	<b>1,240,811</b>	<b>681,061</b>	<b>1,618,228</b>	<b>2,224,902</b>	<b>1,287,404</b>	<b>3,386,714</b>	<b>1,277,401</b>	<b>292,797</b>	<b>12,009,319</b>	<b>9,599,034</b>
<b><u>CURRENT PERIOD</u></b>										
Prior Period Adjustment ©	80,180	10,899						(54,899)	36,180	227,631
Reclassified Assets in Transit	17,494		20,748	115,479	-	69,431	14,746	(237,898)	-	-
Disposals	139,725	803	70,587	(24,518)	(34,356)		(1,672)	79,543	(60,545)	(161,961)
<b>Balance: 31 December, 2012</b>	<b>1,478,210</b>	<b>692,763</b>	<b>1,709,564</b>	<b>2,533,041</b>	<b>1,282,892</b>	<b>4,344,747</b>	<b>1,540,768</b>	<b>79,543</b>	<b>13,661,526</b>	<b>12,009,318</b>
<b>NET BOOK VALUE</b>	<b>56,578</b>	<b>27,947</b>	<b>30,604</b>	<b>179,978</b>	<b>37,901</b>	<b>6,543</b>	<b>148,755</b>	<b>-</b>	<b>488,306</b>	<b>535,635</b>

(a) As a result of adjustments which followed a change of Accounting Policy on Capitalization of Land, Buildings and Installations in year 2000 as described in other notes, Buildings and Installations amounting to \$12,029,892 were excluded from the Fixed Assets Register and treated as 'Assets in Custody'. This policy has been discontinued with effect from January 1, 2004 following the implementation of the revised Financial Guideline No. 2.

The buildings constructed in Cotonou, Republic of Benin, since 2005 are being depreciated over a period of 5 years in line with the Management decision to stay in the host country, Benin, for a period of 5 years by which period it is anticipated that peace will have been re-established in Côte d'Ivoire.

(b) The Fixed Asset additions financed from restricted funds during the year amounted to **US\$ 1,515,824** and **US\$ 2,106,688** in 2011.

(c) The Prior Period Adjustment relates to a depreciation adjustment for Fixed Asset additions in 2012 financed from 2011 accrued expenses.

# AFRICA RICE CENTER (AfricaRice)

## NOTES TO THE FINANCIAL STATEMENTS - (Continued)

### 9 ACCOUNTS PAYABLE-DONORS

	2012	2011
	US \$	US \$
<b>Restricted Grants:-</b>		
<u>Restricted Grants Received in Advance - See Note (a) below</u>		
Bilateral Restricted Grants Received in Advance	1,926,709	1,282,544
IRRI Bilateral GRiSP	38,318	
Challenge Program Grants Received in Advance	91	147,695
CGIAR Research Programs(CRP) Received in Advance-GRiSP		
CGIAR Research Programs(CRP) Received in Advance-CCAF		98,927
CGIAR Genebank Stability Fund Received in Advance		
<b>Sub-Total Restricted Grants Payable as per Schedule</b>	<b>1,965,118</b>	<b>1,529,166</b>
USAID-OFDA Refundable Balance -See Note (b) below	100,000	100,000
<b>Sub-Total Restricted Grants Payable</b>	<b>2,065,118</b>	<b>1,629,166</b>
<b>Member States and Other Contribution:</b>		
Member States Contributions Received in Advance	508,093	1,142,107
<b>Sub-Total Member States Contributions Received in Advance</b>	<b>508,093</b>	<b>1,142,107</b>
	<b>2,573,211</b>	<b>2,771,273</b>

- (a) Details of amounts received in advance from restricted donors are given in the Schedule of Restricted Agenda Funding on Annex 11.
- (b) This account payable was held under instruction from the donor USAID who had indicated a decision to have the amount transferred to a different project that has yet to be identified.
- No provision is made for donor accounts receivable based on past experience and a detailed review of restricted spending to ensure that the receivables fall within amounts pledged by the donors.

### 10(a) ACCOUNTS PAYABLE-EMPLOYEES

	2012	2011
	US \$	US \$
Staff Provident Funds (Liberia Staff) <sup>a/</sup>	27,851	27,851
Staff Provident Funds (Côte D'Ivoire, Senegal and Benin-based Staff) <sup>a/</sup>	172,869	135,255
Due to Separated Staff Members	19,940	19,940
Due to Staff Members	341,599	241,710
	<b>562,259</b>	<b>424,756</b>

<sup>a/</sup> Provident Fund is a retirement fund for Nationally Recruited Staff (See also note 2.3)

### 10(b) ACCOUNTS PAYABLE-EMPLOYEES INVESTMENT ACCOUNT

	2012	2011
	US \$	US \$
Amount Invested in Time Deposit for the General Support Staff Provident Fund		
Balance Brought Forward January 1, 2012	214,136	214,000
Capital Enhancements During the Year 2012	229	136
Balance Carried Forward December 31, 2012	<b>214,365</b>	<b>214,136</b>

These are excess cash funds belonging to the Staff Provident Fund that were invested in short term deposit with Citibank New York. Interest earned during the year has been credited to the control account for the General Support Staff Provident Fund, and partially capitalized in 2012.

The Provident Fund is a retirement fund which operates under an intra-center constitution managed by elected representatives of the staff and ex-officio representatives of Center management (See also Note 2.3).

## AFRICA RICE CENTER (AfricaRice)

### NOTES TO THE FINANCIAL STATEMENTS - (Continued)

11	ACCOUNT PAYABLE-OTHERS		2012	2011
			US \$	US \$
	Suppliers Payable Accounts		326,156	292,618
	Payroll Taxes Accounts Payable		42,132	29,770
	Other CGIAR Centers		49,123	112,653
	<b><u>Corporate Services Inter-Center Payables:</u></b>			
	International Institute of Tropical Agriculture (IITA)		177,908	160,025
	Bioversity International			84
	International Potato Center (CIP)			
	<b>Sub-Total Corporate Service Inter-Center Accounts Payable</b>		<b>177,908</b>	<b>160,109</b>
	Sundry Payable Accounts		110,537	97,730
			<b>705,857</b>	<b>692,880</b>
12	PROVISIONS AND ACCRUALS		2012	2011
			US \$	US \$
	Accrued Expenses & Provisions	(a)	2,105,310	2,402,167
	Staff Accrued Leave		700,109	643,494
	Accrued Relocation & Repatriation Allowances		472,932	446,851
	Accrued Termination Benefits-Support Staff		322,139	292,213
	Accrued Audit Fees-External (Statutory Audits)		46,000	46,000
	Accrued Audit Fees-External (Non-Statutory Audit Assignments)	(b)	56,090	65,090
			<b>3,702,580</b>	<b>3,895,815</b>
13	INVENTORIES		2012	2011
			US \$	US \$
	Stationery and Office Supplies		26,428	28,927
	Vehicle and Equipment Spare Parts		177,885	192,233
	Building and Maintenance Supplies		53,820	59,305
	Fuel and Lubricants		4,769	3,576
	Fuel Stocks - Cotonou		6,689	10,067
	Field and Farm Supplies		4,927	4,403
	Laboratory Supplies		525	600
	Stocks - Health Post		529	991
	General Stocks		24,128	25,366
			<b>299,701</b>	<b>325,468</b>

The inventory is periodically reviewed to ensure that any slow moving item with a possible obsolescence risk are identified and disposed of. No general provision for inventory obsolescence is deemed necessary under these circumstances.

## AFRICA RICE CENTER (AfricaRice)

### NOTES TO THE FINANCIAL STATEMENTS - (Continued)

#### 14 MEMBER STATES' CONTRIBUTION

(a) Funds paid by Member States towards AfricaRice's Operations will continue to be recognised as Revenue in the subsequent year in accordance with Note2.( i ).

The following Member States paid in contributions to the Operational activities of AfricaRice during the years ended December 31, 2011 and 2010

	<b>2012</b>	<b>2011</b>
	<b>US \$</b>	<b>US \$</b>
Benin	18,283	18,283
Cote D'Ivoire	-	102,669
Ghana	111,606	-
Chad	-	59,809
Nigeria	640,700	
Liberia	36,454	36,566
Mali	-	16,642
Senegal	18,283	18,283
The Gambia	136,525	69,595
Cameroun	108,438	29,873
Burkina-Faso	-	30,784
Sierra Leone	-	36,566
Togo	18,580	19,045
Uganda	18,283	18,283
Egypt	-	18,283
Congo Brazzaville	16,672	
Gabon	18,283	18,283
	<b>1,142,107</b>	<b>492,964</b>

(b) No Member States made contributions to the Capital Development activities of AfricaRice relating to the years ended December 31, 2012 and 2011

#### 15 OTHER INCOME

	<b>2012</b>	<b>2011</b>
	<b>US \$</b>	<b>US \$</b>
'Other Income' Revenues are made up as follows:		
Interest Income	48,244	42,687
Sale of rice	72,238	4,905
Guest House	5,082	12,641
Transport	14,907	28,074
Training Bench fees	80,211	
Miscellaneous Income	13,490	16,079
Sale of Fixed Assets	6,922	44,929
	<b>241,094</b>	<b>149,315</b>

# AFRICA RICE CENTER (AfricaRice)

## NOTES TO THE FINANCIAL STATEMENTS - (Continued)

### 16 EXPENSES AND LOSSES

	2012	2011
	US \$	US \$
<b>(a) Program Related Expenses by Functional Classification as of December 31, 2012</b>		
Research	10,488,448	10,742,806
Challenge Programs	585,476	602,885
Research Support	4,796,437	3,648,725
Learning and Innovation Systems (includes Training, Information and Library)	786,699	145,729
Rice TIME Unit	3,030,801	4,176,420
System-Wide Program (SWEP-IVC)	1,234,108	1,141,420
	<b>20,921,969</b>	<b>20,457,985</b>

### (b) Expenses and Losses by Functional and Natural Classification as of December 31, 2012

	2012		2011	
	US \$		US \$	
	Program Related	Management and General	Program Related	Management and General
Personnel Costs	6,913,309	1,577,299	6,029,603	1,661,187
Supplies & Services	7,558,883	1,284,914	7,323,342	872,872
CRP Collaborators and Partnerships Costs-CGIAR Centers				
Supplies & Services-Collaborators and Partnerships Costs	3,087,847		3,652,468	
Operational Travel	1,808,425	190,138	1,325,497	126,857
Depreciation	1,515,823	160,751	2,106,688	237,927
System Cost (CSP)	37,681		20,387	
Gross Operating Expenses	<b>20,921,969</b>	<b>3,213,102</b>	<b>20,457,985</b>	<b>2,898,843</b>

## ANNEX 1

### AFRICA RICE CENTER (AfricaRice)

### AFRICAN DEVELOPMENT BANK

FINANCIAL REPORT: period from 1 January to 31 December 2012

Project Title:-AFDB (WARDA)-NERICA DISSEMINATION PROJECT	
DESCRIPTION	AMOUNT (US\$)
Balance due from AfDB brought forward 1 January 2012	(15,383)
<b>WARDA (AfricaRice) Grant:</b>	
-PERSONNEL COSTS	-
-SUPPLIES AND SERVICES	2,000
-OPERATIONAL TRAVEL	-
-CAPITAL	-
<b>Total expenses on WARDA (AfricaRice) Grant</b>	<b>2,000</b>
<b>NARS GRANT:</b>	
-OPERATIONAL FUNDS PAID OUT	-
<b>Total expenses on NARS GRANT</b>	<b>-</b>
<b>TOTAL EXPENDITURE FOR THE YEAR</b>	<b>2,000</b>
Interest on Bank account (Credit) Received from AFDB in 2012:	(44)
<b>Total funds received</b>	<b>(44)</b>
<b>Balance due to AFDB carried forward as at 31 December 2012</b>	<b>(13,427)</b>



## ANNEX 2

### AFRICA RICE CENTER (AfricaRice) INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT (IFAD) (EUROPEAN UNION FUNDING)

FINANCIAL REPORT: Statement of Expenditure for the period 1 January to 31 December 2012

Project Title:-IFAD/EC-Rice Policy and Technology Impact for Food Security and Poverty Reduction		
DESCRIPTION	AMOUNT (US\$)	AMOUNT (EURO)
-PERSONNEL COSTS	-	-
-SUPPLIES AND SERVICES	-	-
-OPERATIONAL TRAVEL	-	-
-CAPITAL	-	-
<b>TOTAL EXPENDITURE FOR THE YEAR</b>	-	-
<b>Balance due from IFAD as at 31 December 2011</b>	<b>49,176</b>	<b>36,400</b>
<b>Exchange Difference on Prior Year Receivable Amount</b>	-	-
<b>Amount received from IFAD:</b>		
July-12      (10% of Budget 2010)	(49,176)	(36,400)
<b>Balance due from IFAD as at 31 December 2012</b>	-	-

## ANNEX 3

### AFRICA RICE CENTER (AfricaRice) INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT (IFAD) (EUROPEAN UNION FUNDING)

FINANCIAL REPORT: Statement of Expenditure for the period 1 January to 31 December 2012

<b>Project Title:- IFAD/EC System Wide Programme</b> "Realisation of Agricultural Potential (RAP) of Inland Valley Lowlands in SSA"		
<b>DESCRIPTION</b>	<b>AMOUNT (US\$)</b>	<b>AMOUNT (EURO)</b>
-PERSONNEL COSTS	262,311	198,871
-SUPPLIES AND SERVICES	280,654	212,778
-OPERATIONAL TRAVEL	151,387	114,774
-CAPITAL	-	-
<b>TOTAL EXPENDITURE FOR THE YEAR</b>	<b>694,352</b>	<b>526,423</b>
<b>Balance due from IFAD as at 31 December 2011</b>	<b>550,127</b>	<b>424,481</b>
<b>Received from IFAD</b>		
- July 2012 (10% of 2010 Budget)	(70,691)	(52,325)
<b>Revaluation Exchange Difference on Conversion of Closing Balance to Euros</b>		
<b>Balance due from IFAD as at 31 December 2012</b>	<b>1,173,788</b>	<b>898,579</b>

## ANNEX 4

### AFRICA RICE CENTER (AfricaRice) INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT (IFAD) (EUROPEAN UNION FUNDING)

FINANCIAL REPORT: Statement of Expenditure for the period 1 January to 31 December 2012

<b>Project Title:- IFAD/EC-Rice Policy “2010 Incremental EC Contribution to CGIAR”</b>		
<b>DESCRIPTION</b>	<b>AMOUNT (US\$)</b>	<b>AMOUNT (EURO)</b>
-PERSONNEL COSTS	341,978	259,271
-SUPPLIES AND SERVICES	286,096	216,904
-OPERATIONAL TRAVEL	259,935	197,070
-CAPITAL	13,042	9,888
<b>TOTAL EXPENDITURE FOR THE YEAR</b>	<b>901,051</b>	<b>683,132</b>
<b>Balance due from IFAD as at 31 December 2011</b>	<b>1,061,777</b>	<b>819,272</b>
<b>Amount received from IFAD: May 2012-Application No.2</b>	<b>(1,162,586)</b>	<b>(878,750)</b>
<b>Revaluation Exchange Difference on Conversion of Closing Balance to Euros</b>		
<b>Balance due from IFAD as at 31 December 2012</b>	<b>800,241</b>	<b>623,654</b>

## ANNEX 5

### AFRICA RICE CENTER (AfricaRice)

### INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT (IFAD)

FINANCIAL REPORT: Statement of Expenditure for the period 1 January to 31 December 2012

<b>Project Title:- NERICA Access-WCA Project</b> "Enhancing Smallholder Access to NERICA for Alleviating Rural Poverty in West and Central Africa"	
<b>DESCRIPTION</b>	<b>AMOUNT (US\$)</b>
-PERSONNEL COSTS	-
-SUPPLIES AND SERVICES	17,775
-OPERATIONAL TRAVEL	31,372
-CAPITAL	
<b>TOTAL EXPENDITURE FOR THE YEAR</b>	<b>49,146</b>
<b>Balance due from IFAD as at 31 December 2011</b>	<b>(51,644)</b>
<b>Received from IFAD in 2012:</b>	
<b>Sub-Total Funds Received in 2012</b>	<b>-</b>
<b>Balance due to IFAD as at 31 December 2012</b>	<b>(2,497)</b>



## ANNEX 7

### AFRICA RICE CENTER (AfricaRice)

#### CRP 3.3 - Global Rice Science Partnership (GRiSP)

FINANCIAL REPORT: Statement of Expenditure for the period 1 January to 31 December 2012

Natural Classification	W1/W2 (US\$)	W3 (US\$)	Bilateral (US\$)	Center Funds (US\$)	Total (US\$)
Personnel	3,595,576	579,993	2,392,014		6,567,583
Collaborator Costs - CGIAR Centers	-	-	-		-
Collaborator Costs - Others	781,932	170,996	1,748,363		2,701,291
Supplies & Services	1,859,823	539,337	2,872,480		5,271,640
Operational Travel	538,261	172,503	882,055		1,592,820
Depreciation	1,126,088	19,389	122,711		1,268,188
<b>SUB-TOTAL DIRECT COSTS FOR 2012</b>	<b>7,901,680</b>	<b>1,482,219</b>	<b>8,017,623</b>	<b>-</b>	<b>17,401,522</b>
<b>INDIRECT COSTS</b>	<b>784,792</b>	<b>162,901</b>	<b>638,278</b>	<b>-</b>	<b>1,585,970</b>
<b>TOTAL ALL COSTS FOR THE YEAR ENDED 31 DECEMBER 2012</b>	<b>8,686,472</b>	<b>1,645,120</b>	<b>8,655,901</b>	<b>-</b>	<b>18,987,493</b>

#### CRP 3.3 FUNDING REPORT

Description	W1/W2 (US\$)	W3 (US\$)	Bilateral	Center Funds (US\$)	Total (US\$)
<b>OPENING BALANCE AS AT 1 JANUARY 2012</b>	<b>863,336</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>863,336</b>
<b>Cash Receipts from Lead Center:- Various</b>	<b>5,554,298</b>	<b>877,691</b>	<b>9,519,120</b>		<b>15,951,109</b>
<b>SUB-TOTAL RECEIPTS FOR 2012</b>	<b>5,554,298</b>	<b>877,691</b>	<b>9,519,120</b>	<b>-</b>	<b>15,951,109</b>
<b>Disbursements in 2012</b>	<b>8,686,472</b>	<b>1,645,120</b>	<b>8,655,901</b>	<b>-</b>	<b>18,987,493</b>
<b>CLOSING BALANCE AS AT 31 DECEMBER 2012</b>	<b>3,995,510</b>	<b>767,429</b>	<b>(863,219)</b>	<b>-</b>	<b>3,899,720</b>

## ANNEX 8

### AFRICA RICE CENTER (AfricaRice)

### CRP 7 - Climate Change, Agriculture and Food Security (CAAFS)

FINANCIAL REPORT: Statement of Expenditure for the period 1 January to 31 December 2012

Natural Classification	W1/W2 (US\$)	Bilateral (US\$)	Center Funds (US\$)	Total (US\$)
Personnel	153,056	58,001		211,057
Collaborator Costs - CGIAR Centers	-	-		-
Collaborator Costs - Others	140,961	262,721		403,682
Supplies & Services	193,377	73,477		266,854
Operational Travel	74,620	109,503		184,123
Depreciation	82,444	18,228		100,672
<b>SUB-TOTAL DIRECT COSTS FOR 2012</b>	<b>644,458</b>	<b>521,930</b>	<b>-</b>	<b>1,166,388</b>
<b>INDIRECT COSTS</b>	<b>96,216</b>	<b>30,496</b>	<b>-</b>	<b>26,712</b>
<b>TOTAL ALL COSTS FOR THE YEAR ENDED 31 DECEMBER 2012</b>	<b>740,674</b>	<b>552,426</b>	<b>-</b>	<b>1,293,100</b>
<b>CRP 7 FUNDING REPORT</b>				
Description	W1/W2 (US\$)	Bilateral (US\$)	Center Funds (US\$)	Total (US\$)
<b>OPENING BALANCE AS AT 1 JANUARY 2012</b>	<b>(98,927)</b>	<b>-</b>	<b>-</b>	<b>(98,927)</b>
<b>Cash Receipts from Lead Center:-</b>				
Various		302,884		302,884
May-12 Ref: CM05/12/04	438,735			438,735
<b>SUB-TOTAL RECEIPTS FOR 2012</b>	<b>438,735</b>	<b>302,884</b>	<b>-</b>	<b>741,619</b>
<b>Disbursements in 2012</b>	<b>740,674</b>	<b>552,426</b>	<b>-</b>	<b>1,293,100</b>
<b>CLOSING BALANCE AS AT 31 DECEMBER 2012</b>	<b>203,012</b>	<b>249,542</b>	<b>-</b>	<b>452,554</b>

## ANNEX 9

### AFRICA RICE CENTER (AfricaRice) FUND COUNCIL - GENE BANK STABILITY FUNDS

FINANCIAL REPORT: Statement of Expenditure for the period 1 January to 31 December 2012

<b>Program: Funds Council-GENEBANK STABILITY FUNDS</b>	
<b>DESCRIPTION</b>	<b>AMOUNT (US\$)</b>
-PERSONNEL COSTS	108,301
-SUPPLIES AND SERVICES	267,509
-TRAVEL	2,068
<b>TOTAL EXPENDITURE FOR THE YEAR 2012</b>	<b>377,878</b>
<b>FUNDS RECEIVED IN 2012:</b>	
<b>Total Receipts in 2012</b>	<b>-</b>
<b>Balance due from/(to) the Fund as at 31 December 2012</b>	<b>377,878</b>



## ANNEX 10

### AFRICA RICE CENTER (AfricaRice) SCHEDULE OF GRANT REVENUES

For the Year Ended December 31, 2012 and 2011  
(Expressed in US Dollars)

DONORS	Grant Period	For the year ended 31 December 2012					Grant 2011
		Grant Pledges Available	Accounts Receivable	Accounts Payable	Grant 2012	Grant 2011	
<b><u>UNRESTRICTED</u></b>							
Australia	Jan '12-Dec '12					520,065	
Belgium	Jan '12-Dec '12					760,824	
Japan	Jan '12-Dec '12	371,778				-	371,778
<b>Total Unrestricted Grants</b>		<b>371,778</b>	<b>-</b>	<b>-</b>	<b>371,778</b>	<b>1,280,889</b>	
<b>TEMPORARILY RESTRICTED BILATERAL GRANTS</b>							
AfDB I(NERICA Dissemination Project)	Jan'04-Dec'11	1,230,000		13,427		200,833	2,000
Contracted Services to CARD Secretariat	Oct'09-Jul'10	24,415				114	6,978
ANRP ESCAPE			1,807			9,803	51,269
ACP- AfroWEEDs Project	Oct'09-Oct'12	408,453	2,812			102,895	76,387
BADEA 2010 IRM Training	Jul'10-Dec'11	330,000		0		25,431	5,453
BADEA Training	Nov'12-Dec'12	310,000	20,286				262,786
Consultancy Services (KABIROU)			20			4,691	2,054
Diffusion of Improved Crop Varieties in Africa (DIVA)	Nov'09-Dec'12	168,300	0			24,537	29,789
BIOV2 New DIIVA Obj.						102,248	147,752
CAAS-Chinese Academy of Agricultural Sciences	Nov'08-Oct'11	3,449,862	0			650,663	(340)
Green Super Rice Phase II	Oct'12-Oct'15	1,300,000		435,333			134,567
CANADA Linkage Fund-Mc Gill University	Apr'08-Mar'11	209,711				50,601	
CIDA Sup. Rice Res. in Africa	Apr'11-Mar'16	7,136,573		72,970		1,270,871	1,077,344
CFC-FAO-NERICA Dissemination in Central Africa Project	Jan'08-Dec'12	2,500,961	348,943			836,355	547,223

## ANNEX 10

## AFRICA RICE CENTER (AfricaRice) SCHEDULE OF GRANT REVENUES

For the Year Ended December 31, 2012 and 2011  
(Expressed in US Dollars)

DFID16-Striga Project-University of Sheffield	May'08-Dec'12	76,313	0		5,845	16,282
ESSO Rice Development in Chad	Jan'10-Dec'11	214,242				63,905
European Union (Rice Policy & Techn. Impact on Food Security)	Jan'07-Dec'10	1,203,184		0		
European Union( RAP Project)	Jan'09-Dec'13	4,614,514	1,173,788		694,352	479,436
Rice Policy (Incremental Fund)	Jun'10-Dec'13	2,000,000	800,241		901,051	813,519
FAO-Liberia Seed Production Project	Aug'08-Jun'09	168,475				2,188
Seed Policy Workshop	Jan'11-Jun'11	50,000				50,000
APO Training	May'11-Jun'12	4,200			4,200	
GTZ-RISOCAS-University of Hohenheim Project	Mar'08-Feb'11	236,553		0		(12,872)
GTZP8 -GTZ MICCORDEA	Jan'10-Dec'13	1,608,000	138,140		437,855	595,033
GTZ-Attributed Grant	Jan'12-Dec'12	196,072	100,686		196,072	219,924
IBRD-CGIAR Collaboration Fund Proj.	Jan '11 - Open	414,492		14,492	58,289	160,240
AIDP Liberia	Oct'12-Jul'14	854,232		22,454	142,927	
CCAFS Research Theme #5 Project	Dec'10-May'11	15,000				15,000
IFAD-NERICA Seeds Access-West and Central Africa Project	Dec'07-Dec'12	1,500,000		2,497	49,146	219,950
IFAR-CGIAR Fellowship Programs	Jan'09-Dec'12	55,000			8,609	8,067
FTF - Ghana	Feb'12-Dec'12	299,822			296,811	
Africa Rising	Apr'12-Dec'12	170,000	2,465		172,465	
AfDB SARD SC	May'12-Nov'16	15,500,500			35,289	
IRRI/WARDA Abiotic Stress Project, Phase 2	Mar'11-Feb'14	4,800,000	358,835		1,792,161	1,446,674
Japan/UNDP-TCDC (Interspecific Hybrid. Project)	Jan'00-Mar'13	324,000	330,152		402,792	257,548
Japan (Increasing Quality Compet.Loc. Project)	Jan'03-Mar'13	86,000	75,479		60,849	99,326
Japan (Dev.Interspec. OG&OS Progenies Project)	Jan'03-Mar'13	86,000	80,366		51,724	58,889
Japan (High Yield Varieties-Humid Zones project)	Dec'05-Mar'13	86,000	88,433		102,127	151,143
Japan (Phys. & Genetic Invest.-NERICA Project)	Jan'07-Mar'13	86,000	81,883		104,617	62,562
Japan-Development of Sustainable Rice Farming Systems Project	Jan'08-Mar'13	53,000	58,132		133,812	50,324
Japan Breeding Project	Jan'10-Dec'14	6,000,000	1,775,959		1,538,675	1,686,384

## ANNEX 10

### AFRICA RICE CENTER (AfricaRice) SCHEDULE OF GRANT REVENUES

For the Year Ended December 31, 2012 and 2011  
(Expressed in US Dollars)

Japan-Capacity Building-Sokei	Oct'09-Feb'11	48,349	0	0	602	(1,472)
Japan Capacity Building-Abe	Sep'10-Feb'11	11,500		0	745	1,986
Japan/CG Fellowship Program-Abe	Nov'10-Feb'11	12,700		5,807		3,539
Japan/CG Fellowship Program-Saito	Nov'10-Mar'11	7,000		5,106		8,152
CGIAR Fellowship (Dr. Michi)	Jan'12-Dec'12	7,192		5,736	4,212	2,980
Japan Statistics Project	Apr'12-Mar'13	310,995	51,560		51,560	
JIRCAS Fellowship	Nov'12-Dec'12	9,310		536	8,774	
Japan (RYMV Project)	Jan'00-Mar'13	86,000	78,193		94,847	70,946
JICA/WARDA-Collaboration Project	Apr'04-Open	164,035		17		67,772
JIRCAS Collab. Proj.-Benin	Jun'10-open	4,000		91	3,852	1,249
MISU1-Competitiveness Study	Oct'10-Aug'11	49,335			(121)	49,456
LABOSEM	Jan'12-Dec'12	95,448	19,677		54,240	
GYGA	Feb'12-Oct'13	102,350	10,656		10,656	
PADER Project	Feb'11-open	54,820	11,459		66,279	
Syngenta Proposal Development	Jan'10-Dec'10	193,530	0			(1,640)
Value Chains	Apr'11-Jul12	416,456	0		29,816	547,654
UEMO1-UEMOA-PACER Project	Aug'12-Aug '14	301,205		165,663		
UNDP-Liberia Seed Production Project	Apr'09-Apr'11	296,604	0		(82)	93,100
UNDP KMV Project Liberia	Oct'08-Jun'11	230,000				(44,982)
WOTRO Parasite Project	Apr'11-Mar'15	139,923		8,606	52,646	25,672
<b>Sub-Total Restricted Bilateral Grants</b>		<b>63,325,626</b>	<b>5,611,469</b>	<b>1,926,800</b>	<b>10,525,481</b>	<b>11,278,445</b>

## ANNEX 10

**AFRICA RICE CENTER (AfricaRice)  
SCHEDULE OF GRANT REVENUES**

For the Year Ended December 31, 2012 and 2011  
(Expressed in US Dollars)

DONORS	Grant Period	For the year ended 31 December 2012				Grant 2012	Grant 2011
		Grant Pledges Available	Accounts Receivable	Accounts Payable			
<b><u>CHALLENGE PROGRAMS</u></b>							
<b>Generation Challenge Program</b>							
CIMMYT-GCP-Project SP1-G4008-05	Jan'08-Dec'10	19,200			(1,320)	-	
CIMMYT-GCP-Project SP3-G4007-08	Aug'07-Jul'09	304,440			-	-	
GCP-I-Bridges-WARDA/IRD	Aug'07-Dec'09	80,000	9,000		-	-	
GCP-NAM population-WARDA/CIAT	Aug'08-Jun'13	138,950	7,324		-	29,442	
GCP Rice Challenge Initiative	Jun'09-Mar'14	2,717,754	65,309		583,472	569,206	
GCP Drought Avoidance Root	Nov'08-Sep'11	100,800			3,324	4,237	
<b>Sub-Total Challenge Program Grants</b>		<b>3,361,144</b>	<b>81,634</b>	<b>-</b>	<b>585,476</b>	<b>602,885</b>	
<b><u>CGIAR Research Program (CRP) Grants</u></b>							
<b>CCAFS CRP Total</b>	Jan'11-Dec'15	787,980	203,012		740,674	47,318.27	
<b>GRiSP CRP Total</b>	Jan'11-Dec'15	15,613,048	3,531,713		7,790,001	8,186,336.50	
<b>GRiSP -IRRI Bilateral Projects</b>	Jan'11-Dec'15		502,116	38,318	896,471		
<b>Sub-Total CGIAR Research Program (CRP) Grants</b>		<b>16,401,028</b>	<b>4,236,841</b>	<b>38,318</b>	<b>9,427,147</b>	<b>8,233,654.77</b>	
<b><u>CGIAR Genebank Stability Grants</u></b>							
Fund Council Genebank	Jan'11-Dec'16	2,311,385	377,878	-	377,878	343,000.00	
<b>Sub-Total CGIAR Genebank Stability Fund Grants</b>		<b>2,311,385</b>	<b>377,878.27</b>		<b>377,878</b>	<b>343,000.00</b>	
<b>Total Restricted Grants</b>		<b>85,399,183</b>	<b>10,307,822</b>	<b>1,965,118</b>	<b>20,915,982</b>	<b>20,457,985</b>	
<b>Total Grants</b>		<b>85,770,961</b>	<b>10,307,822</b>	<b>1,965,118</b>	<b>21,287,760</b>	<b>21,738,874</b>	

**ANNEX 11**

**AFRICA RICE CENTER (AfricaRice)  
SCHEDULE OF RESTRICTED AGENDA FUNDING**

**For the Year Ended 31 December 2012 and 2011  
(Expressed in US Dollars)**

**TEMPORARILY RESTRICTED BILATERAL**

Donor and Project	Notes to Adjustments	Grant Period	Grant Pledged	2011 Balances @31/12/11		Balance Adjustments 2012	Received in 2012	2011 Balances @31/12/12		Expenditures/ Grants in 2012	Expenditures/ Grants in 2011
				Receivable @31/12/11	Payables @31/12/11			Receivable @31/12/12	Payables @31/12/12		
AfDB I(NERICA Dissemination Project)		Jan'04-Dec'11	1,230,000	15,383	44		44		13,427	2,000	200,833
Contracted Services to CARD Secretariat		Oct'09-Jul'10	24,415	6,978						6,978	114
ANRP ESCAPE				49,462				1,807		51,269	9,803
ACP- AfroWEEDs Project	(a)	Oct'09-Oct'12	408,453	45,182	83,932	34,825	83,932	2,812	0	76,387	102,895
BADEA 2010 IRM Training		Jul'10-Dec'11	330,000	5,453				20,286		5,453	25,431
BADEA Training		Nov'12-Dec'12	310,000				242,500			262,786	
Consultancy Services (KABIROU)				1,192	3,226		3,226	20		2,054	4,691
Diffusion of Improved Crop Varieties in Africa (DIVA)		Nov'09-Dec'12	168,300	29,789				0		29,789	24,537
BIOV2 New DIIVA Obj.				4,702	143,050		143,050			147,752	102,248
CAAS-Chinese Academy of Agricultural Sciences		Nov'08-Oct'11	3,449,862					0		(340)	650,663
Green Super Rice Phase II		Oct'12-Oct'15	1,300,000	340					435,333	134,567	
CANADA Linkage Fund-Mc Gill University		Apr'08-Mar'11	209,711				569,900				50,601
CIDA Sup. Rice Res. in Africa		Apr'11-Mar'16	7,136,573	255,053			895,262		72,970	1,077,344	1,270,871
CFC-FAO-NERICA Dissemination in Central Africa Project		Jan'08-Dec'12	2,500,961	361,827			560,108	348,943		547,223	836,355
Vegetable Value Chain in Rice Based Crop		Apr'12-Dec'12	15,000		13,500		13,500	1,500		15,000	
DFID16-Striga Project-University of Sheffield		May'08-Dec'12	76,313	2,280	8,125		8,125	0		5,845	16,282
ESSO Rice Development in Chad		Jan'10-Dec'11	214,242								63,905
European Union(Rice Policy & Techn. Impact on Food Security...)		Jan'07-Dec'10	1,203,184	49,176	49,176		49,176		0		
European Union( RAP Project)		Jan'09-Dec'13	4,614,514	550,127	70,691		70,691	1,173,788		694,352	479,436

**ANNEX 11**

**AFRICA RICE CENTER (AfricaRice)  
SCHEDULE OF RESTRICTED AGENDA FUNDING  
For the Year Ended 31 December 2012 and 2011  
(Expressed in US Dollars)**

Rice Policy (Incremental Fund)	Jun'10-Dec'13	2,000,000	1,061,777			1,162,586	800,241		901,051	813,519
FAO-Liberia Seed Production Project	Aug'08-Jun'09	168,475								2,188
Seed Policy Workshop	Jan'11-Jun'11	50,000								50,000
APO Training	May'11-Jun'12	4,200		4,200					4,200	
GTZ-RISOCAS-University of Hohenheim Project	Mar'08-Feb'11	236,553		0				0		(12,872)
GTZP8 -GTZ MICCORDEA	Jan'10-Dec'13	1,608,000	0	54,716		245,000	138,140		437,855	595,033
GTZ-Attributed Grant	Jan'12-Dec'12	196,072	0	0		95,386	100,686		196,072	219,924
IBRD-CGIAR Collaboration Fund Proj.	Jan '11 - Open	414,492		254,251	(181,471)			14,492	58,289	160,240
AIDP Liberia	Oct'12-Jul'14	854,232				165,382		22,454	142,927	15,000
CCAFS Research Theme #5 Projec	Dec'10-May'11	15,000								
IFAD-NERICA Seeds Access-West and Central Africa Project	Dec'07-Dec'12	1,500,000		51,644				2,497	49,146	219,950
IFAR-CGIAR Fellowship Programs	Jan'09-Dec'12	55,000		8,609					8,609	8,067
FTF - Ghana	Feb'12-Dec'12	299,822				299,822		3,011	296,811	
Africa Rising	Apr'12-Dec'12	170,000				170,000	2,465		172,465	
AfDB SARD SC	May'12-Nov'16	15,500,500				785,972		750,683	35,289	
IRRI/WARDA Abiotic Stress Project, Phase 2	Mar'11-Feb'14	4,800,000	166,674			1,600,000	358,835		1,792,161	1,446,674
Japan/UNDP-TCDC (Interspecific Hybrid. Project)	Jan'00-Mar'13	324,000	251,360			324,000	330,152		402,792	257,548
Japan (Increasing Quality Compet.Loc. Project)	Jan'03-Mar'13	86,000	100,630			86,000	75,479		60,849	99,326
Japan (Dev.Interspec. OG&OS Progenies Project)	Jan'03-Mar'13	86,000	114,642			86,000	80,366		51,724	58,889
Japan (High Yield Varieties-Humid Zones project)	Dec'05-Mar'13	86,000	72,306			86,000	88,433		102,127	151,143
Japan (Phys. & Genetic Invest.-NERICA Project)	Jan'07-Mar'13	86,000	63,266			86,000	81,883		104,617	62,562
Japan-Development of Sustainable Rice Farming Systems Project	Jan'08-Mar'13	53,000		22,680		53,000	58,132		133,812	50,324
Japan Breeding Project	Jan'10-Dec'14	6,000,000	1,834,485			1,597,200	1,775,959		1,538,675	1,686,384
Japan SMART IV	Oct'09-Sep'14	3,000,000	0	416,949		602,948	0	420,371	599,526	731,471
Japan-Capacity Building-Sokei	Oct'09-Feb'11	48,349								(1,472)
Japan Capacity Building-Abe	Sep'10-Feb'11	11,500		602				0	602	1,986

## ANNEX 11

### AFRICA RICE CENTER (AfricaRice) SCHEDULE OF RESTRICTED AGENDA FUNDING

For the Year Ended 31 December 2012 and 2011  
(Expressed in US Dollars)

Japan/CGFellowship Program-Abe	Nov'10-Feb'11	12,700		6,552					5,807	745	3,539
Japan/CGFellowship Program-Saito	Nov'10-Mar'11	7,000							5,106		8,152
CGIAR Fellowship (Dr. Michi)	Jan'12-Dec'12	7,192		4,212					5,736	4,212	2,980
Japan Statistics Project	Apr'12-Mar'13	310,995								51,560	
JIRCAS Fellowship	Nov'12-Dec'12	9,310							536	8,774	
Japan (RYMV Project)	Jan'00-Mar'13	86,000	69,345							94,847	70,946
JICA/WARDA-Collaboration Project	Apr'04-Open	164,035		29,269	(29,253)				17		67,772
JIRCAS Collab. Proj.-Benin	Jun'10-open	4,000		3,852					91	3,852	1,249
MISU1-Competitiveness Study	Oct'10-Aug'11	49,335	24,788							(121)	49,456
LABOSEM	Jan'12-Dec'12	95,448								54,240	
GYGA	Feb'12-Oct'13	102,350								10,656	
PADER Project	Feb'11-open	54,820		54,820						66,279	
Syngenta Proposal Development	Jan'10-Dec'10	193,530	0							0	(1,640)
Value Chains	Apr'11-Jul'12	416,456	131,198							0	547,654
UEMO1-UEMOA-PACER Project	Aug'12-Aug '14	301,205							165,663		
UNDP-Liberia Seed Production Project	Apr'09-Apr'11	296,604	82							(82)	93,100
UNDP KMV Project Liberia	Oct'08-Jun'11	230,000									(44,982)
WOTRO Parasite Project	Apr'11-Mar'15	139,923		3,368					8,606	52,646	25,672
<b>Sub-Total Restricted Grants</b>		<b>63,325,626</b>	<b>4,900,676</b>	<b>1,282,544</b>	<b>(175,899)</b>	<b>10,634,843</b>	<b>5,611,469</b>	<b>1,926,800</b>	<b>10,525,481</b>	<b>11,278,445</b>	

#### NOTES:

- (a) Counterpart contribution by AfricaRice to support the project as per agreement
- (b) Partial reimbursement to IBRD for unrequired portion of the budget
- (c) End of project reconciliation and adjustments for prepaid staff termination allowances made during the period.

## AFRICA RICE CENTER (AfricaRice) SCHEDULE OF RESTRICTED AGENDA FUNDING

For the Year Ended 31 December 2012 and 2011  
(Expressed in US Dollars)

### CHALLENGE PROGRAMS

Donor and Project	Notes to Adjustments	Grant Period	Grant Pledged	2011 Balances		Balance Adjustments 2012	Received in 2012	2011 Balances		Expenditures/ Grants in 2012	Expenditures/ Grants in 2011
				Receivable @31/12/11	Payables @31/12/11			Receivable @31/12/12	Payables @31/12/12		
<b>Generation Challenge Program</b>											
<b>CIMMYT-GCP-Project SP1-G4008-05</b> -Connecting performance under drought with genotypes through phenotype associations		Jan'08-Dec'10	19,200	1,320						(1,320)	
<b>CIMMYT-GCP-Project SP3-G4007-08</b> -Intergration of genomics tools with conventional screening for developing NERICA rice cultivars for West Africa		Aug'07-Jul'09	304,440	29,618		29,618					
<b>LGDP/IRD-GCP-I-Bridges</b> -Interspecific bridges that give full access to the African rice allele pool for enhancing drought tolerance of African rice		Aug'07-Dec'09	80,000	9,000			9,000				
<b>CIMMYT-GCP-Project SP1-G4008-45-A</b> Nested Association Mapping (NAM) population of Rice		Aug'08-Jun'13	138,950	7,324			7,324				29,442
<b>GCP Rice Challenge Initiative</b>		Jun'09-Mar'14	2,717,754	147,695		370,468	65,309			583,472	569,206
<b>GCP Drought Avoidance Root</b>		Nov'08-Sep'11	100,800	30,276		33,600				3,324	4,237
<b>Sub-Total Challenge Program Grants</b>			<b>3,361,144</b>	<b>77,538</b>	<b>147,695</b>	<b>433,686</b>	<b>81,634</b>			<b>585,476</b>	<b>602,885</b>
<b>CGIAR Research Program (CRP) Grants</b>											
CCAFS CRP Total		Jan'11-Dec'15	787,980	98,927		438,735	203,012			740,674	47,318
GRISP CRP- Total		Jan'11-Dec'15	15,613,048	500,047		4,758,336	3,531,713			7,790,001	7,823,047
GRISP -IRRI Bilateral Projects		Jan'11-Dec'15		363,289		795,962	502,116			896,471	363,289
<b>Sub-Total CGIAR Research Program (CRP) Grants</b>			<b>16,401,028</b>	<b>863,336</b>	<b>98,927</b>	<b>5,993,033</b>	<b>4,236,841</b>		<b>38,318</b>	<b>9,427,147</b>	<b>8,233,655</b>
<b>CGIAR Genebank Stability Grants</b>											
Fund Council Genebank		Jan'11-Dec'16	2,311,385				377,878			377,878	343,000
<b>Sub-Total CGIAR Genebank Stability Fund Grants</b>			<b>2,311,385</b>				<b>377,878</b>			<b>377,878</b>	<b>343,000</b>
<b>Total All Restricted Grants</b>			<b>85,399,183</b>	<b>5,841,551</b>	<b>1,529,166</b>	<b>17,061,562</b>	<b>10,307,822</b>		<b>1,965,118</b>	<b>20,915,982</b>	<b>20,457,985</b>

**NOTES:**



## ANNEX 12

### AFRICA RICE CENTER (AfricaRice) SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT

	Balance 1 January 2012 US \$	Prior Period Adjustment (c) US \$	Reclassified Assets in Transit US \$	Disposals US \$	Additions (Note b) US \$	Balance 31 December 2012 US \$
<b>Cost</b>						
Physical Facilities (Buildings and Installations)	1,326,744		17,494		190,550	1,534,788
Heavy Duty Equipment	702,547				18,163	720,710
Agricultural Equipment	1,656,365		20,748		63,055	1,740,168
Vehicles and Tractors	2,367,726		115,479	(24,518)	254,331	2,713,018
Furniture and Office Equipment	1,331,591		69,431	(34,356)	23,557	1,320,792
Laboratory & Scientific Equipment	3,399,800		14,746	(1,672)	882,059	4,351,290
Computers	1,467,383				209,066	1,689,523
Fixed Assets in Transit	292,797	(54,899)	(237,898)		79,543	79,543
	<b>12,544,953</b>	<b>(54,899)</b>	<b>-</b>	<b>(60,545)</b>	<b>1,720,324</b>	<b>14,149,832</b>
<b>Accumulated Depreciation</b>						
Physical Facilities (Buildings and Installations)	1,240,811	80,180	17,494		139,725	1,478,210
Heavy Duty Equipment	681,061	10,899	-		803	692,763
Agricultural Equipment	1,618,228		20,748		70,587	1,709,564
Vehicles and Tractors	2,224,902		115,479	(24,518)	217,178	2,533,041
Furniture and Office Equipment	1,287,404		-	(34,356)	29,843	1,282,892
Laboratory & Scientific Equipment	3,386,714		69,431		888,602	4,344,747
Computers	1,277,401		14,746	(1,672)	250,293	1,540,768
Fixed Assets in Transit	292,797	(54,899)	(237,898)		79,543	79,543
	<b>12,009,318</b>	<b>36,180</b>	<b>-</b>	<b>(60,545)</b>	<b>1,676,574</b>	<b>13,661,526</b>
<b>Net Book Value</b>	<b>535,635</b>	<b>(91,079)</b>	<b>-</b>	<b>-</b>	<b>43,750</b>	<b>488,306</b>

(a) As a result of adjustments which followed a change of Accounting Policy on Capitalization of Land, Buildings and Installations in year 2000 as described in other notes, Buildings and Installations amounting to \$12,029,892 were excluded from the Fixed Assets Register and treated as 'Assets in Custody'.

This policy has been discontinued with effect from January 1, 2004 following the implementation of the revised Financial Guideline No. 2.

The buildings constructed in Cotonou, Republic of Benin, since 2005 are being depreciated over a period of 5 years in line with the Management decision to stay in the host country, Benin, for a period of 5 years by which period it is anticipated that peace will have been re-established in Côte d'Ivoire.

(b) The Fixed Asset additions financed from restricted funds during the year amounted to **US\$ 1,515,824** and **US\$ 2,106,688** in 2011.

(c) The Prior Period Adjustment relates to a depreciation adjustment for Fixed Asset additions in 2012 financed from 2011 accrued expenses.

## ANNEX 13

### AFRICA RICE CENTER (AfricaRice) STATEMENT OF OPERATING EXPENSES

For the Year Ended 31 December 2012 and 2011

#### INDIRECT COST RATE

	<u>2012</u>	<u>2011</u>
<b>Direct Operating (Research) Expenses</b>		
Research	16,970,963	18,335,284
Research Support	4,043,975	2,129,945
Operations	186,364	315,296
Sub-total	21,201,303	20,780,525
Less: Overhead recovery <sup>1</sup>	(2,013,422)	(2,166,407)
<b>Total Direct Operating (Research) Expenses</b>	<b>19,187,880</b>	<b>18,614,118</b>
<b>Indirect Operating (Institutional) Expenses</b>		
General and Administrative Management Expenses	2,896,729	2,549,358
Common Sustenance Services	37,039	26,944
<b>Total Indirect Operating (Institutional) Expenses</b>	<b>2,933,769</b>	<b>2,576,303</b>
<b>Total Operating Expenses</b>	<b>22,121,649</b>	<b>21,190,421</b>
<b>Cost Ratios</b>		
Direct/Total	86.7%	87.8%
Indirect/Total	13.3%	12.2%
<b>Indirect/Direct</b>	<b>15.3%</b>	<b>13.8%</b>

<sup>1</sup> The deduction of the overhead recovery does not result in a net amount but rather it results in the correct gross amount of the direct costs. This is because the project costs (normally reported as direct project costs) include an amount of indirect costs that a donor of restricted projects allows a Center to recover. As this is not a real direct cost it should be removed. This is usually the amount shown as recovery in the Statement of Activity (SOA).



**AfricaRice**

**Africa Rice Center (AfricaRice)  
01 BP 2031, Cotonou, Benin**