



STATEMENT OF THE BOARD CHAIR YEAR ENDED - 31 DECEMBER 2018

Financial situation

The Board notes that the total operating revenues decreased from US\$ 19.262 million in 2017 to US\$ 17.481 million in 2018, corresponding to a decrease of US\$ 1.781 million. The operating expenses also decreased from US\$ 21.203 million in 2017 down to US\$ 17.177 million in 2018, corresponding to a decrease of US\$ 4.026 million. This resulted in AfricaRice recording an operational surplus of US\$ 0.304 million in 2018 against the operational deficit of US\$ 1.941 million in 2017. Additionally, the net non-operating financial expenses reduced the annual surplus for the year to US\$ 0.158 million compared to the deficit of US\$ 3.351 million incurred at the end of 2017. The undesignated net assets of the Center increased from US\$ 2.394 million at end of 2017 to US\$ 2.928 million at end of 2018.

Other Indicators of Financial Health

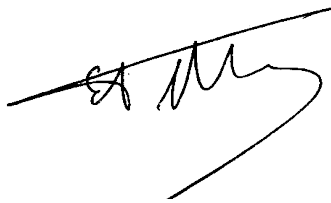
The short-term solvency (liquidity) indicator level of the Center was improved to 90 days, up from 70 days as indicated for 2017, and the long-term financial stability ratio was similarly improved to 62 days up from 44 days as indicated for 2017. The audited Indirect Cost Rate for AfricaRice increased to 16.9% during the year, from 10.8% in 2017, as indicated. The Current ratio increased from 1.35 in 2017 to 1.38 in 2018, which is within the CGIAR recommended level (greater than 1.0)

Fiduciary Responsibility

The Board recognizes its fiduciary responsibility for the financial statements as well as in setting the overall strategy of the Center. It follows up on the implementation of the latter in accordance with agreed policies, timelines and output/outcomes. As such the Board is aware of the seriousness of the financial decline experienced at the center in the past three years. While appropriate risk management measures were in place at AfricaRice, a number of extraordinary factors over that period contributed to AfricaRice's unrestricted net assets declining to less than the CGIAR-recommended level by the end of 2018. However, there is no gainsaying that financial performance reflected challenging situations confronted by the Institution. In late 2017, a special session of the Board's Executive / Finance Committee endorsed (and the full Board later approved) a three-year financial recovery plan, that set a goal of balanced budget performance in 2018 and surpluses designed to begin re-building reserves in 2019 and 2020. The first year of the financial recovery plan has been achieved. However, re-building unrestricted reserves remains a difficult task in the present CGIAR funding structure that encourages financing to CRP's, which is categorized as restricted funding for accounting purposes, and therefore cannot flow to unrestricted reserves.

AfricaRice will enhance its efforts to further strengthen partnerships with both international organizations and national systems in 2019. At the same time, certain economy measures that were taken in the last year, such as the suspension of office activities in some locations, will continue to be monitored in 2019. Vigorous resource mobilization and planning for new public private partnerships that started in the last year, will further be strengthened for improving financial position. The renovation of the Main Research Center at Mbé continues, and a new genebank has been constructed. The scientific research staff are now located in Bouake-Mbé, while the headquarters facility in Abidjan houses administration and some support services. This hybrid structure was a condition for re-establishment in Côte d'Ivoire, and the Board believes that it is the best way to capitalize on both technical and political support required from the Member States, which continue to play a critically important role for the center – not only as research partners, but also as financial supporters.

In summary the Board, while mindful of the challenges still ahead, believes the necessary actions that was been taken, is gradually stabilizing AfricaRice's financial situation, and it looks forward to a more positive 2019 in all respects.



Eric Tollens
Chairman, Board of Trustees



BOARD STATEMENT ON RISK MANAGEMENT

YEAR ENDED 31 DECEMBER 2018

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.

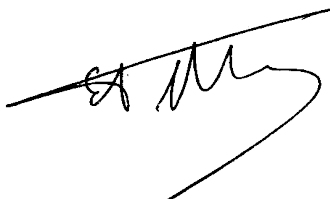
The Board has adopted a risk management policy – communicated to all staff – that includes a framework by which the Center's management identifies, evaluates and prioritizes risks and opportunities across the organization; develops risk mitigation strategies which balance benefits with costs; monitors 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, CGIAR System Management 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.

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 2018 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.



Eric Tollens
Chairman, Board of Trustees



AfricaRice

CERTIFICATE BY CENTER MANAGEMENT

YEAR ENDED 31 DECEMBER 2018

We have prepared the accompanying financial statements of the Africa Rice Center (AfricaRice) as of 31 December 2018. These financial statements are the responsibility of the Africa Rice Center management, and have been duly presented to the Center's external auditors, KPMG, Senegal 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 IFRS and IFRS Compliant CGIAR Reporting Guidelines issued by the CGIAR System Management Office in December, 2017.

In accordance with the requirement of IFRS, 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 IFRS.
- (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.

Kolade Olatifede
Director of Finance

Harold Roy-Macauley
Director General



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Independent Auditors' Report

Year ended as of 31 December 2018

Audit Report on the Financial Statements

We have audited the accompanying financial statements of Africa Rice Center (AfricaRice) for the year ended as of 31 December 2018 comprising the Statement of Financial Position, the Statement of Activities and the Statement of Cash Flows and a Summary of Significant Accounting Policies and Other Explanatory notes.

Management's Responsibility for the Financial Statements

AfricaRice's management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS).

This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial report that is free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 Financial Reporting Standards (IFRS) and International Standards on Auditing. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial report is free of 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 our 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, we consider 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 principles 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 opinion.

Opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Africa Rice Center (AfricaRice) as of 31 December 2018, its surplus and its cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS).

Dakar, 01 April 2019

KPMG Senegal



Ndiaga SARR


Senior Partner

AFRICA RICE CENTER (AfricaRice)
Statement of Financial Position
For the years ended 31 December, 2018 and 2017
(all figures expressed in thousands of US dollars)

Notes	As of 31 December 2018 US\$'000	As of 31 December 2017 US\$'000
ASSETS		
Current Assets		
Cash and cash equivalents	3,675	3,057
Short term investments	-	-
Accounts Receivables:		
• Donors	3,163	3,964
• Employees	377	539
• CGIAR Centers	545	630
• Others, net	5,318	4,220
Prepaid expenses	1,771	2,004
Inventories	203	204
Total current assets	15,052	14,618
Other Assets held for Sale		
	-	-
Non-current Assets		
Property, plant and equipment	3,238	3,337
Long term investments	-	-
Biological assets	-	-
Intangible assets	186	287
Other non-current assets	-	-
Total non-current assets	3,424	3,624
TOTAL ASSETS	18,476	18,242
LIABILITIES		
Current liabilities		
Account payables:		
• Deferred income from Donors	4,824	4,404
• Employees	448	577
• CGIAR Centers	540	428
• Accruals	1,723	2,530
• Others	3,283	2,811
Provisions	52	49
Funds in Trust	-	-
Other current liabilities	-	-
Total current liabilities	10,870	10,799
Non-current liabilities		
Employees	1,305	1,425
Provisions	-	-
Other non-current liabilities	1,044	920
Total non-current liabilities	2,349	2,345
TOTAL LIABILITIES	13,219	13,144
NET ASSETS		
Unrestricted Net assets:		
Undesignated	2,928	2,394
Designated	2,328	2,704
Total Unrestricted Net assets	5,256	5,098
Temporary net assets-Other Comprehensive Income		
IFRS Conversion		
Restricted Net Assets		
TOTAL NET ASSETS	5,256	5,098
TOTAL LIABILITIES AND NET ASSETS	18,475	18,242

The accompanying notes to the financial statements (1-17) form part of this statement
The financial statements were approved by the Board of Trustees on 11 April, 2019.


Kolade Olatifede
Director of Finance


Harold Roy-Macauley
Director General

AFRICA RICE CENTER (AfricaRice)
Statement of Activities and Other Comprehensive Expenses
For the years ended 31 December, 2018 and 2017
(all figures expressed in thousands of US dollars)

	Notes	2018						2017 [#]							
		Unrestricted		Restricted		Total		Grand Total	Unrestricted		Restricted		Total		Grand Total
		Portfolio	Non-Portfolio	Portfolio	Non-Portfolio	Portfolio	Non-Portfolio		Portfolio	Non-Portfolio	Portfolio	Non-Portfolio	Portfolio	Non-Portfolio	
US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	
Revenue															
Grant Revenue															
Window 1 & 2		-	-	4,222	-	4,222	-	4,222	-	-	3,807	-	3,807	-	3,807
Window 3		-	-	2,236	325	2,236	325	2,560	-	-	3,910	413	3,910	413	4,323
Bilateral	14	1,184	-	5,852	2,824	7,036	2,824	9,860	1,038	-	7,567	2,139	8,605	2,139	10,744
Total Grant Revenue		1,184	-	12,310	3,149	13,494	3,149	16,642	1,038	-	15,283	2,552	16,322	2,552	18,873
Others revenues and gains	15	839	-	-	-	839	-	839	388	-	-	-	388	-	388
Total revenues		2,023	-	12,310	3,149	14,333	3,149	17,481	1,427	-	15,283	2,552	16,710	2,552	19,262
Expenses and losses															
Research expenses		629	-	9,922	2,788	10,551	2,788	13,339	1,358	-	13,261	2,533	14,620	2,533	17,153
CGIAR Collaboration expenses		-	-	-	-	-	-	-	-	-	188	-	188	-	188
Non CGIAR Collaboration expenses		-	-	1,070	285	1,070	285	1,355	-	-	1,806	1	1,806	1	1,807
General and administrative expenses		1,097	-	1,315	71	2,412	71	2,483	2,055	-	-	-	2,055	-	2,055
Others Expenses and losses		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses and Losses		1,726	-	12,307	3,144	14,033	3,144	17,177	3,413	-	15,256	2,534	18,669	2,534	21,203
Operating surplus/deficit		297	-	3	5	300	5	304	(1,987)	-	28	18	(1,959)	18	(1,941)
Gain/loss on sales of assets		4	-	-	-	4	-	4	35	-	-	-	35	-	35
Restructuring cost/others*		-	-	-	-	-	-	-	(1,019)	(240)	-	-	(1,019)	(240)	(1,260)
Finances income	16 (a)	15	-	-	-	15	-	15	6	-	-	-	6	-	6
Finance expenses	16 (b)	(158)	-	(3)	(5)	(162)	(5)	(166)	(145)	-	(28)	(18)	(172)	(18)	(190)
Surplus/deficit for the year		158	-	-	-	158	-	158	(3,111)	(240)	-	-	(3,111)	(240)	(3,351)
Others comprehensive income															
Unrealized gain/loss-hedging activities		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Actuarial gain/loss-defined benefit plan		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total others comprehensive income		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive surplus/deficit for the year		158	-	(0)	(0)	158	(0)	158	(3,111)	(240)	(0)	(0)	(3,111)	(240)	(3,351)

Notes

*One off items that are not part of a Centers regular operations

The accompanying notes to the financial statements (1-17) form part of this statement

[#] Restated unrestricted bilateral of \$269 thousands in 2017.

AFRICA RICE CENTER (AfricaRice)
Statement of Changes in Net Assets
For the years ended 31 December, 2018 and 2017
(all figures expressed in US dollars)

Notes	UNRESTRICTED				OTHER		IFRS CONVERSION		RESTRICTED	TOTAL	
	Undesignated ^(a)	Property, Plant and Equipment	Reserve for Replacement of Property, Plant and Equipment	Other Designated	Sub-total Designated	Hedging operations Gains(losses)	Actuarial gain(loss)	Fixed Assets			Others
Balance at 1 January 2017	5,247	-	3,203	-	3,203	-	-	-	-	-	8,450
Depreciation for the year											
Appropriation from Undesignated to designated 1/	499	-	(499)	-	(499)	-	-	-	-	-	-
Additions during the year	-	-	-	-	-	-	-	-	-	-	-
Disposals during the year	-	-	-	-	-	-	-	-	-	-	-
Surplus (Deficit) for the year	(3,351)	-	-	-	-	-	-	-	-	-	(3,351)
Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-
Others*	-	-	-	-	-	-	-	-	-	-	-
Balance at 31 December 2017	2,394	-	2,704	-	2,704	-	-	-	-	-	5,099
Depreciation for the year											
Appropriation from Undesignated to designated	376	-	(376)	-	(376)	-	-	-	-	-	-
Additions during the year	-	-	-	-	-	-	-	-	-	-	-
Disposals during the year	-	-	-	-	-	-	-	-	-	-	-
Surplus (Deficit) for the year	158	-	-	-	-	-	-	-	-	-	158
Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-
Others*	-	-	-	-	-	-	-	-	-	-	-
Balance at 31 December 2018	2,928	-	2,328	-	2,328	-	-	-	-	-	5,256

The accompanying notes to the financial statements (1-17) form part of this statement

Notes:

*Items categorized as Restricted Net Assets e.g. Interest on Endowment Funds

1/ Designated Net Assets

This amount has been transferred from undesignated netasset in an amount representing the accumulated net value of investment in fixed asset.

Net Assets are the residual interest in the Center's assets remaining after liabilities are deducted.

These are classified as follows:

(a) Designated 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 IFRS.

AFRICA RICE CENTER (AfricaRice)

Statement of Cash Flows
For the years ended 31 December, 2018 and 2017
(all figures expressed in thousands of US dollars)

	2018	2017
	US\$'000	US\$'000
CASHFLOWS PROVIDED (USED) IN OPERATING ACTIVITIES		
Change in Net Assets	158	(3351)
Adjustments to Reconcile Change in Net Assets to Net Operating Activities :		
Prior Period Adjustments		29
Depreciation	376	819
Gain on Disposal of Fixed Assets	(4)	(35)
Decrease (Increase) in Assets		
Accounts Receivable:		
Donors	801	3255
Employees	163	482
CGIAR Centers	85	1258
Others	(1098)	(1172)
Inventories	1	68
Prepaid Expenses	233	210
Increase (Decrease) in Liabilities		
Accounts Payable:		
Donors	420	(1288)
Employees	(129)	(527)
CG Centers	112	(473)
Accruals	(807)	(1089)
Others	472	989
Provisions	4	(11)
Employees-Non-Current	(120)	(381)
Other Non-Current Liabilities	124	548
Net Cash Provided in Operating Activities	789	(668)
CASHFLOWS PROVIDED (USED) IN INVESTING ACTIVITIES		
Acquisition of Property and Equipment	(209)	(1270)
Proceeds from Disposal of Property and Equipment	6	19
Acquisition of Intangible Assets		
Adjustment to Opening Net Book Value of Property an	31	389
Net Cash Used in Investing Activities	(172)	(863)
<u>Net Increase (Decrease) in Cash and Cash Equivalents</u>		
Cash and Cash Equivalents at Beginning of Year	3057	4588
(Decrease)/Increase in Cash and Cash Equivalents	618	(1531)
Cash and Cash Equivalents at End of Year	3675	3057

The accompanying notes to the financial statements (1-17) form part of this statement

AFRICA RICE CENTER (AfricaRice)

NOTES TO 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 is one of 15 Centers of the CGIAR System organization supported by the CGIAR Fund. The Center was created in 1971 by 11 African countries. Today its membership comprises 26 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, Uganda, Rwanda, and Ethiopia.

The headquarters of AfricaRice is based in Abidjan, with the main research station located in Bouake, Côte d'Ivoire. The research staff are based in Côte d'Ivoire (Bouake) as well as in various outstations located in Benin, Senegal, Nigeria, Liberia, Madagascar and Uganda.

AfricaRice signed a renewed headquarters agreement with the government of Côte d'Ivoire following the relocation of the temporary headquarters from Benin to Côte d'Ivoire.

The Center in addition to receiving funds from the CGIAR System Organization (CSO) , also receives funds from its member States 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 IFRS and the recommendations made in the IFRS Compliant CGIAR Reporting Guidelines approved by the System Management Board in December 2017, which are in conformity with International Accounting Standards (IAS) for not-for-profit organizations.

The implementation for full IFRS compliance started with comparative Financial Statements for 2016 in the 2017 Audited Financial Statements, while the 2017 and 2018 are in full compliance with IFRS in the 2018 Audited Financial Statements.

(ii) Revenue Recognition

The financial statements of AfricaRice have been presented using the accrual basis of accounting. Funds paid by Member States and other Donors are, therefore, credited to Revenue when they are received or when a definite letter of commitment is received at the

AFRICA RICE CENTER (AfricaRice)

NOTES TO THE FINANCIAL STATEMENTS

time of closing 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 if 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.
- ❖ 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.
- ❖ Restricted CGIAR Research Programs (CRP) and Platforms that are funded through the CGIAR Funding Windows, are treated as restricted funds for carrying out the approved workplans and budgets under the Strategy and Results Framework (SRF) of the CGIAR System Organization.

(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

Property Plant and Equipment are tangible goods that are held for use in the carrying out of the Center's objectives.

In accordance with the IFRS the depreciation rates for all purchases made from restricted project funds that were initially depreciated at 100% of cost during the year were restated at year end.

The cost is assets acquired through restricted funds expensed to the project at the date of acquisition in line with the grant agreements.

AFRICA RICE CENTER (AfricaRice)

NOTES TO THE FINANCIAL STATEMENTS

The deferred depreciation on the restricted assets is held in deferred revenue and are taken into account in a systematic and rational basis over the useful life-time of the assets.

The threshold for capitalization of individual assets is US\$ 1,000.

The initial recognition of property, plant and equipment are stated at cost incurred plus cost to bring them to their intended location of use.

Subsequent expenditure on property, plant and equipment that have been already recognized in the past are only added to the carrying amount if the expenditures improve the condition of the assets beyond its originally estimated lifetime.

The depreciation of property, plant and equipment assets is computed on a straight-line method over the estimated useful lifetime of the assets.

No salvage value is considered for the assets at the end of their useful lifetime as no stable local market exists for most of the assets held by AfricaRice.

Land is not depreciated.

The following have been determined as the useful lifetime of the various groups of property, plant and equipment:

Useful lives of property, plant and equipment	
Physical Facilities (buildings and installations)	60 years
Heavy duty equipment	10 years
Agricultural equipment	10 years
Vehicles and tractors	7 years
Furniture and office equipment	10 years
Laboratory and scientific equipment	10 years
Computer equipment	5 years

The useful life of Property, Plant and Equipment is reviewed annually for each specific asset with a view to determine whether to sell, repair or impair the value of the assets. The above table remains valid after the management review.

AFRICA RICE CENTER (AfricaRice)

NOTES TO THE FINANCIAL STATEMENTS

(v) Intangible Assets

An intangible asset is an identifiable non-monetary asset without physical substance. An intangible asset shall be recognized if, and only if :

- It is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and ;
- The cost of the asset can be measured reliably

Intangible assets held in AfricaRice books are limited to ERP software development. The assets are initially recognized at cost, including directly attributable cost of preparing the asset for its intended use in line with the provisions of International Accounting Standards (IAS #38). The useful life of AfricaRice intangible assets is finite, and the cost of the asset is amortized over its useful life. The amortization period and amortization method for intangible asset with a finite life are reviewed at least at each financial year-end.

The useful life for the intangible asset for has been determined as five years or 20% per year using the straight-line method over the useful life of the software. (see Note 9)

(vi) 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.

(vii) Inventories

Inventories are assets held in the form of supplies and other consumables for use in carrying out the Center's operations or in redering of in-house services.

Inventories of materials and supplies are initially reported at cost, including expenditure to bring them to their current location and condition and subsequently charged out to users at a weighted average cost.

The Invenotories are stated at the lower of the acquisition cost and the net realizable values.

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

2.1 TAX STATUS

In accordance with the agreements between AfricaRice and the governments of Côte d'Ivoire and Benin, signed on 14 November 2014 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

AFRICA RICE CENTER (AfricaRice)

NOTES TO THE FINANCIAL STATEMENTS

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 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, and the IFRS Compliant CGIAR Reporting Guidelines issued in December 2017 (refer to Annex 2).

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

2.3 NATIONALLY RECRUITED STAFF (GSS) CONTINGENCY FUND

The nationally recruited staff, commonly referred to as General Support Staff (GSS), participate in a Contributory Contingency Fund where the employer and employee both contribute to the Fund on a monthly basis. The Contingency 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.

2.4 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.

2.5 GOING CONCERN

These Financial Statements are prepared on a going concern basis.

The declining levels and uncertainty of CGIAR funding disbursements experienced over the past several years has occasioned unanticipated overspending, this coupled with the financing cut on some projects in the previous years, contributed to a decline in the reserve level of the

AFRICA RICE CENTER (AfricaRice)

NOTES TO THE FINANCIAL STATEMENTS

Center.

Immediate steps were however taken including most importantly the establishment of a Financial Recovery Plan (FRP) that aims to address the impact of these write-offs and move the Center into a forward looking building up of lost reserves through the following ongoing and closely monitored bold moves:

- Establishment of a solid Project portfolio that ensures the setting of realistic targets, expressions of the determination on how to achieve those targets; and the confirmation of several of the portfolio projects that are already materializing.

- Reduction of staff and thus the staff related costs

- Placing a cap on unrestricted spending to between US\$ 4.5 million and US\$ 5 million for 2018

- Proactive revenue generation efforts, including the Public Private Partnerships involving important activities to support the Rice Value Chain.

The first year of the FRP has ended in a surplus result as intended and putting a break on the successive deficit of last three years.

AFRICA RICE CENTER (AfricaRice)

NOTES TO THE FINANCIAL STATEMENTS - (Continued)

(in Thousands of US dollars)

3	Cash and Cash Equivalents	
	2018 US \$000	2017 US \$ 000
Cash at Bank and in hand ^(a)	3,675	3,057
	3,675	3,057

^(a) The cash on hand balances include cash imprests both at headquarters and those held by outstations for local cash management in the respective locations

4 ACCOUNTS RECEIVABLE-DONORS

	2018 US\$000	2017 US\$000
Accounts receivables - Donors		
Unrestricted W3		
Unrestricted bilateral	353	410
Restricted W3	231	936
Restricted bilateral	2572	2212
W1&2	981	1044
Gross Accounts Receivables - Donors	4,137	4,602
Less: Allowance for doubtful accounts	(974)	(638)
Net Accounts Receivables - Donors	3,163	3,964

(a) Details of amounts receivable from restricted donors are given in the Schedule of Restricted Agenda Funding on Annex 3

(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 .Specific provision has been made for certain doubtful receivables.

5 Accounts receivables - Employees (Current)

	2018 US\$000	2017 US\$000
Loans	34	64
Advances	209	197
Personal Accounts	135	280
Gross Accounts Receivables - Employees	379	541
Less: Allowance for doubtful accounts	(2)	(2)
Net Accounts Receivables - Employees	377	539

a/ No general provision is made for doubtful receivables.
The accounts deemed doubtful are identified based on case by case review

AFRICA RICE CENTER (AfricaRice)
NOTES TO THE FINANCIAL STATEMENTS - (Continued)
(in Thousands of US dollars)

	2018	2017
	US\$000	US\$000
6(a) Accounts receivables - CGIAR Centers		
WORLD AGROFORESTRY CENTRE	-	54
CIP-OCS IMPLEMENTATION	40	40
CIP AHIPA PROJ BEN ZZ7100	2	2
IITA RECONCILIATION	23	23
IITA COTONOU	504	534
Bioversity International	-	0.4
Gross Accounts Receivables - CGIAR Centers	568	653
Less: Allowance for doubtful accounts ^(a)	(23)	(23)
Net Accounts Receivables - CGIAR Centers	545	630

	2018	2017
	US\$000	US\$000
6(b) Accounts receivables- Others		
Member States	62	62
Non CGIAR Partners	4,686	4,006
Others	633	214
Gross Accounts Receivables - Others	5,380	4,282
Less: Allowance for doubtful accounts ^(a)	(62)	(62)
Net Accounts Receivables - Others	5,318	4,220

^(a) The accounts deemed doubtful are identified based on case by case review

7 Prepaid Expenses	2018	2017
	US \$ 000	US \$ 000
Prepaid to Suppliers	1,755	2,004
Prepaid Fuel Coupons	16	0
Total Prepaid Expenses	1,771	2,004
	1,771	2,004

8 Inventories	2018	2017
	US \$ 000	US \$ 000
Items:		
Stationery and Office Supplies	17	17
Vehicle and Equipment Spare Parts	107	107
Building and Maintenance Supplies	71	72
Fuel and Lubricants	-	0
Field and Farm Supplies	7	7
Laboratory Supplies	1	1
	203	204
Less: Allowance for obsolescence	-	-
	203	204

The inventory is periodically reviewed to ensure that any slow moving items with a possible obsolescence risks 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)
(in Thousands of US dollars)

9

Intangible Assets*		
Software/Others	2018 US\$000	2017 US\$000
Cost		
At start of the year	489	489
Adjustment	-	-
Additions	-	-
At end of the year	489	489
Amortization		
At start of the year	203	101
Additions	101	101
At end of the year	304	203
Carrying amount at 31 December	186	287

* The Intangible Asset relates to the One Corporate System (OCS), purchased from Unit4 by 10 CGIAR Research Centers participating in the ERP implementation project. The asset relates to the costs paid for supplies and services including consultants travel and fees charged for the setup, and 'localizing the common OCS build during the development phase of the ERP implementation.' Other costs related to the implementation were charged to general expenses.

10

Accounts payables-Donors		
	2018 US \$ 000	2017 US \$ 000
Deferred Income from donors		
Unrestricted W3	-	-
Unrestricted bilateral	-	-
Restricted W3 ^(a)	2,308	971
Restricted bilateral ^(a)	2,516	3,404
W1&2 ^(a)	-	29
Total Deferred Income from Donors	4,824	4,404

(a) Details of amounts received in advance from restricted donors are given in the Schedule of Restricted Agenda Funding on Note 16.

(b) Based on past experience, a detailed review of restricted spending is done to ensure that the receivables fall within the amounts pledged by the donors.

11

Accounts payables-Employees		
	2018 US\$000	2017 US\$000
Accounts payables - Employees		
Accrued leave-National and local recruited staff	-	-
Home leave International staff	-	-
Severance	-	-
Employee Official and Travel Advances-Credit Balances	66	71
Employee Personal Expenses in Credit	375	436
Employee-Net Pay Account	8	70
Total Accounts payables - Employees	448	577

AFRICA RICE CENTER (AfricaRice)
NOTES TO THE FINANCIAL STATEMENTS - (Continued)
(in Thousands of US dollars)

12 (a) Accounts payables-CGIAR Centers		
	2018 US\$'000	2017 US\$'000
Accounts payables - CGIAR Centers		
CGIAR FUND COUNCIL (CSP)	101	117
IITA	435	292
IFPRI	1	1
CGIAR-FELLOWSHIP PRG 2013-2014	2	2
CGIAR Consortium	1	16
ICRISAT	0	0
Total Accounts payables - CGIAR Centers	540	428

12 (b) Accounts payables-Accruals		
	2018 US\$'000	2017 US\$'000
Accounts payables - Accruals		
Other-Accrued Expenses ^(a)	1,723	2,530
Total Accounts payables - Accruals	1,723	2,530

(a) Other Accrued Expenses are various works, supplies, services and travel relating to the headquarters and all outstations of AfricaRice as of the end of the financial year.

12 (c) Accounts payables-Others		
	2018 US\$'000	2017 US\$'000
Accounts payables - Others		
Non-CGIAR Partners	1,047	706
Other-GSS Contingency Fund ^(a)	1,149	981
Other-Trade Suppliers	1,044	1,109
Other-GSS Payroll Taxes	33	16
Others	9	-
Total Accounts payables - Others	3,283	2,811

^(a) Staff Contingency Fund is a quasi retirement fund for Nationally Recruited Staff (See also note 2.3)
The Staff Contingency Fund is a quasi 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).

12 (d) Accounts payables-Provisions		
	2018 US\$000	2017 US\$000
Accounts payables - Provisions		
CGIAR Centers		
Non-CGIAR Centers		
Provision for Audit Fees	48	44
Provision for Audit Fees-(Non-Statutory Assignments)-IFRS Conversion ^(a)	5	5
Others	-	-
Total Accounts payables - Provisions	52	49

(a) Provision for Audit Fees and Non-Statutory Audit Assignments that relate to audit engagements for various Restricted Projects or other assignment such as IFRS conversion.

13 Accounts payables-Non-Current		
	2018 US\$000	2017 US\$000
13(a) Non-Current Accounts payables- Employees (Termination Benefits)		
Employee Accruals	-	-
Accrual for Repatriation - IRS	397	488
Accrual for Repatriation - Other staff	336	337
Accrual for Leave-IRS	410	464
Accrual for Leave-GSS	162	136
Total Non-Current Accrued Employee Termination Benefits	1,305	1,425

13(b) Non-Current Accounts payables- Other liabilities		
	2018 US\$000	2017 US\$000
Non-Current Accounts payables- Other liabilities		
Accrued Deferred Depreciation Revenue	1,044	920
Total Non-Current Deferred Depreciation Revenue	1,044	920

14 **Unrestricted Bilateral Revenue**

Funds paid by Member States towards AfricaRice's Operations and Capital Development will be recognised as Revenue when they are received in accordance with the revised Board-approved Policy as mentioned in Note2.(ii).

In 2018, a special contribution from Cote'D Ivoire of \$893,104.26 was recognized as unrestricted revenue. The figure of 2017 has been restated and revenue of \$269,365.92 is included.

The following Member States paid in contributions to the activities of AfricaRice for the financial years ended December 31, 2018 and 2017:

	2018 US\$000	2017 US\$000
Member States Contributions		
Benin	18	37
Cote d'Ivoire	-	37
Nigeria	-	305
Liberia	-	-
Senegal	-	-
Ethiopia	18	18
The Gambia	144	130
Burkina-Faso	-	22
Togo	-	55
Egypt	18	91
Uganda	18	18
Madagascar	37	37
Mali	37	18
Sub total member states contributions	290	769
Other Bilateral Contributions		
Cote d'Ivoire Special Contribution [#]	893	269
Sub total other bilateral contributions	893	269
Total	1,184	1,038

[#] Restated unrestricted bilateral of \$269 thousands in 2017.

15 **Other Revenue and Gains**

	2018 US\$000	2017 US\$000
Other Revenue and Gains		
Sale of Goods	380	216
Rendering of services	216	282
Doubtful debt recovery	230	-
Miscellaneous income	13	36
Total Other Revenue and Gains	839	534

16 **Financial income and Financial expenses**

	2018 US\$000	2017 US\$000
Financial Income :		
Gain on sale of asset(s)	4	-
Investment income	2	-
Other Interest Income	15	6
Total Financial income	21	6
Financial expense :		
Bank charges	22	76
Foreign exchange gain/loss	139	114
Total Financial expense	160	190

AFRICA RICE CENTER (AfricaRice)

NOTES TO THE FINANCIAL STATEMENTS - (Continued)

Note 17

Expenses by Natural Classification

(all figures expressed in thousands of US dollars)

	2018						2017 [#]							
	Unrestricted		Restricted		Total		Grand Total	Unrestricted		Restricted		Total		Grand Total
	Portfolio	Non-Portfolio	Portfolio	Non-Portfolio	Portfolio	Non-Portfolio		Portfolio	Non-Portfolio	Portfolio	Non-Portfolio	Portfolio	Non-Portfolio	
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Expenses and Losses														
Personnel costs	2,642	-	4,312	1,185	6,954	1,185	8,139	3,643	45	4,771	1,183	8,414	1,228	9,642
CGIAR Collaborator Expenses	-	-	-	-	-	-	-	-	-	188	-	188	-	188
Non CGIAR Collaborator Expenses	(11)	-	1,076	285	1,065	285	1,350	-	-	1,806	1	1,806	1	1,807
Supplies and services	342	-	4,826	1,435	5,168	1,435	6,603	2,150	164	7,149	1,211	9,299	1,375	10,673
Travel	62	-	588	147	650	147	797	76	12	729	157	806	169	975
Depreciation/Amortization	279	-	-	-	279	-	279	273	19	524	-	797	19	817
Cost sharing percentage	28	-	122	25	149	25	175	97	-	115	-	212	-	212
Total direct costs	3,341	-	10,924	3,078	14,266	3,078	17,343	6,238	240	15,283	2,552	21,522	2,792	24,314
Indirect cost recovery	(1,457)	-	1,386	71	(71)	71	0	(1,775)	-	-	-	(1,775)	-	(1,775)
Total-all costs*	1,884	-	12,310	3,149	14,195	3,149	17,343	4,464	240	15,283	2,552	19,747	2,792	22,539

* This includes \$17,177 thousands of total operating expenses and \$166 thousands of finance expenses (exchange loss) shown in the Statement of Activities.

[#] Restated unrestricted bilateral of \$269 thousands in 2017.

Property, Plant and Equipment

For the years ended 31 December, 2017 and 2018

ANNEX 1

(all figures expressed in thousands of US dollars)

	UNRESTRICTED (Center Assets)										RESTRICTED (Project Assets)										Grand Total
	Physical facilities	Infrastructure & land	Heavy Duty Equipment	Agricultural Equipment	Vehicles and Tractors	Furnishing & Equipment	Laboratory & Scientific Equipment	Computers	Work in progress	Total	Physical facilities	Infrastructure & land	Heavy Duty Equipment	Agricultural Equipment	Vehicles and Tractors	Furnishing & Equipment	Laboratory & Scientific Equipment	Computers	Work in progress	Total	
Year ended 31 December 2018																					
Cost																					
At start of the year	2,193	3	1,057	905	3,005	484	4,212	2,009	1,167	15,034	431	-	12	145	149	2	172	93	7	1,011	16,045
Prior Period Adjustment ©	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(10)	-	(21)	(31)	(31)	(31)
Reclassified Assets in Transit	-	-	-	-	-	-	-	-	-	-	13	-	-	3	-	90	4	(109)	-	-	0
Additions	3	-	-	-	-	-	-	1	74	78	6	-	-	4	105	-	1	5	9	130	208
Disposals	-	-	-	(6)	(50)	-	-	(46)	-	(102)	-	-	-	-	-	-	-	-	-	-	(102)
At end of year	2,196	3	1,057	899	2,955	484	4,212	1,964	1,241	15,011	451	-	12	153	254	2	253	102	(115)	1,110	16,121
Accumulated Depreciation																					
At start of the year	1,708	-	827	896	2,722	447	4,114	1,851	-	12,565	21	-	2	22	66	0	11	22	-	143	12,709
Prior Period Adjustment ©	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustment for Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Charge for the year	9	-	30	2	71	7	12	46	-	177	7	-	1	14	33	0	22	19	-	97	274
Disposals	-	-	-	(6)	(50)	-	-	(45)	-	(101)	-	-	-	-	-	-	-	-	-	-	(101)
At end of year	1,717	-	857	892	2,743	454	4,126	1,852	-	12,641	28	-	3	36	99	0	33	41	-	240	12,883
Net book value at end of year	479	3	200	7	212	30	86	112	1,241	2,370	422	-	8	117	155	1	220	60	(115)	870	3,238.00
Year ended 31 December 2017																					
Cost																					
At start of the year	2,091	3	979	901	3,088	487	4,132	2,032	1,770	15,483	-	-	12	136	149	2	4	82	-	384	15,867
Prior Period Adjustment ©	-	-	-	-	-	-	-	-	(552)	(552)	(12)	-	-	-	-	-	-	-	(60)	(73)	(625)
Reclassified Assets in Transit	19	-	76	5	-	-	76	57	(232)	-	-	-	-	-	-	63	-	(63)	-	-	-
Additions	82	-	3	(2)	-	-	4	4	181	273	443	-	-	9	2	-	105	11	131	702	974
Disposals	-	-	-	-	(83)	(3)	-	(84)	-	(170)	-	-	-	(1)	-	-	-	-	-	(1)	(171)
At end of year	2,192	3	1,058	904	3,005	484	4,212	2,009	1,167	15,034	431	-	12	145	149	2	172	93	7	1,011	16,044
Accumulated Depreciation																					
At start of the year	1,700	-	797	892	2,734	443	4,101	1,868	-	12,535	17	-	1	2	46	-	-	5	73	143	12,678
Prior Period Adjustment ©	-	-	-	-	-	-	-	101	-	101	-	-	-	-	-	-	-	-	(73)	(73)	29
Adjustment for Depreciation	-	-	-	-	-	-	-	-	-	-	(428)	-	1	11	19	-	(157)	5	-	(548)	(548)
Charge for the year	8	-	31	4	71	7	13	(39)	-	95	431	-	-	9	2	-	168	12	-	623	718
Disposals	-	-	-	-	(83)	(3)	-	(80)	-	(166)	-	-	-	(1)	-	-	-	-	-	(1)	(168)
At end of year	1,708	-	827	892	2,734	443	4,101	1,867	-	12,565	17	-	1	2	46	0	0	5	73	143	12,709
Net book value at end of year	484	3	231	12	271	41	111	142	1,167	2,469	410	-	10	124	83	1	161	71	7	868	3,337

(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 was discontinued with effect from January 1, 2004 following the implementation of the revised Financial Guideline No. 2.

(b) The Fixed Asset additions financed from restricted funds have been disclosed separately with retroactive effect from 2016.

(c) The Prior Period Adjustment relates to a depreciation adjustment for Fixed Asset additions in 2016 financed from 2015 accrued expenses, as well as adjustment for OCS Software reclassified to Intangible assets

(d) Assets procured with restricted project funds have been depreciated using the deferred revenue method of accounting effective 2016 in order to comply with IFRS conversion.

ANNEX 2

AFRICA RICE CENTER (AfricaRice)
NOTES TO THE FINANCIAL STATEMENTS - (Continued)
Indirect Cost Rate computation

(all figures expressed in thousands of US dollars)

	2018 US\$'000	2017 [#] US\$'000
Indirect Cost Rate with Collaborators		
a) General and Administration Expenses	2,483	2,055
b) Research Expenses+Non-CGIAR Collaboration costs	14,694	18,960
Indirect Cost Rate (a/b)	16.9%	10.8%
Indirect Cost Rate without Collaborators		
c) General and Administration Expenses	2,483	2,055
d) Research Expenses+Non-CGIAR Collaboration costs	13,339	17,153
Indirect Cost Rate (c/d)	18.6%	12.0%

Indirect Cost Rate where Indirect Costs include Ancillary Support Services

	2018 US\$'000
Indirect Cost Rate with Collaborators	
a) General and Administration Expenses	2,483
b) Ancillary Support Service Expenses	1,683
c) Sub total (a+b)	4,167
d) Research Expenses+Non-CGIAR Collaboration costs	14,694
Indirect Cost Rate (c/d)	28.4%
Indirect Cost Rate without Collaborators	
a) General and Administration Expenses	2,483
b) Ancillary Support Service Expenses	1,683
c) Sub total (a+b)	4,167
d) Research Expenses+Non-CGIAR Collaboration costs	13,339
Indirect Cost Rate (c/d)	31.2%

[#] Restated unrestricted bilateral of \$269 thousands in 2017.

ANNEX 3

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

Schedule of Grants Revenue

For the years ended 31 December, 2018 and 2017

(all figures expressed in thousands of US dollars)

	Funds available US\$'000	Receivables from donors US\$'000	Deferred revenue US\$'000	Grants revenue US\$'000	
				2018	2017 [#]
A. Unrestricted					
W3 - Unrestricted					
Donor 1	-	-	-	-	-
Donor 2	-	-	-	-	-
Subtotal Window 3 - Unrestricted	-	-	-	-	-
Bilateral- Unrestricted					
Member States	-	353	-	290	769
Cote d'Ivoire Special Contribution	-	-	-	893	269
Subtotal Bilateral - Unrestricted	-	353	-	1,183	1,038
Total-Unrestricted	-	353	-	1,183	1,038
B. Restricted					
Windows 1 & 2					
CGIAR Fund	-	981	-	4,222	3,807
Subtotal-Windows 1 & 2	-	981	-	4,222	3,807
Window 3					
Belgium	-	-	215	234	21
BMGF-Bill & Melinda Gates Foundation	-	-	610	1,117	1,656
IFAD-International Fund for Agricultural Development	3,503	46	915	894	149
IFPRI-International Food Policy Research Institute	-	-	-	-	6
Japan	208	184	63	304	518
USAID-United States Agency for International Development	-	-	505	11	1,973
Subtotal-Window 3	3,711	230	2,308	2,560	4,323
Bilateral					
AfDB-African Development Bank	-	-	10	13	91
BADEA-Banque Arabe pour le Développement Economique en Afrique	-	38	59	-	-
Canada-DFATD-Department of Foreign Affairs, Trade and Development	-	-	-	-	80
China-CAAS-Chinese Academy of Agricultural Sciences	369	-	143	134	198
FAO-Food and Agriculture Organization of the United Nations	-	25	-	150	36

	Funds available US\$'000	Receivables from donors US\$'000	Deferred revenue US\$'000	Grants revenue US\$'000	
				2018	2017 [#]
FMARD-Federal Ministry of Agriculture & Rural Development, Nigeria	-	-	-	-	-
GCDT-Global Crop Diversity Trust	238	36	-	189	100
GCP-Generation Challenge Program	-	-	-	-	-
Germany-GIZ-Deutsche Gesellschaft für Internationale Zusammenarbeit	1,442	668	102	2,033	3,516
IITA-International Institute of Tropical Agriculture	1,666	161	34	1,574	1,662
IRRI-International Rice Research Institute	5,435	-	284	1,133	1,432
Japan	935	-	270	280	292
Korea-RDA-Rural Development Administration	1,828	-	1,064	1,028	960
le Conseil Ouest et Centre africain pour la recherche et le développement agricoles	-	-	-	-	-
Liberia	985	1,042	-	1,018	862
Sierra Leone	-	595	-	-	-
Syngenta Foundation for Sustainable Agriculture	-	-	1	10	74
UEMOA-UNION ECONOMIQUE ET MONETAIRE OUEST AFRICAINE	1,155	-	386	292	402
Other-Bilateral	1,215	8	163	824	-
Subtotal-Bilateral	15,268	2,573	2,516	8,678	9,705
Total-Restricted	18,979	3,784	4,824	15,460	17,835
Grand Total	18,979	4,137	4,824	16,643	18,873

[#] Restated unrestricted bilateral of \$269 thousands in 2017.

AFRICA RICE CENTER (AfricaRice)

NOTES TO THE FINANCIAL STATEMENTS - (Continued)

(all figures expressed in thousands of US dollars)

ANNEX 4

Schedule of Grants Pledges and Expenses

For the year ended 31 December, 2018

Donor and Program/ Project	Start Date	End Date	CRP/ Non-CRP	Total Grant Pledge	Expenditure prior years	Expenditure Current year	Total Expenditure	Deferred Depreciation
					US\$'000	US\$'000	US\$'000	US\$'000
Windows 1 & 2								
CGIAR Fund								
CGIAR Research on Rice Agri-Food Systems : RICE	1/Jan/17	31/Dec/22	CRP15 RICE	3,007	2,945	3,043	5,988	39
Climate Change, Agriculture & Food Security (CCAFS)	1/Jan/17	31/Dec/22	CRP22 CCAFS	57	57	60	117	-
CGIAR Research Platform: Genebank Platform	1/Jan/17	31/Dec/22	PTF33 GENE BANK	800	707	951	1,658	49
CGIAR Research Program: In Trust for the International Community: Plan and partnership for managing and sustaining CGIAR-held Collections (Genebanks)	1/Jan/12	31/Dec/16	CRP 8	406	-	-	-	60
Rice CRP Workshop	1/Jan/17	31/Dec/17	CRP15 RICE	19	19	-	19	-
CGIAR Platform for Big Data in Agriculture	1/Jan/17	31/Dec/22	PTF32 BIG DATA	135	39	161	200	-
CGIAR Research Program entitled Policies, Institutions, and Markets (PIM)	1/Jan/17	31/Dec/22	CRP23 PIM	40	40	-	40	-
LSHTM Agriculture Nutrition and Health	1/Nov/18	31/Oct/18	CRP15 RICE	69	-	7	7	-
Total - Window 1 & 2				4,533	3,807	4,222	8,029	147
Window 3								
Belgium								
Fostering the Impact of Rice Technologies for better Livelihoods in Sub-Saharan Africa (FIRITEL)	1/Jan/17	31/Dec/20	CRP15 RICE	236	21	234	255	-
Subtotal - Belgium				236	21	234	255	-
BMGF-Bill & Melinda Gates Foundation								
Rapid Mobilization of Alleles for Rice Cultivar Improvement in Sub-Saharan Africa of	11/Dec/13	31/Dec/18	CRP15 RICE	7,500	5,681	1,117	6,798	66

Donor and Program/ Project	Start Date	End Date	CRP/ Non-CRP	Total Grant Pledge	Expenditure prior years	Expenditure Current year	Total Expenditure	Deferred Depreciation
Subtotal - BMGF-Bill & Melinda Gates Foundation				7,500	5,681	1,117	6,798	66
IFAD-International Fund for Agricultural Development								
Capitalizing on the Potential of Inland Valleys for Food and Nutrition Security in West Africa (CIPA)	25/Apr/17	30/Jun/21	CRP15 RICE	2,000	149	523	672	-
IFAD IBP Agreement	13/Apr/18	30/Jun/21	NON-PORTFOLIO	2500	-	325	325	2
Subtotal -IFAD-International Fund for Agricultural Development				4,500	149	848	997	2
IFPRI-International Food Policy Research Institute								
Global Futures and Strategic Foresight Program	1/Mar/16	30/Apr/17	CRP23 PIM	20	20	-	20	-
Subtotal - IFPRI-International Food Policy Research Institute				20	20	-	20	-
Japan								
Developing tailor-made varieties adaptable to African environments and strengthening the rice value chain	1/Apr/15	31/Mar/17	CRP15 RICE	511	459	268	727	-
Emergency Seed Support for Rice Farmers in the Ebola Outbreak Guinea - a high rise consumption country affected by Ebola crisis	1/Apr/15	31/Mar/16	Non-CRP	1,501	1,501	-	1,501	9
Japan RiceAdvice West Africa	1/Feb/16	31/Mar/17	CRP15 RICE	1,800	1,764	-	1,764	10
Support through rice seed production and its distribution to prevent the occurrence of social unrest and food insecurity due to natural disasters (Japan Emergency - Guinea)	15/Mar/18	15/Mar/19	CRP15 RICE	100	-	37	37	-
Subtotal - Japan				3,912	3,724	304	4,028	19
European Commission								
Sustainable and Diversified Rice-based Farming Systems (EC Contribution RICE CRP Flagship 3)	5/Nov/18	1/Jan/23	CRP15 RICE	3156	-	46	46	-
Subtotal -EC				3,156	-	46	46	-

Donor and Program/ Project	Start Date	End Date	CRP/ Non-CRP	Total Grant Pledge	Expenditure prior years	Expenditure Current year	Total Expenditure	Deferred Depreciation
USAID-United States Agency for International Development								
Seed Scaling: Stress Tolerant Rice for Africa	11/Nov/14	11/Nov/17	CRP15 RICE	4,689	4,655	-	4,655	57
Support to CARI	1/Apr/15	31/Dec/17	NON-PORTFOLIO	768	752	-	752	8
USAID Senegal				-	-	11	11	-
Subtotal - USAID-United States Agency for International Development				5,457	5,407	11	5,418	66
Total - Window 3				24,781	15,002	2,560	17,562	152
Bilateral								
AfDB-African Development Bank								
Continental Investment Plan on Rice Self-Sufficiency in Africa (CIPRISSA)	1/Jan/17	31/Dec/17	NON-PORTFOLIO	100	91	9	100	-
Subtotal - AfDB-African Development Bank				100	91	9	100	-
Canada-DFATD-Department of Foreign Affairs, Trade and Development								
Support to Rice Research in Africa	1/Apr/11	31/Mar/17	CRP15 RICE	7,137	6,369	-	6,369	14
				-	-	-	-	-
Subtotal - Canada-DFATD-Department of Foreign Affairs, Trade and Development				7,137	6,369	-	6,369	14
China-CAAS-Chinese Academy of Agricultural Sciences								
Green Super Rice for the Resource Poor of Africa and Asia Phase III	1/Mar/16	28/Feb/19	CRP15 RICE	700	424	134	558	-
Subtotal - China-CAAS-Chinese Academy of Agricultural Sciences				700	424	134	558	-
FAO-Food and Agriculture Organization of the United Nations								
In country trainings for the improvement of statistical survey system for rice production in Ghana, Madagascar and Ethiopia	1/Oct/17	30/Sep/18	CRP15 RICE	131	36	95	131	-

Donor and Program/ Project	Start Date	End Date	CRP/ Non-CRP	Total Grant Pledge	Expenditure prior years	Expenditure Current year	Total Expenditure	Deferred Depreciation
FAO In country Training – Nigeria and Senegal	1/Sep/18	30/Jun/18	CRP15 RICE	100	-	55	55	-
Subtotal - FAO-Food and Agriculture Organization of the United Nations				231	36	150	186	-
GCDT-Global Crop Diversity Trust								
African rice (<i>Oryza glaberrima</i>) for sustainable agriculture in Africa	1/Apr/16	31/Dec/18	CRP15 RICE	527	262	189	451	-
Subtotal - GCDT-Global Crop Diversity Trust				527	262	189	451	-
Germany-GIZ-Deutsche Gesellschaft für Internationale Zusammenarbeit								
International Agricultural Research - Attributed Funds 2017	1/Jan/17	31/Dec/17	CRP15 RICE	258	258	197	455	-
Catalyzing the Adoption and Use of Scalable Technologies in Africa (CAUSA): A Pilot Project	1/Oct/14	30/Nov/17	CRP15 RICE	608	598	-	598	2
Improving rice farmers' decision making in lowland rice-based systems in East Africa (East Africa "RiceAdvice")	1/Apr/15	31/Mar/18	CRP15 RICE	1,302	1,049	256	1,305	6
Strengthening the Agricultural Innovation System in Benin	1/Dec/15	31/Dec/17	CRP15 RICE	1,012	865	169	1,034	-
Building Vocational Training Capacity for Youth Employment in the Rice Sector in Benin	1/Dec/15	31/Dec/17	CRP15 RICE	977	975	-	975	16
Business Coaching to Drive Agricultural Innovation in Benin	1/Dec/15	31/Dec/17	CRP15 RICE	977	485	505	990	-
Novel approaches for Efficient Targeting and Equitable Scaling of Rice Technologies in Togo Benin (ETES-RICE)	1/Apr/16	31/Mar/19	CRP15 RICE	1,392	709	355	1,064	-
Purification and Production of Popular Rice Varieties in Benin (PureSeed)	1/Jan/16	31/Dec/17	CRP15 RICE	116	104	10	114	-
East African Wetlands: Optimizing sustainable production for future food security (WETLANDS), Phase 2	1/Jun/16	30/May/18	CRP15 RICE	353	231	134	365	-
Climate-smart rice technologies to enhance resilience of smallholder rice farmers in Burkina Faso	1/Apr/17	31/Mar/20	CRP22 CCAFS	1,320	266	408	674	-

Donor and Program/ Project	Start Date	End Date	CRP/ Non-CRP	Total Grant Pledge	Expenditure prior years	Expenditure Current year	Total Expenditure	Deferred Depreciation
Subtotal - Germany-GIZ-Deutsche Gesellschaft für Internationale Zusammenarbeit				8,315	5,540	2,033	7,573	24
IITA-International Institute of Tropical Agriculture								
Support to Agricultural Research for Development of Strategic Crops in Africa (SARD-SC)	22/May/12	30/Nov/17	CRP15 RICE	15,501	13,857	-	13,857	107
Nigeria-Agricultural Transformation Agenda Support Program - Phase 1	1/Mar/15	28/Feb/19	NON-PORTFOLIO	4,100	2,011	1,249	3,260	94
Technologies for African Agricultural Transformation (TAAT)	19/Feb/18	30/Nov/21	CRP15 RICE	2,717	-	325	325	-
Subtotal - IITA-International Institute of Tropical Agriculture				22,318	15,868	1,574	17,442	201
IRRI-International Rice Research Institute								
Stress-tolerant rice for poor rice farmers I Africa and South Asia (STRASA) Phase 3	1/Apr/14	31/Mar/19	CRP15 RICE	8,000	6,263	1,133	7,396	31
Subtotal - IRRI-International Rice Research Institute				8,000	6,263	1,133	7,396	31
Japan								
SMART-VALLEYS	1/Oct/14	30/Sep/19	CRP15 RICE	1,507	1,219	280	1,499	34
Subtotal - Japan				1,507	1,219	280	1,499	34
Korea-RDA-Rural Development Administration								
AfricaRice Development Partnership	1/Dec/16	31/Dec/19	CRP15 RICE	3,369	899	783	1,682	421
Enhancement of high-yielding rice germplasm capacity of rice producing countries in Africa	20/Sep/17	19/Sep/19	CRP15 RICE	399	61	201	262	-
MULT11 RDA Germplasm	1/Apr/16	31/Dec/18	CRP15 RICE	221	-	44	44	-
Subtotal - Korea-RDA-Rural Development Administration				3,989	960	1,028	1,988	421
Liberia								

Donor and Program/ Project	Start Date	End Date	CRP/ Non-CRP	Total Grant Pledge	Expenditure prior years	Expenditure Current year	Total Expenditure	Deferred Depreciation
To Provide Advisory and Implementation Services in 12 Counties of Liberia financed under the Smallholder Agricultural Productivity Enhancement and Commercialization (SAPEC) Project	1/Jul/15	30/Jun/18	NON-PORTFOLIO	2,864	1,392	1,018	2,410	-
Subtotal - Liberia				2,864	1,392	1,018	2,410	-
Syngenta Foundation for Sustainable Agriculture								
Sponsoring AfricaRice's Seed Systems Development Coordinator (Rice)	1/Jan/16	28/Feb/19	CRP15 RICE	225	168	10	177	-
Subtotal - Syngenta Foundation for Sustainable Agriculture				225	168	10	177	-
UEMOA-UNION ECONOMIQUE ET MONETAIRE OUEST AFRICAINE								
Convention Pour La Mise En Ceuvre du Projet d'Appui Technique Aux Programmes De Mise En Ceuvre des Grandes Orientations de la Politique Agricole de l'Union (PAU) En Vue De La Relance Du Secteur Rizicole En Afrique De L'Ouest	30/Jul/14	30/Jul/17	CRP15 RICE	1,798	1,212	241	1,453	13
Convention de financement dans le cadre de la phase intérimaire de la deuxième édition du Programme d'Appui et de développement des Centres d'Excellence Régionaux au sein de l'UEMOA (UEMOA PACER II)	23/Feb/18	23/Sep/19	CRP15 RICE	90	-	51	51	-
Subtotal - UEMOA-UNION ECONOMIQUE ET MONETAIRE OUEST AFRICAINE				1,888	1,212	292	1,504	13
Others								
Nigeria TRIMING	17/Nov/17	17/Nov/20	NON-PORTFOLIO	400	-	89	89	-
Promoting Youth Entrepreneurship and Job Creation in West Africa's Rice Value Chain (EMPRICE / PEJERIZ)	19/Mar/18	19/Mar/20	CRP15 RICE	1348	-	275	275	-

Donor and Program/ Project	Start Date	End Date	CRP/ Non-CRP	Total Grant Pledge	Expenditure prior years	Expenditure Current year	Total Expenditure	Deferred Depreciation
Investment Plan for Acceleration Rice Self-Sufficiency in The Gambia (CIPRISSA-Gambia)	1/Sep/18	1/Dec/18	CRP15 RICE	95	-	4	4	-
OCP Accord de Cooperation	5/Nov/18	31/Dec/19	NON-PORTFOLIO	1300	-	451	451	-
Mise en Valeur des périmètres rizicoles aménagés par le PRIASO : Recherche et accompagnement (PRIASO)	23/Nov/18	23/Sep/19	NON-PORTFOLIO	284	-	8	8	-
Subtotal				3,427	-	827	827	-
Total - Bilateral				61,228	39,804	8,676	48,480	736
Grand Total				90,542	58,613	15,459	74,071	1,036

ANNEX 5

AFRICA RICE CENTER (AfricaRice)

NOTES TO THE FINANCIAL STATEMENTS - (Continued)

Rice CRP - Expenditure Report

For the year ended December 31, 2018

(in Thousands of US Dollars)

Expenses by Natural Classification	Phase 1	Phase 2				Total
	Windows 1 & 2	Windows 1 & 2	Window 3	Bilateral	Center Funds	
Personnel Costs	0	1,315	898	1,699	1,490	5,402
CGIAR Collaboration Costs	0	0	0	0	0	0
Other Collaboration Costs	0	10	368	348	(6)	720
Supplies and Services	0	1,103	634	2,531	193	4,461
Operational Travel	0	165	77	349	35	627
Depreciation/Amortization	0	49	0	0	157	207
Cost Sharing Percentage	0	0	0	0	16	16
Total Direct Costs	0	2,643	1,977	4,927	1,884	11,432
Indirect Costs	0	403	234	485	0	1,122
Total Costs	0	3,046	2,211	5,411	1,884	12,553
Deferred depreciation	0	0	0	0	0	0
Grand Total - All Costs	0	3,046	2,211	5,411	1,884	12,553

Rice CRP - Funding Report

For the year ended December 31, 2018

(in Thousands of US Dollars)

Description	Phase 1	Phase 2
	Windows 1 & 2	Windows 1 & 2
Opening Balance	0	(914)
Add: Cash Receipts from Lead Center	0	3,274
Less: Disbursements	0	3,046
Closing Balance	0	(686)

ANNEX 6

AFRICA RICE CENTER (AfricaRice)

NOTES TO THE FINANCIAL STATEMENTS - (Continued)

CCAFS - Expenditure Report
For the year ended December 31, 2018
(in Thousands of US dollars)

Expenses by Natural Classification	Phase 1	Phase 2				
	Windows 1 & 2	Windows 1 & 2	Window 3	Bilateral	Center Funds	Total
Personnel Costs	0	24	0	140	0	164
CGIAR Collaboration Costs	0	0	0	0	0	0
Other Collaboration Costs	0	0	0	60	0	60
Supplies and Services	0	20	0	167	0	187
Operational Travel	0	11	0	25	0	36
Depreciation/Amortization	0	0	0	(24)	0	(24)
Cost Sharing Percentage	0	0	0	0	0	0
Total Direct Costs	0	54	0	368	0	422
Indirect Costs	0	6	0	40	0	45
Total Costs	0	60	0	407	0	467
Deferred depreciation	0	0	0	0	0	0
Grand Total - All Costs	0	60	0	407	0	467

CCAFS - Expenditure Report
For the year ended December 31, 2018
(in Thousands of US Dollars)

Description	Phase 1	Phase 2
	Windows 1 & 2	Windows 1 & 2
Opening Balance	0	(12)
Add: Cash Receipts from Lead Center	0	46
Less: Disbursements	0	(60)
Closing Balance	0	(26)

ANNEX 7

AFRICA RICE CENTER (AfricaRice)

NOTES TO THE FINANCIAL STATEMENTS - (Continued)

Genebank Platform - Expenditure Report

For the year ended December 31, 2018

(in Thousands of US dollars)

Expenses by Natural Classification	Phase 1	Phase 2				Total
	Windows 1 & 2	Windows 1 & 2	Window 3	Bilateral	Center Funds	
Personnel Costs	0	169	0	0	0	169
CGIAR Collaboration Costs	0	0	0	0	0	0
Other Collaboration Costs	0	0	0	0	0	0
Supplies and Services	0	595	0	0	0	595
Operational Travel	0	17	0	0	0	17
Depreciation/Amortization	0	47	0	0	0	47
Cost Sharing Percentage	0	0	0	0	0	0
Total Direct Costs	0	828	0	0	0	828
Indirect Costs	0	118	0	0	0	118
Total Costs	0	946	0	0	0	946
Deferred depreciation	0	0	0	0	0	0
Grand Total - All Costs	0	946	0	0	0	946

Genebank Platform - Expenditure Report

For the year ended December 31, 2018

(in Thousands of US Dollars)

Description	Phase 1	Phase 2
	Windows 1 & 2	Windows 1 & 2
Opening Balance	0	0
Add: Cash Receipts from Lead Center	0	600
Less: Disbursements	0	946
Closing Balance	0	(346)

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ANNEX 8

AFRICA RICE CENTER (AfricaRice)

NOTES TO THE FINANCIAL STATEMENTS - (Continued)

Big Data Platform - Expenditure Report

For the year ended December 31, 2018

(in Thousands of US dollars)

Expenses by Natural Classification	Phase 1	Phase 2				
	Windows 1 & 2	Windows 1 & 2	Window 3	Bilateral	Center Funds	Total
Personnel Costs	-	57	-	-	-	57
CGIAR Collaboration Costs	-	-	-	-	-	-
Other Collaboration Costs	-	-	-	-	-	-
Supplies and Services	-	80	-	-	-	80
Operational Travel	-	8	-	-	-	8
Depreciation/Amortization	-	-	-	-	-	-
Cost Sharing Percentage	-	-	-	-	-	-
Total Direct Costs	-	145	-	-	-	145
Indirect Costs	-	16	-	-	-	16
Total Costs	-	161	-	-	-	161
Deferred depreciation	-	-	-	-	-	-
Grand Total - All Costs	-	161	-	-	-	161

Big Data Platform - Expenditure Report

For the year ended December 31, 2018

(in Thousands of US Dollars)

Description	Phase 1	Phase 2
	Windows 1 & 2	Windows 1 & 2
Opening Balance	-	-
Add: Cash Receipts from Lead Center	-	146
Less: Disbursements	-	(161)
Closing Balance	-	(16)

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Audit Opinion Letter

To: AFRICARICE CENTER (AFRICARICE)
Boulevard François Mitterrand
01 B.P.4029- Abidjan- IVORY COAST

Re: Audit Report: IFAD Grant Number: 2000001206

Project Name: *Capitalizing on the Potential of Inland Valleys for Food and Nutrition Security in West Africa*

Dear Sirs,

In the course of our audit of the financial statements of AFRICARICE for the year 2018 ended as at 31st December 2018, we examined the Statement(s) of Expenditure submitted to IFAD during that period pursuant to the Grant Agreement dated 25 April 2017. The preparation of these Statements is the responsibility of AFRICARICE. Our responsibility is to express an opinion on these Statements based on our audit.

We conducted our audit in accordance with International Standards on Auditing (ISA) and accordingly it included examining, on a test basis, evidence supporting the amounts and disclosures in the statements of expenditures. Our audit also included assessing the accounting principles used, procurement methodologies followed, and such other auditing procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, proper records have been kept, Statements of Expenditures submitted to IFAD, have been prepared on the basis of International Financial Reporting Standards (IFRS) Compliant CGIAR Reporting Guidelines approved by the System Management Board on 12 December 2017, and give a true and fair view of the financial situation of the Grant.

Without calling into question the opinion above, we draw your attention to the following:

- **Transfers to subgrantee and partners**

The sub grantee amount as presented on the financial report is related to the initial amount sent to them to carry out their part of budget activities as provided by their respective sub grantee agreement. Those amount has not yet been justified as at December 2018.

Dated: 01 April 2019

Signed: Ndiaga SARR

ANNEX 9

AFRICA RICE CENTER (AfricaRice)

NOTES TO THE FINANCIAL STATEMENTS - (Continued)

Statement of Expenditure for the period 1 January to 31 December, 2018
Project name: "Capitalizing on the Potential of Inland Valleys for Food and Nutrition Security in West Africa"
Grant Number: 200001206

Category of Expenditures	Budget	Prior Years	Current Year	Cumulative	Balance
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
I. Salaries and allowances	503	103	178	281	222
II. Equipments and materials	47	-	3	3	44
III. Operating costs	147	17	60	77	70
IV. Goods, services and inputs	75	-	1	1	74
V. Travel and allowances	100	3	33	36	64
VI. Grants and subsidies	303	-	155	155	148
VII. Training	504	-	23	23	481
VIII. Workshop	136	-	24	24	112
IX. Management fees	145	11	37	48	97
X. Cost Sharing Percentage (2%)	40	15	9	24	16
Total	2,000	149	523	672	1,328

Balance Income & Expenses	US\$'000
Opening Balance	(149)
Add: Cash Receipts	1,178
Less: Disbursements	(523)
Closing Balance	506

Agreement & Income	US\$'000
Agreement	2,000
Funds received	1,178
Balance	822

We hereby certify that that the above amounts have been expended for Eligible Expenditures for the proper execution of the Programme in accordance with the terms and conditions of this Agreement dated 25 April 2017.

Name and Title:



Kolade Olatifede
 Director of Finance



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Audit Opinion Letter

To: AFRICARICE CENTER (AFRICARICE)
Boulevard François Mitterrand
01 B.P.4029- Abidjan- IVORY COAST

Re: Audit Report: IFAD Grant Number: 2000001621

Project Name: *Enhancing Institutional Breeding Capacity in Ghana, Senegal and Uganda to Develop Climate-Resilient Crops for African Smallholder Farmers*

Dear Sirs,

In the course of our audit of the financial statements of AFRICARICE for the year ended as at 31st December 2018, we examined the Statement(s) of Expenditure submitted to IFAD during that period pursuant to the Grant Agreement dated 13 April 2018. The preparation of these Statements is the responsibility of AFRICARICE. Our responsibility is to express an opinion on these Statements based on our audit.

We conducted our audit in accordance with International Standards on Auditing (ISA) and accordingly it included examining, on a test basis, evidence supporting the amounts and disclosures in the statements of expenditures. Our audit also included assessing the accounting principles used, procurement methodologies followed, and such other auditing procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, proper records have been kept, Statements of Expenditures submitted to IFAD, have been prepared on the basis of International Financial Reporting Standards (IFRS) Compliant CGIAR Reporting Guidelines approved by the System Management Board on 12 December 2017, and give a true and fair view of the financial situation of the Grant.

Dated: 01 April 2019

Signed: Ndiaga SARR

ANNEX 10

AFRICA RICE CENTER (AfricaRice)

NOTES TO THE FINANCIAL STATEMENTS - (Continued)

Statement of Expenditure for the period 1 January to 31 December, 2018
Project name: "Enhancing Institutional Breeding Capacity in Ghana, Senegal and
Grant Number: 2000001621

Category of Expenditures	Budget	Prior Years	Current Year	Cumulative	Balance
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
I. Salaries and allowances	660	-	87	87	573
II. Equipments and materials	625	-	90	90	535
III. Goods, services and inputs	200	-	47	47	153
IV. Consultancies	110	-	-	-	110
V. Training	475	-	48	48	427
VI. Operating costs	200	-	16	16	184
VII. Management fees	180	-	23	23	157
VIII. Cost Sharing Percentage (2%)	50	-	15	15	35
Total	2,500	-	326	326	2,174

Balance Income & Expenses	US\$'000
Opening Balance	0
Add: Cash Receipts	734
Less: Disbursements	325
Closing Balance	409

Agreement & Income	US\$'000
Agreement	2,500
Funds received	734
Balance	1,766

We hereby certify that that the above amounts have been expended for Eligible Expenditures for the proper execution of the Programme in accordance with the terms and conditions of this Agreement dated 25 April 2017.

Name and Title:



Kolade Olatifede
Director of Finance

ANNEX 11

AFRICA RICE CENTER (AfricaRice)

NOTES TO THE FINANCIAL STATEMENTS - (Continued)

Statement of Expenditure for the period 1 January to 31 December, 2018

Project name: "Attributed funding from Germany as contribution to the Genetic resources collections (genebank) of Africa Rice Center"

GiZ GmbH Contract No. 812142110

Project No. 16.7860.6-001.00

Category of Expenditures	Budget	Prior Years		Current Year		Cumulative		Balance
	Eur'000	US\$'000	Eur'000	US\$'000	Eur'000	US\$'000	Eur'000	Eur'000
Personnel	82	-	-	101	85	101	85	(3)
Operational Costs (For example : Travel, Supplies, Services, Workshops)	32	-	-	5	4	5	4	28
Equipment	-	-	-	-	-	-	-	-
Other Expenses	95	-	-	66	58	66	58	37
Sub-total	209	0	0	172	147	172	147	62
Indirect Costs (12.5%)	26	-	-	21	18	21	18	8
Cost Sharing Percentage (2%)	5	-	-	4	3	4	3	2
Total	240	0	0	197	168	197	168	72

Balance Income & Expenses	US\$'000	Eur'000
Add: Cash Receipts	0	0
Less: Disbursements	197	169
Less: Exchange difference	0	0
Closing Balance	(197)	(169)

Balance Agreement & Income	Eur'000
Agreement	239
Fund received	0
Balance	239

* AfricaRice's reporting currency is US\$. The Euro equivalent was converted using the average rate of Info Euro (<https://fx-rate.net/EUR/>) for each project reporting period

We hereby certify that the expenditures have not been financed from other parties.

Name and Title:


Kolade Olatifede
 Director of Finance

ANNEX 12

AFRICA RICE CENTER (AfricaRice)

NOTES TO THE FINANCIAL STATEMENTS - (Continued)

Statement of Expenditure for the period 1 January to 31 December, 2018
Project Name: "Novel Approaches for Efficient Targeting and Equitable Scaling of Rice Technologies in Togo and Benin (ETES-Rice)"
GiZ GmbH Contract No. 81194987
Project No. 15.7860.8-001.00

Category of Expenditures	Budget	Prior Years		Current Year		Cumulative		Balance
	Eur'000	US\$'000	Eur'000	US\$'000	Eur'000	US\$'000	Eur'000	Eur'000
Personnel	316	225	198	95	82	320	280	36
Supplies and Operations	90	158	136	67	58	225	194	(104)
Equipment	32	-	-	-	-	-	-	32
Training/Workshop	45	19	17	35	30	54	47	(2)
International Travel	57	36	31	28	24	64	55	2
Publications	8	3	3	-	-	3	3	5
Other Expenses	-	-	-	-	-	-	-	-
Indirect Costs (13.4%)	78	55	49	34	29	89	78	-
Cost Sharing Percentage (2%)	23	9	8	5	5	14	13	10
Sub-total - AfricaRice	649	505	442	264	228	769	670	(21)
UAC	103	14	12	15	12	29	24	79
CBF	206	120	110	-	-	120	110	96
ITRA	242	70	64	76	66	146	130	112
Sub-total - Partners	551	204	186	91	78	295	264	287
Total	1,200	709	628	355	306	1,064	934	266

Balance Income & Expenses	US\$'000	Eur'000
Opening Balance	(17)	(28)
Add: Cash Receipts	466	400
Less: Disbursements	355	305
Closing Balance	94	67

Balance Agreement & Income	Eur'000
Agreement	1,200
Fund received	1,000
Balance	200

* The actual expenses were recorded in US dollars during the year. The Euro equivalent was converted using the average rate of the received installments

We hereby certify that the expenditures have not been financed from other parties.

Name and Title:



Kolade Olatifede
 Director of Finance

ANNEX 13

AFRICA RICE CENTER (AfricaRice)

NOTES TO THE FINANCIAL STATEMENTS - (Continued)

Statement of Expenditure for the period 1 January to 31 December, 2018

Project Name: "Climate-Smart Rice Technologies to Enhance Resilience of Smallholder Rice
Farmers in Burkina-Faso"

GiZ GmbH Contract No. 81206679

Project No. 16.7860.6-001.00

Category of Expenditures	Budget	Prior Years		Current Year		Cumulative		Balance
	Eur'000	US\$'000	Eur'000	US\$'000	Eur'000	US\$'000	Eur'000	Eur'000
Personnel	344	3	3	139	125	142	128	216
Supplies and Operations	191	28	24	139	123	167	147	44
Equipment	60	50	43	(5)	(5)	45	38	22
Training/Workshop	-	-	-	-	-	-	-	-
International Travel	57	12	10	29	26	41	36	21
Publications	10	-	-	-	-	-	-	10
Other Expenses	-	-	-	-	-	-	-	-
Indirect Costs (11%)	89	24	20	40	35	64	55	34
Cost Sharing Percentage (2%)	24	4	3	7	6	11	9	15
Sub-total - AfricaRice	775	121	103	349	310	470	413	362
INERA	234	90	79	44	38	134	117	117
VECO	86	17	15	16	14	33	29	57
INRES	105	39	33	-	-	39	33	72
Sub-total - Partners	425	146	127	60	52	206	179	246
Total	1,200	267	230	409	362	676	592	608

Balance Income & Expenses	US\$'000	Eur'000
Opening Balance	(266)	(230)
Add: Cash Receipts	681	600
Less: Disbursements	408	363
Closing Balance	7	7

Balance Agreement & Income	Eur'000
Agreement	1,200
Fund received	600
Balance	600

* AfricaRice's reporting currency is US\$. The Euro equivalent amounts were converted by using the average exchange rate of Info Euro (<https://fx-rate.net/EUR/>) for each project reporting period

We hereby certify that the expenditures have not been financed from other parties.

Name and Title:


Kolade Olatifede
Director of Finance