

Financial Statements

for the year ended
December 31, 2018

Auditors' Report



Photo: Hamish John Appleby/IWMI

FINANCIAL STATEMENTS

for the year ended

December 31, 2018

INTERNATIONAL WATER MANAGEMENT INSTITUTE

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Independent Auditors' Report

To the Board of Governors of International Water Management Institute

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of International Water Management Institute (“the Institute”), which comprise the statement of financial position as at December 31, 2018, the statement of activities and other comprehensive income, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information as set out on pages 08 to 54.

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Institute in accordance with the Code of Ethics issued by CA Sri Lanka (Code of Ethics) and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included the annual report, but does not include the financial statements and our auditors’ report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of Management and Board of Governors for the Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Institute or to cease activities, or has no realistic alternative but to do so.

The Board of Governors are responsible for overseeing the Institute's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Institute to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Governors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in blue ink, appearing to be 'KPMG' or similar, written over the printed text.

CHARTERED ACCOUNTANTS
Colombo, Sri Lanka
April 24, 2019

Statement from the Board Chair For the year ended December 31, 2018

The year 2018 was the last year of the current five-year strategy (2014-2018) of the International Water Management Institute (IWMI). Over the course of 2018, a new strategy (2019-2023) was prepared and is being submitted for final publication and distribution. The new strategy strengthens the alignment between global water challenges and IWMI's strategic programs.

This was the second year of Phase 2 of the CGIAR Research Program (CRP) on Water, Land and Ecosystems (WLE). WLE, as a program, continues to gain prominence. The new set of research activities that underpin Phase 2 are all well underway. The reporting period saw several exciting developments, including the formal launch of the Migration, Agriculture and Resilience: Initiative for Sustainability (MARIS) network, and the emergence of youth as a priority theme linked to generation and gender. Each WLE flagship now has a gender strategy, and a number of gender activities are currently in progress.

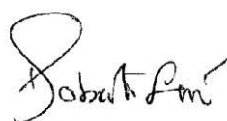
IWMI continued the process of implementation of the new Enterprise Resource Planning (ERP) software as well as a number of strategic initiatives that have been started to support implementation of IWMI's new strategy. This includes changing the staff management structure and the hiring of Country Representatives in each office. These changes will significantly improve the operational capability of the Institute, and lead to better operational and financial efficiency.

The global funding situation continues to remain variable. Global financial changes continue to challenge both IWMI and CGIAR. However, there was significant improvement in resource mobilization both at IWMI and at the CGIAR System level.

The Board of Governors continues to take an active role in monitoring IWMI's risk management strategy, not only from the perspective of financial elements but also with respect to research strategies and issues. The Board has adopted the attached risk management policy that has been communicated to all staff together with detailed management guidelines. The policy includes a framework by which the Institute's management identifies, evaluates and prioritizes risks and opportunities across the organization; develops risk mitigation strategies that balance benefits with costs; monitors the implementation of these strategies; and reports, in conjunction with finance and administration staff, and internal audit staff, on results to the full Board annually.

Going into 2019, the key external risks relate to the continuation of funding from IWMI's core donors considering the change in the global funding environment. Internal risks relate to ensuring successful implementation of the new organizational structure, which will ensure continuation and delivery of the research portfolio. IWMI invests its funds in line with the investment policy approved by the Board of Governors, and IWMI's management regularly updates the Board on the implementation of the policy.

On behalf of members of the Board, I wish to thank IWMI's investors and partners for their continued support and commitment to the Institute's work.



Roberto Lenton
Chair, Board of Governors, IWMI

Board Statement on Risk Management

The Board of Governors is responsible for the system of risk management and internal controls. Through the Audit Committee, the Board has reviewed the effectiveness of the Risk Management Processes. The identification of significant risks, which can affect achievement of the International Water Management Institute's (IWMI's) business objectives and ensure there is alignment with CGIAR principles, is an essential part of this Risk Management Process.

The Board has reviewed the Risk Register and the proposed mitigation actions. The Board endorses the current risk ratings based on the analysis provided in the Risk Register.

The global funding situation continues to remain variable. The funding situation improved significantly in 2018. A number of new donors started funding IWMI and existing donors increased their contributions. This has brought in different sets of risks compared to the years before. These risks include operational, financial and reputational risks. The Risk Framework is implemented to address these risks. A process of regular follow-up to address risk mitigation measures has been initiated. The Board ensures that the full range of agreed risk mitigation actions are duly taken.

Risks include the following:

1. Misallocation of scientific efforts away from agreed priorities.
2. Loss of reputation for scientific excellence and integrity.
3. Increased competition from competitors, leading to a reduction of resources for IWMI to undertake key priorities.
4. Change in funding channels, leading to a reduction in the source of funds that IWMI can apply for.
5. Business disruption and information system failure.
6. Liquidity problems.
7. Transaction processing failures.
8. Loss of assets, including information assets.
9. Failure to recruit, retain, and effectively utilize qualified and experienced staff.
10. Failure in staff health and safety systems.
11. Failure by the System Management Office to execute legal and fiduciary responsibilities.
12. Withdrawal or reduction of funding by donors due to variable funding situation.
13. Subsidization of the cost of projects funded from restricted grants and/or partial non-delivery of promised outputs, due to inadequate costing of restricted projects.
14. Failure by the lead center to comply with the terms of the agreement and/or not delivering on the agreed outputs.
15. Non-prioritization of natural resource management in the CGIAR Research Programs due to lack of funding.

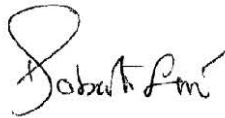
The process draws upon risk assessments and analyses prepared by staff of the center's business unit, internal auditors, center-commissioned external reviewers and the external auditors. Internal Audit is provided by Audit Asia, which is a shared audit unit between IWMI, International Rice Research Institute

(IRRI), Center for International Forestry Research (CIFOR), WorldFish and the World Vegetable Center, and hosted by IWMI.

IWMI's Risk Mitigation Strategy includes implementation of an internal control system which is preventive in nature. The internal control system includes having the appropriate infrastructure, controls, systems and people in place. Regular business environment scans, implementation of clear policies and procedures, implementation of transaction approval frameworks, regular financial and management reporting, and the monitoring of metrics designed to highlight positive or negative performance of both individuals and business processes are the key aspects of the internal control system.

The design and effectiveness of the risk management system and internal control system are subject to ongoing review by the center's internal audit service, which is independent of the business units, and which reports on the results of its audits directly to the Director General and the Board of Governors through its Finance and Audit Committee.

The Board also remains alert to the impacts of external events over which the center has no control. The Board aims to monitor the external situation and, if the need arises, provide mitigation measures.



Roberto Lenton

Chair, Board of Governors, IWMI

Statement of the Management's Responsibilities for Financial Reporting

IWMI management is required to prepare annual financial statements and is responsible for the accuracy and reliability of the financial information. IWMI management also claims responsibility for the substance and objectivity of the information contained therein.

The accompanying annual financial statements of IWMI for the year ended December 31, 2018, have been prepared in accordance, and are fully compliant with International Financial Reporting Standards (IFRS) and IFRS Compliant Reporting Guidelines released by the CGIAR System Organization.

IWMI maintains a system of internal control designed to provide reasonable assurance that assets are safeguarded, and transactions are properly recorded and executed in accordance with the management's authorization.

A system of reporting within IWMI presents the management with an accurate view of the operations, enabling it to discern risks to the assets or fluctuations in the economic environment of the Institute at an early stage and, at the same time, provide a reliable basis for the financial statements and management reports.

The Board of Governors exercises its responsibility for these financial statements through its Finance and Audit Committee. The committee meets regularly with the management and representatives of the external auditors to review matters related to financial reporting, internal controls and auditing.

The management is of the opinion that the annual financial statements, as presented in this document, give a true and fair view of IWMI's financial affairs and results for the year ended December 31, 2018.



Claudia Sadoff
Director General



Syon Niyogi
Corporate Services Director



INTERNATIONAL WATER MANAGEMENT INSTITUTE

Statement of Financial Position As at December 31, 2018

(In US Dollars '000)

As at December 31	Notes	2018	2017
ASSETS			
Current Assets			
Cash and Cash Equivalents	5	4,033	10,102
Investments	6	14,328	11,808
Accounts Receivable:			
Donors (net of impairment of \$ 340 thousand in 2018; \$572 thousand in 2017)	7	2,828	3,657
Employees	8	154	137
Prepaid Expenses	9	1,109	1,835
Inventories	10	18	18
Total Current Assets		22,470	27,557
Non-Current Assets			
Property, Plant and Equipment	11	1,640	1,801
Intangible Assets	12	-	-
Employee Benefits	13	637	-
Total Non-Current Assets		2,277	1,801
TOTAL ASSETS		24,747	29,358
LIABILITIES AND NET ASSETS			
Current Liabilities			
Accounts Payable:			
Deferred Income from Donors	14	6,746	8,980
Other CGIAR Centers	15	1,145	2,791
Employees	16	542	954
Others	17	2,005	1,901
Accruals		95	349
Total Current Liabilities		10,533	14,975
Non-Current Liabilities			
Accounts Payable:			
Employees	18	2,364	2,570
Total Non-Current Liabilities		2,364	2,570
TOTAL LIABILITIES		12,897	17,545
Net Assets - Unrestricted			
Designated		1,640	1,801
Undesignated		10,210	10,012
Total Net Assets		11,850	11,813
TOTAL LIABILITIES AND NET ASSETS		24,747	29,358

These financial statements were approved on 24th April 2019

.....  Director General
  Corporate Services Director

The accounting policies on pages 13 to 30, notes on pages 31 to 54 and supplementary information on pages 55 to 70 form an integral part of the financial statements.





INTERNATIONAL WATER MANAGEMENT INSTITUTE
Statement of Activities and Other Comprehensive Income
For the year ended December 31, 2018

(In US Dollars '000)

	Notes	2018						
		Unrestricted		Restricted		Total		
		Portfolio	Non-Portfolio	Portfolio	Non-Portfolio	Portfolio	Non-Portfolio	Grand Total
Revenue and Gains								
Grant Revenue		-	-	8,435	-	8,435	-	8,435
Windows 1 & 2		-	-	2,486	294	2,486	294	2,780
Window 3		-	-	10,907	1,031	10,907	1,031	11,938
Bilateral		-	-	-	-	-	-	-
Total Grant Revenue		-	-	21,828	1,325	21,828	1,325	23,153
Other Revenue and Gains	19	-	596	-	-	-	596	596
Total Revenue		-	596	21,828	1,325	21,828	1,921	23,749
Expenses and Losses								
Research Expenses		-	774	13,621	1,165	13,621	1,939	15,560
CGIAR Collaboration Expenses		-	-	3,570	-	3,570	-	3,570
Non-CGIAR Collaboration Expenses		-	-	2,624	-	2,624	-	2,624
General and Administration Expenses		-	1,538	2,013	160	2,013	1,698	3,711
Other Expenses and Losses		-	-	-	-	-	-	-
Total Expenses and Losses	20	-	2,312	21,828	1,325	21,828	3,637	25,465
Operating Deficit		-	(1,716)	-	-	-	(1,716)	(1,716)
Gains on Disposals of Assets	22	-	20	-	-	-	20	20
Financial Income	23	-	719	-	-	-	719	719
Deficit for the Year		-	(977)	-	-	-	(977)	(977)
Other Comprehensive Income								
Actuarial Gain - Defined Benefit Plan	24	-	1,014	-	-	-	1,014	1,014
Total Other Comprehensive Income		-	1,014	-	-	-	1,014	1,014
TOTAL COMPREHENSIVE SURPLUS FOR THE YEAR		-	37	-	-	-	37	37

The accounting policies on pages 13 to 30, notes on pages 31 to 54 and supplementary information on pages 55 to 70 form an integral part of the financial statements.



INTERNATIONAL WATER MANAGEMENT INSTITUTE
Statement of Activities and Other Comprehensive Income
For the year ended December 31, 2018

(In US Dollars '000)

	Notes	2017						
		Unrestricted		Restricted		Total		
		Portfolio	Non-Portfolio	Portfolio	Non-Portfolio	Portfolio	Non-Portfolio	Grand Total
Revenue and Gains								
Grant Revenue		-	-	8,796	10	8,796	10	8,806
Windows 1 & 2		-	-	2,684	296	2,684	296	2,980
Window 3		-	-	10,733	655	10,733	655	11,388
Bilateral		-	-	-	-	-	-	-
Total Grant Revenue		-	-	22,213	961	22,213	961	23,174
Other Revenue and Gains	19	-	638	-	-	-	638	638
Total Revenue		-	638	22,213	961	22,213	1,599	23,812
Expenses and Losses								
Research Expenses		331	1,567	13,556	842	13,887	2,409	16,296
CGIAR Collaboration Expenses		-	-	3,808	-	3,808	-	3,808
Non-CGIAR Collaboration Expenses		-	-	2,849	-	2,849	-	2,849
General and Administration Expenses		-	2,077	2,000	119	2,000	2,196	4,196
Other Expenses and Losses		-	-	-	-	-	-	-
Total Expenses and Losses	20	331	3,644	22,213	961	22,544	4,605	27,149
Operating Deficit		(331)	(3,006)	-	-	-	(3,006)	(3,337)
Gains on Disposals of Assets	22	-	30	-	-	-	30	30
Financial Income	23	-	734	-	-	-	734	734
Deficit for the Year		(331)	(2,242)	-	-	(331)	(2,242)	(2,573)
Other Comprehensive Income								
Actuarial Gain - Defined Benefit Plan	24	-	634	-	-	-	634	634
Total Other Comprehensive Income		-	634	-	-	-	634	634
TOTAL COMPREHENSIVE DEFICIT FOR THE YEAR		(331)	(1,608)	-	-	(331)	(1,608)	(1,939)

The accounting policies on pages 13 to 30, notes on pages 31 to 54 and supplementary information on pages 55 to 70 form an integral part of the financial statements.



INTERNATIONAL WATER MANAGEMENT INSTITUTE

Statement of Changes in Net Assets

For the year ended December 31, 2018

(In US Dollars '000)

	Undesignated	Designated (Property, Plant and Equipment)	TOTAL
Balance as at December 31, 2016	11,379	2,373	13,752
Net changes in investment in property, plant and equipment	572	(572)	-
Comprehensive Deficit for the year			
<i>Deficit for the year</i>	<i>(2,573)</i>		
<i>Other comprehensive income</i>	<i>634</i>		
Total comprehensive deficit for 2017	(1,939)		(1,939)
Balance as at December 31, 2017	10,012	1,801	11,813
Net changes in investment in property, plant and equipment	161	(161)	-
Comprehensive Surplus for the year			
<i>Deficit for the year</i>	<i>(977)</i>		
<i>Other comprehensive income</i>	<i>1,014</i>		
Total comprehensive surplus for 2018	37		37
Balance as at December 31, 2018	10,210	1,640	11,850

The accounting policies on pages 13 to 30, notes on pages 31 to 54 and supplementary information on pages 55 to 70 form an integral part of the financial statements.

INTERNATIONAL WATER MANAGEMENT INSTITUTE
Statement of Cash Flows
For the year ended December 31, 2018
(In US Dollars '000)

For the year ended December 31	2018	2017
Cash flows generated from/(used in) operating activities		
Deficit for the year	(977)	(2,573)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	170	331
Amortization	-	8
(Reversal) / Allowance for doubtful debts	(232)	265
Gain on disposal of property and equipment	(20)	(30)
Interest income from short-term investments	(719)	(499)
Reversal of pension fund	-	(257)
Provision for employee benefits	488	249
	(313)	67
Decrease / (Increase) in Assets:		
Accounts receivable	1,044	669
Prepaid expenses	726	(161)
Inventories	-	4
	1,770	512
Decrease in Liabilities:		
Accounts payable	(4,143)	(4,135)
Accruals	(254)	(22)
	(4,397)	(4,157)
Cash used in operating activities	(3,917)	(6,151)
Employee Benefit paid	(362)	(519)
Net cash used in operating activities	(4,279)	(6,670)
Cash flows used in investing activities		
Acquisition of property, plant and equipment	-	(69)
Addition to capital work-in-progress	(9)	(47)
Disposal proceeds of property and equipment	20	388
Acquisition of investments	(2,520)	(5,498)
Interest income from short-term investments	719	499
Net cash used in investing activities	(1,790)	(4,727)
NET DECREASE IN CASH & CASH EQUIVALENTS	(6,069)	(11,397)
CASH AND CASH EQUIVALENTS:		
At the beginning of the year	10,102	21,499
At the end of the year	4,033	10,102

The accounting policies on pages 13 to 30, notes on pages 31 to 54 and supplementary information on pages 55 to 70 form an integral part of the financial statements.



Accounting Policies

1. Reporting Entity

The International Water Management Institute (IWMI) is a non-profit, scientific research organization focusing on the sustainable use of water and land resources in developing countries. It is headquartered in Colombo, Sri Lanka, with regional offices across Asia and Africa. IWMI works in partnership with governments, civil society and the private sector to develop scalable agricultural water management solutions that have a real impact on poverty reduction, food security and ecosystem health.

IWMI's mission is to provide evidence-based solutions to sustainably manage water and land resources for food security, people's livelihoods and the environment.

IWMI's vision, as reflected in the Strategy 2014-2018, is 'A water-secure world'.

IWMI began operations in Sri Lanka in 1984 as the International Irrigation Management Institute (IIMI). Under an agreement signed with the Ford Foundation (acting on behalf of IIMI) on January 9, 1985, and ratified by Act No. 6 of 1985, the Sri Lankan government recognized IWMI (previously known as IIMI) as a not-for-profit, international organization and grants the Institute certain privileges, including exemption of taxes from the government of Sri Lanka.

Headquartered in Colombo, Sri Lanka, IWMI has offices in India, Pakistan, Nepal, Lao PDR, Myanmar, Uzbekistan, Ghana, Ethiopia, South Africa, Egypt, USA and Italy, and representatives in Burkina Faso, Germany and the Netherlands. The Institute receives support from various donor agencies and entities, including the CGIAR Trust Fund.

IWMI is a member of the CGIAR System, a global research partnership for a food-secure future. The CGIAR System Organization is an international organization that, together with the CGIAR Trust Fund, advances international agricultural research for a food-secure future by integrating and coordinating the efforts of those who fund research and those who do the research. The CGIAR System Organization is comprised of the System Management Board and the System Management Office, and the CGIAR Research Centers are members of the CGIAR System.

CGIAR Research Programs (CRPs): In 2017, CGIAR initiated phase 2 of the CRPs which will run until 2021. The Strategy and Results Framework (SRF) and the United Nations Sustainable Development Goals (SDGs) underpin the overall strategic direction, research priorities and results framework for the CRPs. The CRP 2 Portfolio has been developed and informed by the former Fund Council, CGIAR's new System Council, advice of the CGIAR Independent Science and Partnership Council (ISPC), Research Centers and other stakeholders. The CRP 2 portfolio builds on aspects of the 2010-2016 CRP 1 portfolio to maintain momentum in selected areas, but puts more emphasis on integrated agri-food systems based approaches, nutrition and health, climate change, soils and degraded land, reducing food systems waste, food safety, global stewardship of genetic resources, and big data and information and communications technology (ICT). Program participants include other CGIAR centers and other research organizations who are subcontracted by the Lead Center via a Program Participant Agreement (PPA) or other suitable contracting arrangements.

CGIAR Trust Fund donors may designate their contributions to one or more of the three funding "Windows". For Window 1 funds, the CGIAR Trust Fund sets the overall priorities and makes specific decisions about the use of the funds, such as allocation to CRPs, payment of System Costs and any



Accounting Policies (Contd...)

other use required to achieve the CGIAR mission. Window 2 funds are contributions designated by fund donors to one or more specific CRPs. Window 3 funds are contributions designated by the fund donors to individual CGIAR centers. IWMI is the Lead Center for the CGIAR Research Program on Water, Land and Ecosystems (WLE - CRP 24) Phase 2, which started in January 2017 and will continue until 2021. The total grant comprises of Windows 1 and 2 funds from the CGIAR System Organization, and Window 3 and bilateral funds raised by participating centers, including IWMI. As a Lead Center, IWMI entered into an agreement with the CGIAR System Organization for the overall performance of WLE. The Institute will receive grants from Windows 1 and 2 funding for further allocation to the participating CGIAR centers. IWMI is required to submit regular financial reports and cash flow statements to the System Management Office. IWMI also contributes to phase II of several other CRPs and Platforms started in 2017. These are, namely, CRP on Fish (CRP 11), CRP on Livestock (CRP 13), CRP on Climate Change, Agriculture and Food Security (CRP 22), CRP on Policies, Institutions, and Markets (CRP 23), and also the CGIAR Platform for Big Data in Agriculture (Platform 32).

2. Basis of Preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

The accompanying financial statements and supplementary schedules of IWMI were approved and authorized for issue by the Institute's Board of Governors on April 24, 2019.

2.2 Basis of Measurement

The financial statements have been prepared on the historical cost basis except for the following items, which are measured on an alternative basis on each reporting date.

Defined benefit - Actuarially valued and obligation recognized at present value of the defined benefit obligation.

2.3 Functional and Presentation Currency

The financial statements are presented in United States Dollars (USD), which is IWMI's functional and presentation currency. All financial information presented in USD has been rounded to the nearest thousand, unless otherwise indicated.

2.4 Use of Accounting Judgments, Estimates and Assumptions

In preparing these financial statements, the management has made judgments, estimates and assumptions that affect the application of IWMI's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.



Accounting Policies (Contd...)

Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes.

Allowance for Doubtful Debts (Note 3.7)

IWMI reviews all receivables at each reporting date to assess whether an impairment allowance should be recorded in the Statement of Activities. The management uses judgment in estimating such amounts in the light of the duration of the outstanding value and any other factors the management is aware of that may indicate uncertainty in recovery.

Estimates and Assumptions

Information about assumptions and estimation uncertainties that have significant risk of resulting in a material adjustment in the year ending December 31, 2018, is included in the following notes:

Defined Benefit Plans (Note 3.13)

Measurement of defined benefit obligations: key actuarial assumptions;

Defined benefit plans - severance, gratuity, pension and leave encashment are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases and mortality rates.

Impairment test

Key assumptions underlying recoverable amounts, including the recoverability of development costs.

Measurement of Fair value

A number of IWMI's accounting policies and disclosures require the measurement of fair values for both financial and non-financial assets and liabilities. IWMI regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, IWMI assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, IWMI uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that is not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. IWMI recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.



Accounting Policies (Contd...)

3. Summary of Significant Accounting Policies

IWMI has initially applied IFRS 15 and IFRS 9 with effect from January 1, 2018. But they do not have a material effect on IWMI's financial statements.

Except for the above IWMI has consistently applied the following accounting policies to all periods presented in these financial statements.

3.1. Foreign Currency

Transactions denominated in currencies other than the presentation currency are translated to USD at the exchange rates prevailing at the beginning of the month in which the transaction took place. If the variation in the rates at the beginning and middle of the month is more than 2%, such variations are adjusted in the accounting system in the middle of the month.

Monetary assets and liabilities denominated in currencies other than USD are translated to the functional currency at the exchange rate at the reporting date. Non-monetary items denominated in a foreign currency, which are carried at cost, are translated using the exchange rate prevailing on the date of the transaction.

Foreign currency differences are generally recognized in the Statement of Activities.

3.2. Revenue

I. Definition

Revenue is the gross inflow of economic benefits during the period arising in the course of the ordinary activities of a CGIAR center, where those inflows result in increases in net assets. The major portion of a center's revenue is derived through the receipts of donor grants - either 'Unrestricted' or 'Restricted'.

Unrestricted grant revenue arises from the unconditional transfer of cash or other assets to IWMI. Restricted grant revenue arises from a transfer of resources to IWMI in return for past or future compliance related to the operating activities of the Institute.

Gross inflow of economic benefits includes amounts collected on behalf of the principal and do not result in an increase in the net assets, which are treated as 'Agency Transactions' and are not recognized as revenue.



Accounting Policies (Contd...)

II. Recognition

Grants are recognized as revenue when the outcome of a transaction involving the rendering of services can be measured reliably. Revenue associated with the transaction is recognized by making reference to the stage of completion of the transaction at the reporting date. Grants are recognized as revenue to the extent of the expenses incurred.

Unrestricted grants are recognized as revenue upon unconditional transfer of cash or other assets by donors. Such revenue is recognized in full in the financial year for which the grant is pledged.

As a Lead Center, grants received for the CRPs are recognized in the full amount of grants received from the System Organization (Windows 1 and 2), including the amounts passed on to other centers and spent by them. Disbursements to another CGIAR center by the Lead Center are recorded as a 'Prepaid Expense' until an expenditure report is received from the other center, and the expenditure amount is then liquidated from prepaid expense. This accounting treatment is in accordance with IFRS.

III. Measurement

Revenue is measured at the fair value of the consideration received or receivable. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

- (a) Cash grants are recorded at the face value of the cash received or the USD equivalent.
- (b) Grant revenue, including non-monetary grants at fair value, is recognized when there is reasonable assurance that the:
 - i. organization will comply with the conditions attached to them; and
 - ii. grants will be received.
- (c) Grants are recognized as revenue over the periods necessary to match them with the related costs, which they are intended to compensate, on a systematic basis.

Cost Sharing Percentage (CSP)

CSP is charged as follows;

- a) Windows 1 and 2 projects – Net grants after deducting CSP is received and accounted for the same.
- b) Windows 3 projects – Net grant after deducting CSP is received. As required by IFRS compliant CGIAR reporting guidelines, grant is reported gross and CSP is accounted for as an expense.
- c) Bilateral projects – Gross amount is received as the grant and 2% on the grant is recorded for and paid as an expense.



Accounting Policies (Contd...)

3.3. Other Revenue

Other revenues and gains are recognized in the period in which they are earned.

3.4. Expenses

Expenses are recognized when a decrease in future economic benefits, related to a decrease in an asset or an increase in a liability, has arisen that can be measured reliably. Expenses are recognized on the basis of a direct association between the costs incurred and the earning of specific items of revenue. IWMI presents an analysis of expenses using a classification based on the function and nature of expenses within the Institute.

Research Expenses: These are the costs incurred for the activities that result in goods and services being distributed to beneficiaries, project proponents and members that fulfill the purpose of a mission for which IWMI exists.

CGIAR Collaborator Expenses: This is the total expenditure incurred by other CGIAR centers in collaborative research undertaken by them.

Non-CGIAR Collaborator Expenses: These are the costs incurred by external partners in collaborative research as per the contract research agreements between the partners and the CGIAR center.

General and Administration Expenses: These are the expenses incurred for activities of IWMI other than Research Expenses. These expenses are also referred to as 'Governance and central support functions', 'Institutional costs' or 'Administrative costs'. The 'Management and Administration' costs are collectively referred to as indirect costs and include expenses of IWMI's Board of Governors, office of the Director General, Finance and Human Resources departments, internal and external audit costs, Communication and Knowledge Management (CKM) Division, and the unrecovered part of services.

3.4.1. Allocation of Expenses

Direct costs are charged, in particular, to the programs benefited. Indirect costs are allocated to programs based on the total direct cost. The costs of providing the programs, management and general activities have been summarized on a functional basis in the notes. Accordingly, certain costs have been allocated among programs and other services, management and general activities.

3.5. Finance Income and Expenses

IWMI's finance income and expense include the following:

- Interest Income
- Interest Expense
- Foreign currency gains/losses

Interest income and expense are recognized using the effective interest rate method. When applying the effective interest rate method, an entity generally amortizes any fees, points paid or received, transaction costs and other premiums or discounts included in the calculation of the effective interest rate over the expected life of the instrument.



Accounting Policies (Contd...)

3.6. Taxation

IWMI is exempt from income tax under the provisions of Section 7 of the Inland Revenue Act No. 10 of 2006 of Sri Lanka, and amendments thereto. The Institute is also exempt from USA (United States of America) tax under Section 501(a) of the Internal Revenue Code of the United States of America, as an organization described in Section 501(c) (3).

3.7. Financial Instruments

3.7.1 Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Institute becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not an Fair Value Through Profit or Loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

3.7.2 Classification and subsequent measurement

3.7.2.1 Financial Assets

i) Policy applicable from 1st January 2018

On initial recognition, a financial asset is classified as measured at; amortized cost; Fair Value through Other Comprehensive Income (FVOCI) – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequently to their recognition unless the Institute changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL;

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL;

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

On the initial recognition of an equity investment that is not held for trading, the Institute may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Institute may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.



Accounting Policies (Contd...)

a) Business Model Assessment

The Institute makes an assessment of the objectives of the business model in which a financial asset is held as a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes;

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Institute's management.
- The risks that affect the performance of the business model (and the financial assets held within the business model) and how those risks are managed;
- The frequency, volume and timing of sales of financial assets in prior periods, the reason for such sale and expectation about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Institute's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

IWMI's financial assets classified and measured at amortized cost are limited to its accounts receivable, (accounts receivable – donors, accounts receivable – employees), cash and cash equivalents and investments.

Accounts Receivable

All receivable balances are valued at their net realizable amount, i.e., gross amount of receivable balances minus, if applicable, allowances for impairment losses.

Allowances for impairment losses are provided in an amount equal to the total receivables shown, or reasonably estimated to be doubtful of collection. The amount of the allowance is based on past experience, and a continuous review of receivable reports and other relevant factors.

When an account receivable is deemed to be doubtful in collection, an impairment allowance is provided during the year account is deemed doubtful.

Any receivable or portion of accounts receivable judged to be uncollectible is written off. Write – offs of receivables are made while making impairment allowance for doubtful accounts after all efforts to collect such amounts have been exhausted.

(i) Accounts Receivable – Donors

Accounts receivable from donors consist of amounts due from restricted grants that have been negotiated between the donor and the CGIAR center. It also pertains to claims from donors for expenses paid on behalf of projects in excess of cash received.

(ii) Accounts Receivable – Employees

Account receivable from employees consist of advances made to officers and employees for travel, benefits, salary, loans, etc.



Accounting Policies (Contd...)

Cash and Cash Equivalent

Cash and cash equivalents comprise cash in hand, balances with banks, and short term highly liquid investments that are readily convertible that are readily convertible to known amounts of cash with original maturity periods of 3 months or less, and which are subject to and insignificant risk of change in value.

Investments

Investments acquired with the intention of disposing the same within 1 year or less from the acquisition date are classified as current investments. Investments classified as current, as distinguished from cash equivalents, are those that are acquired with original maturities of more than 3 months, but not exceeding one year.

Investments are initially recorded at their cost. Interests or gains related to short – term investments are reported in the Statement of Activities under Finance Income.

The short – term investments represents time deposits with banks that are collateral against national staff loan schemes and term deposits with original maturities of more than 3 months.

b) Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

ii) Policy applicable before 1st January 2018

The Institute classified its financial assets into one of the following categories.

- Loans and receivables;
- Held to maturity;
- Available for sale and
- At FVTPL, and within this category as;
- Held for trading
- Designated as at FVTPL



Accounting Policies (Contd...)

a) *Subsequent measurement and gains and losses:*

Financial assets at FVTPL	Measured at fair value and changes therein, including any interest or dividend income, were recognized in profit or loss.
Held-to-maturity financial assets	Measured at amortized cost using the effective interest method.
Loans and receivables	Measured at amortized cost using the effective interest method.
Available for sale financial assets	Measured at fair value and changes therein, other than impairment losses, interest income and foreign currency differences on debt instruments, were recognized in OCI and accumulated in the fair value reserve. When these assets were derecognized, the gain or loss accumulated in equity was reclassified to profit or loss.

3.7.2.2. Financial Liabilities

i) **Classification, subsequent measurement and gains and losses**

Financial liabilities are classified as measured at amortized cost of FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

IWMI's financial liabilities comprises of Accounts payable.

Accounts payable are amounts due to employees and others for support, services and materials received prior to the year end, but not paid for as at the reporting date and amounts received from donors in respect of any unexpected funds received in advance for restricted grants.

(a) Accounts payable – employees

This includes unpaid salaries And bonuses and leave credits.

(b) Accounts payable – others

These include all other liabilities IWMI has incurred and has been billed for, which remains unpaid as at the reporting date.

3.7.3. Derecognition

3.7.3.1. Financial assets

The Institute derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Institute neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.



Accounting Policies (Contd...)

3.7.3.2. Financial Liabilities

The Institute derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Institute also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

3.7.4 Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when and only when, the Institute has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

3.8. Prepaid Expenses

Prepaid expenses comprise of deposits and advances to suppliers and other CGIAR centers. These are future expenses that have been paid in advance. The amount of prepaid expenses that have not yet expired are reported in IWMI's Statement of Financial Position as an asset.

(a) Advances paid to other CGIAR centers

This includes advances made to other CGIAR centers.

Under the CRPs, disbursements to another CGIAR center by the Lead Center should be recorded as a 'Prepayment' until an expenditure report is received from the other center, and the expenditure amount can then be liquidated from the advance.

(b) Advances to Others

This consists of advance payments to suppliers, consultants and other third parties.

3.9. Inventories

Inventories are held in the form of materials or supplies to be consumed in IWMI's operations or in the rendering of services. Cost of inventories is not directly expended at the time of purchase, and these are not held for sale in the ordinary course of business.

Net realizable value is the estimated selling price in the ordinary course of business minus the estimated costs necessary to make the sale. Inventories are valued at whichever is lower of acquisition cost or net realizable value, and charged when used. The acquisition cost includes the purchase price plus cost of freight, insurance and handling charges. Cost is determined by the weighted average method. Provision is made, where necessary, for obsolete, slow moving and defective items.

Inventories held at the end of the reporting period are stated at the lower of cost and net realizable value.



Accounting Policies (Contd...)

3.10. Property, Plant and Equipment

I. Definition

Property, plant and equipment are defined as tangible assets, which are:

- a) held by IWMI for use in the production or supply of goods or for administrative purposes; and
- b) expected to be used for more than one accounting period.

II. Recognition

An item of property, plant and equipment is recognized as an asset when:

- (a) it is probable that future economic benefits associated with the asset will flow to IWMI; and
- (b) the cost of the asset can be measured reliably.

Effective January 1, 2017, the Institute increased its capitalization amount from USD 500 to USD 5,000. Accordingly, all individual tangible assets having costs in excess of USD 5,000 or its equivalent, with an estimated useful life beyond 1 year, are treated as fixed assets and designated as property, plant and equipment.

Gains or losses arising from the discontinuation or disposal of property, plant and equipment are determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset, and are recognized as revenue or expense in the Statement of Activities.

Property, plant and equipment acquired from restricted funds are expensed in accordance with the grant agreement.

III. Measurement

Property, plant and equipment are initially measured at cost. Subsequent to initial recognition as an asset, property, plant and equipment are carried at cost minus any accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment comprises its purchase price and all other incidental costs in bringing the asset to its working condition for its intended use.

IV. Depreciation

Depreciation of property, plant and equipment is calculated on the straight-line basis over the estimated useful lives of the assets as follows:

Leasehold property - Over the lease period (25 years)

Building renovation/partitioning/wiring - 5 years

Heavy-duty equipment - 7 years

Office and household furniture, fixtures, research and office equipment – 5 years

Vehicles - 5 years

Computer hardware - 3 years

Depreciation of acquired assets is determined in the year the asset is placed into operation, and continues until the asset is fully depreciated or its use is discontinued.



Accounting Policies (Contd...)

Property, plant and equipment acquired through the use of grants restricted for a certain project are recorded as assets. Such assets are depreciated at a rate of 100%, and the depreciation expense is charged directly to the appropriate restricted project.

V. Leasehold Property

Leasehold property and improvements thereon are amortized over the lease period or, if shorter, the useful economic life of the property or improvement concerned.

Sri Lanka - The initial lease agreement between IWMI and the Government of Sri Lanka is for 25 years commencing in 1991. IWMI has received an extension of the lease, for a further period of 25 years, till 2041.

Ghana - As per the lease agreement entered on July 1, 2013, by the International Water Management Institute (IWMI) and the Council for Scientific and Industrial Research (CSIR) in Accra, Ghana, IWMI was allowed to construct a new two-storey building in the CSIR head office premises. Accordingly, IWMI constructed the building using its own funds and moved into the new office in May 2015. The cost is amortized over the lease period.

The two-story building is jointly owned by CSIR, Ghana, and IWMI. However, the sole ownership of the building shall revert to CSIR when IWMI ceases its operations in West Africa. The leasehold agreement is for 25 years and shall be extended or revised on the mutual consent of both parties.

Pakistan - The initial memorandum of agreement between IWMI and the Government of Pakistan was signed on September 28, 1986. Recently, at the request of the Government of Pakistan, IWMI submitted the necessary papers to renew the registration of the Institute in the country. IWMI's Pakistan office is situated in a building owned by the government, and the Institute incurred some refurbishment costs to bring the given building to a useable condition. Accordingly, these expenses are amortized over a period of 10 years starting from April 2018.

VI. Capital Work-in-Progress

Capital work-in progress represents the accumulated cost of materials and other costs directly related to the construction of an asset. Capital work-in-progress is transferred to the respective asset accounts at the time it is substantially completed and ready for its intended use.

3.11. Intangible Assets

I. Recognition and Measurement

The intangible assets of IWMI are mainly computer software.

Intangible assets are initially measured at cost. Subsequent to initial recognition as an asset, intangible assets are carried at cost minus any amortization and any accumulated impairment losses.

The cost of an item of intangible assets comprises its purchase price and all other incidental costs in bringing the asset to its working condition for its intended use, such as installation.

II. Amortization

Amortization is calculated to write-off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognized in Statement of Activities.



Accounting Policies (Contd...)

The estimated useful life of computer software is from 3 to 5 years.

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

3.12. Impairment of Non-Financial Assets

The carrying amounts of IWMI's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset or cash generating unit (CGU) exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Impairment losses are recognized in the Statement of Activities. Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to CGU (if any) and then to reduce the carrying amounts of other assets in the CGU (group of CGUs) on pro rata basis. For other assets, an impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3.13. Employee Benefits

An employee may provide services to an entity on a full-time, part-time, permanent, contract or casual basis. Employees include directors and other management personnel. Employee benefits are all forms of consideration given by IWMI in exchange for services rendered by employees. Employee benefits include the following:

(I) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if IWMI has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. These include salaries, paid leave, bonuses and non-monetary benefits for current employees. These benefits are expected to be settled in full within a year in which the employees render the related services.

(II) Defined Benefit Plans

IWMI's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for IWMI, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.



Accounting Policies (Contd...)

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest) are recognized immediately in Other Comprehensive Income (OCI). IWMI determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Activities.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in Statement of Activities. IWMI recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The post-employment benefits include pension plan, other retirement benefits, post-employment life insurance and medical care. IWMI has a 'Defined Benefit' pension plan for its national staff based at its headquarters. This plan was closed in 2004 to new employees.

IWMI's net obligation in respect of severance, gratuity and leave encashment, which are defined benefit plans, are determined based on an actuarial valuation carried out by an independent qualified actuary and are accrued at the reporting date. The liabilities are not externally funded.

(a) Severance and Gratuity

- Severance

In accordance with the terms and conditions of recruitment, internationally recruited staff members are entitled to terminal benefits referred to as 'Severance' on the completion of three full years of continuous service. The present value of a defined benefit obligation is determined by discounting the estimated cash flows based on the actuarial valuation carried out by an independent qualified actuary.

- Gratuity

Payment is made for gratuity benefits under IWMI's personnel policies to nationally recruited staff. Nationally recruited staff qualify for a gratuity payment on completion of 5 years of continuous service with the Institute. The present value of a defined benefit obligation is determined by discounting the estimated cash flows based on the actuarial valuation carried out by an independent qualified actuary.

(b) Unutilized Leave

Payment is made for unutilized leave to internationally and nationally recruited staff members in accordance with the Personnel Policies Manuals on the following basis:

- International staff in Sri Lanka and regional offices: From 2018 onwards a maximum of 10 days and payment is calculated based on current base salary.
- National staff in Sri Lanka: From 2018 onwards a maximum of 10 days and payment is calculated based on current base salary.
- National staff in other regional offices: Vary from 7 to 30 days and payment is calculated based on current base salary.



Accounting Policies (Contd...)

The present value of a defined benefit obligation is determined by discounting the estimated cash flows based on the actuarial valuation carried out by an independent qualified actuary.

(c) Repatriation

In accordance with the terms and conditions of recruitment, internationally recruited staff members and their dependents are entitled to repatriation benefits on completion of the contract period. Provision is made for repatriation payable to all international staff members based on the estimated cost of airfare, relocation and freight charges.

3.14. Accruals

This amount comprises accruals made for suppliers, for which invoices were not yet received as at the reporting date.

3.15. Provisions

A provision is a liability of uncertain timing or amount. A provision is recognized when:

- (a) a center has a present obligation as a result of a past event;
- (b) it is probable that an outflow of resources will be required to settle the obligation; and
- (c) a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision should be the best estimate of the expenditure required to settle the present obligation at the reporting date. Provisions should be reviewed at each reporting date and adjusted to reflect the current best estimate. A provision should only be used for expenditure for which the provision was originally recognized.

3.16. Net Assets

Net Assets are the residual interest in IWMI's assets remaining after liabilities are deducted. The overall change in net assets represents the total gains and losses generated by the Institute's activities during the year. Net assets are classified as either undesignated or designated.

- (a) Undesignated - the part of net assets that is not designated by IWMI's management for specific purposes.
- (b) Designated - the part of net assets that has been designated by IWMI's management for specific purposes.

Property, Plant and Equipment: This is the net book value of property, plant and equipment as at the Statement of Financial Position date.

3.17. Statement of Cash Flows

The Statement of Cash Flows has been prepared using the 'indirect method'. This is the method whereby a surplus or deficit is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expenses associated with investing or financing cash flows. The Statement of Cash Flows for a period shall report net cash provided or used by operating, investing and financing activities, and the net effect of those flows on cash and cash equivalents during the period, in a manner that reconciles the beginning and ending cash and cash equivalents.



Accounting Policies (Contd...)

3.18. Events after the Reporting Date

Events after the reporting date are those, both favorable and unfavorable, that occur between the reporting date and the date when the financial statements are authorized for issue. The materiality of the events occurring after the reporting period is considered and appropriate adjustments to or disclosures are made in the Financial Statements, where necessary. Two types of events can be identified:

- (a) Those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- (b) Those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

Adjusting events after the reporting date:

IWMI adjusts the amounts recognized in its financial statements to reflect adjusting events after the reporting date.

3.19. Going Concern

The financial statements are prepared on a going concern basis. However, IWMI doesn't prepare its financial statements on a going concern basis, if the management determines that it intends to cease operations or it has no realistic alternative but to do so after the reporting date.

3.20. Change in Accounting Policy

The Institute has applied IFRS 15 and IFRS 9 with effect from January 1, 2018. Due to the transition methods chosen by the Institute in applying these standards, comparative information throughout these financial statements has not been restated to reflect the requirements of the new standards.

3.20.1 IFRS 15 Revenue from Contracts with customers

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaced IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations. Under IFRS 15, revenue is recognised when a customer obtains control of the goods or services. Determining the timing of the transfer of control – at a point in time or over time – requires judgment. Adoption of IFRS 15 did not impact timing or amount of IWMI's restricted or unrestricted grant revenue and the related assets and liabilities recognized by IWMI.

3.20.2 IFRS 9 Financial Instruments

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement. The following table below explain the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Institute's financial assets and financial liabilities as at January 1, 2018.



Accounting Policies (Contd...)

	Original Classification under IAS 39	New Classification under IFRS 9 Amount in	Original Carrying USD (000)	New carrying amount under IFRS 9 in USD (000)
Financial Assets				
Accounts receivable - donors	Loans and Receivables	Amortized cost	2,828	2,828
Accounts receivable-employees	Loans and Receivables	Amortized cost	154	154
Deposits	Loans and Receivables	Amortized cost	36	36
Cash and cash equivalents (Excluding cash in hand)	Loans and Receivables	Amortized cost	4,013	4,013
Investments – short term	Loans and Receivables	Amortized cost	14,328	14,328
Financial Liabilities				
Accounts payable-Employees current	Other financial liabilities	Other financial liabilities	276	276
Accounts payable - others	Other financial liabilities	Other financial liabilities	2,005	2,005

4. New Accounting standards issued but not yet effective as at Reporting Date

The following IFRSs have been issued which are effective from January 1, 2019 and have not been applied in preparing these financial statements. Those IFRSs will have an effect on the accounting policies currently adopted by IWMI and may have an impact on the future financial statements.

IFRS 16 – Leases

IFRS 16 provides a single lessee accounting model, requiring lessee to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value even though lessor's accounting remains similar to current practice. This supersedes IAS 17, "Leases", IFRIC 4, "Determining whether an arrangement contains a lease", SIC 15, "Operating Leases – Incentives" and SIC 27, "Evaluating the substance of transactions involving the legal form of a lease". Earlier adoption is permitted for entities that apply IFRS 15, "Revenue from contracts with Customers".

IWMI is in the process of assessing the potential impact on its financial statements. However, the possible impacts are limited.



INTERNATIONAL WATER MANAGEMENT INSTITUTE

Notes to the Financial Statements

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As at December 31	2018	2017
5. Cash and Cash Equivalents		
Cash in hand	20	29
Cash at bank	2,888	1,891
Deposits	1,125	8,182
	4,033	10,102

5.1. IWMI bank balances with Hosting Institutions

Some regional offices of IWMI are hosted by other organizations. These organizations provide operational support to IWMI based on signed agreements. As IWMI does not have a legal status in those countries, bank accounts are opened in the name of the organization which hosts IWMI. However, such bank balances are reflected in IWMI books of accounts.

The following bank balances are held in the name of hosting institutions as at December 31, 2018:

IWMI Regional Office	Amount	Hosting organization
Ethiopia	USD 535	ILRI
Uzbekistan	USD 5,233	ICARDA

As at December 31	2018	2017
6. Investments		
Short-term investments	14,328	11,808
	14,328	11,808
The Institute's exposure to interest rate risk is disclosed in Note 30.		
7. Accounts Receivable - Donors		
Windows 1 & 2	320	526
Window 3	579	1,816
Bilateral	2,269	1,887
Restricted funds	3,168	4,229
Provision for impairment	(340)	(572)
	2,828	3,657
The Institute's exposure to credit and currency risks is disclosed in Note 30.		
8. Accounts Receivable - Employees		
Travel advances	68	34
Loans - staff	45	69
Other receivables	41	34
	154	137

The Institute's exposure to credit risk is disclosed in Note 30.

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As at December 31	2018	2017
9. Prepaid Expenses		
Advances paid to other CGIAR Centers (Note 9.1)	123	59
Advances paid to others (Note 9.2)	764	1,618
Security deposits	36	36
Prepayments - CGIAR System Organization	-	-
Prepayments - Other	186	122
	1,109	1,835
9.1. Advances paid to other CGIAR Centers		
Center for International Forestry Research (CIFOR)	-	5
International Food Policy Research Institute (IFPRI)	-	19
International Potato Center (CIP)	104	13
International Rice Research Institute (IRRI)	15	16
WorldFish (WF)	4	6
CGIAR System Organization	-	-
	123	59

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As at December 31	2018	2017
9.2. Advances paid to others		
Advances paid - Africa region suppliers	93	225
Advances paid - Asia region suppliers	29	55
Consultants	100	146
Employees	45	60
Vendors	309	301
Collaborators	188	831
	764	1,618
Provision for impairment	-	-
	764	1,618
10. Inventories		
Inventories	18	18
Provision for impairment	-	-
	18	18

Notes to the financial statements continued on page 34





11. Property, Plant and Equipment
11.1 Reconciliation of carrying value

	UNRESTRICTED (Center own Assets)										
	Leasehold Building and Improvements	Heavy Duty Equipment	Research Equipment	Computers	Furnishing & Equipment	Vehicles	Work in Progress	Total			
Cost											
Balance at January 1, 2017	4,164	294	131	1,861	889	1,230	86	8,655			
Additions	-	-	-	-	-	-	47	47			
Disposals	-	18	103	1,439	674	9	-	2,243			
Balance at December 31, 2017	4,164	276	28	422	215	1,221	133	6,459			
Accumulated Depreciation											
Balance at January 1, 2017	2,507	278	115	1,593	731	1,058	-	6,282			
Charge for the year	101	5	2	33	9	111	-	261			
Disposals	-	25	93	1,216	544	7	-	1,885			
Balance at December 31, 2017	2,608	258	24	410	196	1,162	-	4,658			
Carrying value at December 31, 2017	1,556	18	4	12	19	59	133	1,801			
Cost											
Balance at January 1, 2018	4,164	276	28	422	215	1,221	133	6,459			
Additions	-	-	-	-	-	-	9	9			
Capitalized during the year	142	-	-	-	-	-	(142)	-			
Disposals	6	-	7	92	-	39	-	144			
Balance at December 31, 2018	4,300	276	21	330	215	1,182	-	6,324			
Accumulated Depreciation											
Balance at January 1, 2018	2,608	258	24	410	196	1,162	-	4,658			
Charge for the year	99	5	2	9	7	48	-	170			
Disposals	6	-	7	92	-	39	-	144			
Balance at December 31, 2018	2,701	263	19	327	203	1,171	-	4,684			
Carrying value at December 31, 2018	1,599	13	2	3	12	11	-	1,640			

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11.1. Property, Plant and Equipment

	RESTRICTED (Project Assets)										TOTAL ASSETS	
	Leasehold Building and Improvements	Heavy Duty Equipment	Research Equipment	Computers	Furnishing & Equipment	Vehicles	Work in Progress	Total				
Cost												
Balance at January 1, 2017	-	-	580	249	148	113	-	-	1,090			9,745
Additions	-	-	59	11	-	-	-	-	70			117
Disposals	-	-	327	233	141	54	-	-	755			2,998
Balance at December 31, 2017	-	-	312	27	7	59	-	-	405			6,864
Accumulated Depreciation												
Balance at January 1, 2017	-	-	580	249	148	113	-	-	1,090			7,372
Charge for the year	-	-	59	11	-	-	-	-	70			331
Disposals	-	-	327	233	141	54	-	-	755			2,640
Balance at December 31, 2017	-	-	312	27	7	59	-	-	405			5,063
Carrying value at December 31, 2017	-	-	-	-	-	-	-	-	-			1,801
Cost												
Balance at January 1, 2018	-	-	312	27	7	59	-	-	405			6,864
Additions	-	-	-	-	-	-	-	-	-			9
Capitalized during the year	-	-	-	-	-	-	-	-	-			-
Disposals	-	-	18	-	-	-	-	-	18			162
Balance at December 31, 2018	-	-	294	27	7	59	-	-	387			6,711
Accumulated Depreciation												
Balance at January 1, 2018	-	-	312	27	7	59	-	-	405			5,063
Charge for the year	-	-	-	-	-	-	-	-	-			170
Disposals	-	-	18	-	-	-	-	-	18			162
Balance at December 31, 2018	-	-	294	27	7	59	-	-	387			5,071
Carrying value at December 31, 2018	-	-	-	-	-	-	-	-	-			1,640

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Notes to the Financial Statements

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11.2. Capital Work-in-Progress

During the year an amount of USD 142,309 was transferred to leasehold building and improvements from capital work-in-progress as the remodeling of the Pakistan regional office was completed.

11.3. IWMI Assets in Hosting Institutions

Some regional offices of IWMI are hosted by other organizations. These organizations provide operational support to IWMI based on signed agreements. As IWMI does not have a legal status in those countries, IWMI assets purchased in such regional offices are also in the name of these organizations. However, such assets are reflected in IWMI books of accounts.

Details of the cost of IWMI assets under the name of hosting organizations as at December 31, 2018 are given below:

IWMI Regional Office	Amount	Hosting organization
Ethiopia	USD 75,097	ILRI
Uzbekistan	USD 35,450	ICARDA

11.4. Temporarily Idle Assets

IWMI does not have any temporarily idle assets as at December 31, 2018.

12. Intangible Assets	2018	2017
Cost		
Balance at January 1	602	668
Additions	-	-
Disposals	-	(66)
Balance at December 31	602	602
Amortization		
Balance at January 1	602	660
Charge for the year	-	8
Disposals	-	(66)
Balance at December 31	602	602
Carrying Value at December 31	-	-

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13. Employee Benefits

	2018	2017
Present value of funded obligation (excluding future service liability)	1,828	2,439
Fair value of plan assets as at December 31	(2,465)	(3,099)
(Surplus)/Recognized liability for defined benefit obligation	(637)	(660)
Surplus not accounted	-	660
Recognized asset for defined benefit obligation	(637)	-

IWMI has a “Defined Benefit” pension plan for its National Staff at Headquarters. This plan was closed in 2004 to new employees. The plan assets and liabilities are valued annually by a qualified Actuary.

As per the revised Pension Fund Charter in August 2017, contributions to the fund can be discontinued with the unanimous consent of contributing participants of the fund with the concurrence of the Pension Board subjected to the approval of IWMI’s Board of Governors. Accordingly, based on the Pension Board approval, IWMI’s Board of Governors approved to cease the contribution to the Pension Fund with effect from December 31, 2017. Further, as per the amendment made to the Charter of IWMI’s Pension Fund in February 2019, in the event of a dissolution of the fund, IWMI will be entitled to take any balance funds in the pension fund. Accordingly, any annual deficit or surplus of the pension fund shall be taken in to the IWMI’s financial statements based on annual actuarial valuation.

As at December 31, 2018, an actuarial valuation was carried out for Defined Benefit Obligations by Mr. M. Poopalanathan, AIA, Messrs. Actuarial and Management Consultants (Private) Limited; a firm of professional actuaries.

As per actuarial valuation report, the present value of funded obligation as at the reporting date amounted to USD 1,827,685 and the fair value of the plan assets amounted to USD 2,464,597. Accordingly, a surplus of USD 636,912 has been recorded in the financial statements in relation to the pension fund.

The following was one of the key assumptions made in computing the actuarial valuation of the above retirement benefits as at the reporting date;
Actuarial assumption

	2018	2017
Discount rate	12.00%	10.50%

Sensitivity analysis

The calculation of the **recognized asset for the defined benefit obligation** was sensitive to the assumptions set out above. The following table summarizes how the **recognized asset for the defined benefit obligation** at the end of the reporting period would have increased/ (decreased) as a result of a change in the above assumption by one percent, while other assumptions remain constant.

As at December 31	2018		2017	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	127	(145)	192	(221)

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As at December 31	2018	2017
14. Accounts payable - Deferred income from Donors		
Windows 1 & 2	2,952	4,010
Windows 3	715	886
Bilateral	3,079	4,084
Restricted funds	6,746	8,980
15. Accounts Payable - Other CGIAR Centers		
Center for International Forestry Research (CIFOR)	1	12
International Center for Agricultural Research (ICARDA)	8	6
International Center for Tropical Agriculture (CIAT)	376	420
International Crops Research Institute for the Semi-Arid Tropics (ICRISAT)	17	407
International Food Policy Research Institute (IFPRI)	208	840
International Institute of Tropical Agriculture (IITA)	-	-
International Livestock Research Institute (ILRI)	54	290
International Plant Genetic Resources Institute (IPGRI)	56	278
World Agroforestry Centre (ICRAF)	193	332
WorldFish (WF)	-	-
World Vegetable Center	2	-
CGIAR System Organization		
- CSP payable on bilateral grants (Note 21)	214	206
- Other	16	-
	1,145	2,791
16. Accounts Payable - Employees		
Travel payables	60	47
Other payables	216	201
International & national staff unutilized leave provision (Note 16.1)	266	706
	542	954
16.1. International & National staff unutilized leave provision		
National staff	69	81
International staff	197	240
	266	321
Additional provision for leave entitlement	-	385
	266	706

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As at December 31	2018	2017
16.1.a. Movement in unutilized leave provision		
Balance at January 1	321	798
Included in Statement of Activities		
Current service cost	-	-
Interest cost	16	50
	16	50
Included in Other Comprehensive Income		
Remeasurements loss / (gain):		
– Actuarial loss / (gain)	(45)	(360)
	(45)	(360)
Other		
Benefits Paid / Payable	(26)	(167)
	(26)	(167)
Balance at December 31	266	321

As at December 31 2018, an actuarial valuation was carried out by Mr. M. Poopalanathan, AIA, Messrs. Actuarial and Management Consultants (Private) Limited; a firm of professional actuaries.

Employee Benefit requires the use of actuarial techniques to make a reliable estimate of the amount of retirement benefit using the Projected Unit Credit Method, the method recommended by the IAS 19 on 'Employee Benefits', in order to determine the present value of the retirement benefit obligation as at the reporting date.

The liability is not externally funded.

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16.1.b. Actuarial Assumptions

The following key assumptions were made in computing the actuarial valuation of the above retirement benefits as at the reporting date.

	2018	2017
Discount Rate (per annum)		
International staff	6.00%	4.25%
National staff	12.00%	10.50%
Salary Escalation Rate (per annum)		
International staff	4.00%	5.00%
National staff	12.00%	11.00%

16.1.c. Sensitivity Analysis

The calculation of the defined benefit obligation is sensitive to the assumptions set out above. The following table summarizes how the defined benefit obligation at the end of the reporting period would have increased / (decreased) as a result of a change in the respective assumptions by one percent, while other assumptions remain constant.

As at December 31	2018		2017	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(7)	9	(11)	13
Future salary growth (1% movement)	10	(9)	14	(13)

As at December 31	2018	2017
17. Accounts Payable - Others		
Accounts payable - Africa suppliers	350	666
Accounts payable - Asia suppliers	125	76
Consultants	332	289
Vendors	254	224
Collaborators	944	646
	<u>2,005</u>	<u>1,901</u>

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(In US Dollars '000)

As at December 31	2018	2017
18. Long-term Liabilities :		
Accounts Payable - Employees		
Severance & gratuity benefits (Note 18.1)	1,545	1,850
International staff repatriation (Note 18.2)	819	720
Balance at December 31	2,364	2,570

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As at December 31	2018	2017
18.1. Severance & Gratuity Benefits		
Balance at January 1	1,850	2,133
Interest cost	110	153
Current service cost	203	258
Actuarial gain	(332)	(274)
Benefits paid	(286)	(420)
Balance at December 31	1,545	1,850

18.1.a. Amounts recognized in the Statement of Activities and Other Comprehensive Income

The total amount charged to the Statement of Activities and other Comprehensive Income in respect of Retirement Benefit Obligations made up as follows;

Defined Benefit Obligations

Included in Statement of Activities		
Current service cost	203	258
Interest cost	110	153
	313	411
Included in Other Comprehensive Income		
Remeasurements loss / (gain):		
– Actuarial gain	(332)	(274)
	(332)	(274)

As at December 31, 2018, an actuarial valuation was carried out for Retirement Benefit Obligations by Mr. M. Poopalanathan, AIA, Messrs. Actuarial and Management Consultants (Private) Limited; a firm of professional actuaries.

Employee Benefit requires the use of actuarial techniques to make a reliable estimate of the amount of retirement benefit using the Projected Unit Credit Method, the method recommended by IAS 19 on 'Employee Benefits', in order to determine the present value of the retirement benefit obligation as at the reporting date.

The liability is not externally funded.

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18.1.b Actuarial Assumptions

The following key assumptions were made in computing the retirement gratuity obligation as at the reporting date.

	2018	2017
Discount Rate (per annum)		
International staff	6.00%	4.25%
National staff	12.00%	10.50%
Salary Escalation Rate (per annum)		
International staff	4.00%	5.00%
National staff	12.00%	11.00%

18.1.c. Sensitivity Analysis

The calculation of the defined benefit obligation is sensitive to the assumptions set out above.

The following table summarizes how the defined benefit obligations at the end of the reporting period would have increased / (decreased) as a result of a change in the respective assumptions by one percent, while all other assumptions remain constant.

As at December 31	2018		2017	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(38)	37	(54)	60
Future salary growth (1% movement)	44	(45)	67	(63)

18.2. International Staff Repatriation

	2018	2017
Balance at January 1	720	981
Charge for the year	175	(162)
Payments made during the year	(76)	(99)
Balance as at December 31	819	720

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For the year ended December 31	2018	2017
19. Other Revenue and Gains		
Management fees	333	414
Others	263	224
	596	638

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20. Total Expenses and Losses
For the year ended December 31

2018

	Unrestricted		Restricted		Total		GRAND TOTAL	
	Portfolio	Non Portfolio	Portfolio	Non Portfolio	Portfolio	Non Portfolio	Portfolio	Non Portfolio
Expenses by Function								
Personnel Costs	-	4,501	6,989	613	7,602	6,989	5,114	12,103
CGIAR Collaboration Expenses	-	-	3,570	-	3,570	3,570	-	3,570
Non-CGIAR Collaboration Expenses	-	-	2,624	-	2,624	2,624	-	2,624
Supplies & Services	-	(498)	5,422	391	5,813	5,422	(107)	5,315
Travel	-	257	904	123	1,027	904	380	1,284
Depreciation	-	170	-	-	-	-	170	170
Cost Sharing Percentage	-	55	306	38	344	306	93	399
Indirect Cost Recovery	-	(2,173)	2,013	160	2,173	2,013	(2,013)	-
Total Expenses and Losses	-	2,312	21,828	1,325	23,153	21,828	3,637	25,465

For the year ended December 31

2017

	Unrestricted		Restricted		Total		GRAND TOTAL	
	Portfolio	Non Portfolio	Portfolio	Non Portfolio	Portfolio	Non Portfolio	Portfolio	Non Portfolio
Expenses by Function								
Personnel Costs	318	5,035	7,309	561	7,870	7,627	5,596	13,223
CGIAR Collaboration Expenses	-	-	3,808	-	3,808	3,808	-	3,808
Non-CGIAR Collaboration Expenses	-	-	2,849	-	2,849	2,849	-	2,849
Supplies & Services	11	69	5,273	219	5,492	5,284	288	5,572
Travel	2	320	769	62	831	771	382	1,153
Depreciation	-	269	69	-	69	69	269	338
Cost Sharing Percentage	-	70	136	-	136	136	70	206
Indirect Cost Recovery	-	(2,119)	2,000	119	2,119	2,000	(2,000)	-
Total Expenses and Losses	331	3,644	22,213	961	23,174	22,544	4,605	27,149

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For the year ended December 31	2018	2017
21. Cost Sharing Percentage		
Balance at January 1	206	192
CSP charge for the year	399	206
Payments made during the year	(206)	(192)
Direct deduction by System Organization	(185)	-
Balance as at December 31	214	206
22. Gains on Disposals of Assets		
Gains on disposals of assets	20	30
	20	30
23. Financial Income		
Bank interest & investment income	582	499
Foreign exchange gains	137	235
	719	734
24. Actuarial gain/(loss)-Defined benefit plan		
Unutilized leave	45	360
Severance/gratuity	332	274
Sub Total - Unutilized Leave and Severance/gratuity (Note 25)	377	634
Pension Fund	637	-
	1,014	634

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For the year ended December 31	2018	2017
25. Computation of Indirect Cost Rate		
General & Administration Expenses	3,711	4,196
Less: Actuarial Gain - Defined Benefit Plan (excluding Pension Fund) (Note 24)	(377)	(634)
Less : One Time Costs		(446)
<i>Redundancies</i>	-	112
<i>Additional depreciation charged due to threshold change from \$500 to \$5,000</i>	-	334
Adjusted General & Administration Expenses	3,334	3,116
Research Expenses (Excluding all Collaborator Expenses)	15,560	16,296
Add: Non-CGIAR Collaborator Expenses	2,624	2,849
Total Cost (excluding CGIAR Collaborator Expenses)	18,184	19,145
Indirect cost / Direct (Rate excluding CGIAR Collaborator Expenses)	18%	16%
Indirect cost / Direct (Rate excluding all Collaborator Expenses)	21%	19%

Recovery of overhead costs represents the amount recovered from restricted projects based on the rates agreed on and as stated in the grant agreements. Over the past years, Collaboration costs, especially Other Collaboration (Non-CGIAR) costs, have increased significantly throughout CGIAR. Hence, the indirect cost rates have been computed on the above bases to give a better presentation.

The indirect cost ratios presented above have been computed based on the CGIAR Cost Allocation Guidelines, Financial Guidelines Series, No. 5.

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26. Related Party Disclosure

IWMI carries out transactions in the ordinary course of its activities with parties who are defined as related parties in International Accounting Standard (IAS) 24 - "Related Party Disclosures".

26.1. Transactions with Key Management Personnel

Key Management Personnel (KMP) are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the organization. Such KMPs include the Board of Governors of IWMI.

IWMI's Board of Governors have the authority and responsibility for planning, directing and controlling the activities of the organization. The Board of Governors comprises the Director General ("DG"), Board Chair and other Board Members inclusive of one member from the Sri Lankan government.

Key management personnel compensation	2018	2017
Key management personnel compensation comprised the following:		
Short-term employee benefits	352	394
Post-employment benefits	50	53
Other long-term benefits	(5)	17
	<u>397</u>	<u>464</u>

26.2. Transactions with Post-employment Benefit Plans for employees of the organization

The organization has established a pension fund to discharge defined benefit pension liability of its national staff and this plan was closed to employees in 2004.

	2018	2017
Deficit payable at January 1	-	257
Provision reversal	-	(257)
Surplus recognized (Note 13)	637	-
Surplus receivable at December 31	<u>637</u>	<u>-</u>

Contributions paid by the organization	-	(67)
--	---	------

As disclosed in Note 13, contribution to the pension fund by the center and employees was ceased with effect from December 31, 2017, which was approved by the Board of Governors. However, if there is a deficit in the future, IWMI is bound to make the additional liability to the pension fund.

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(In US Dollars '000)

27. Net Assets

Net assets include both the designated and undesignated reserves.

Undesignated - undesignated reserves represent the accumulated surplus of revenue over expenses.

Designated - Property, Plant and Equipment. This is the net book value of property, plant and equipment as at the Statement of Financial Position date.

28. Events after the reporting date

No events have occurred from the reporting date to the date of the financial statements are authorized for issue, which would require adjustment to, or disclosure in, the financial statements.

29. Commitments and Contingent Liabilities

There are no commitments and contingent liabilities at the reporting date.

Notes to the financial statements continued on page 50



INTERNATIONAL WATER MANAGEMENT INSTITUTE

Notes to the Financial Statements

30. Financial Instruments - Fair Values and Risk Management

30.1. Accounting classifications and fair values

The following table shows the carrying amounts of financial assets and liabilities.

As at December 31	2018		2017	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Assets carried at amortized cost				
Cash and cash equivalents (excluding cash in hand)	4,013	4,013	10,073	10,073
Investments - Short term	14,328	14,328	11,808	11,808
Accounts Receivable				
Donor	2,828	2,828	3,657	3,657
Employees	154	154	137	137
Deposits	36	36	36	36
Liabilities carried at amortized cost				
Accounts Payable				
Employees - current	276	276	248	248
Others	2,005	2,005	1,901	1,901

The carrying values of financial instruments are a reasonable approximation of fair values, due to short-term maturity, hence the fair value hierarchy does not apply.



INTERNATIONAL WATER MANAGEMENT INSTITUTE

Notes to the Financial Statements

30.2. Financial Risk Management

Overview

i) Risk Management Framework

IWMI's Board of Governors has overall responsibility for ensuring that an appropriate risk management framework is in place. The management is responsible for the Institute-wide implementation of the risk management system to ensure that risks are identified appropriately, assessed and acted upon in accordance with IWMI's policies. The risk management system and policies are reviewed regularly to reflect the changes in the market conditions and the Institute's activities.

IWMI ensures minimum risk either by exercising a high degree of control or not being involved in certain high-risk activities. The Board of Governors takes an active role in monitoring the Institute's risk management strategy, and financial aspects, as well as research strategies and issues. The Board of Governors has adopted a risk management policy that has been communicated to all staff together with a detailed management guideline. The policy includes a framework by which the Institute's management identifies, evaluates and prioritizes risks and opportunities across the organization; develops risk mitigation strategies that balance benefits with costs; monitors the implementation of these strategies; and reports, in conjunction with finance, administration and internal audit staff, the results to the Board, on an annual basis.

The annual statement from the Board Chair addresses the Institute's risk management strategy, and identifies key areas of risk and processes in place to mitigate such risks.

The Institute has exposure to the following risks from its use of financial instruments:

1. Credit risk
2. Market risk
3. Liquidity risk

1) Credit risk

Credit risk is the risk that occurs when a counterparty will not meet its obligations under a financial instrument or donor contract, leading to financial losses and arises principally from the Institute's cash and cash equivalents, investments and accounts receivable.



INTERNATIONAL WATER MANAGEMENT INSTITUTE

Notes to the Financial Statements

The carrying amount of financial assets represents the maximum credit exposure.

As at December 31	2018	2017
Amortized Costs		
Cash and cash equivalents (excluding cash in hand)	4,013	10,073
Investments - Short term	14,328	11,808
Accounts Receivable		
Donor	2,828	3,657
Employees	154	137
Deposits	36	36

The Institute is not exposed to any material concentrations of credit risk other than its exposure to various donors. Donor receivables are reviewed on a monthly basis and regular follow-up actions are carried out to recover the balances due. Receivable balances are monitored on an ongoing basis and provisions are made where necessary for doubtful accounts. IWMI's exposure to non-recoverability is insignificant.

Cash and cash equivalents are held with reputable local and international financial institutions with good credit ratings. Investments are made as per the Investment Policy of the Institute. Accordingly, short-term investments, cash and cash equivalents are invested in a portfolio to safeguard the funds and with an investment objective of maximizing the returns. IWMI's investment policy defines the maximum exposure to a single financial institution, in order to ensure diversification of investments. The policy also states the types of instruments in which the funds can be invested and the types in which investment is not permitted.

However, the requirement for impairment is analyzed at each reporting date on an individual basis for grant agreements.

	Gross Amount US\$ '000	Fully Performing US\$ '000	Past Due US\$ '000	Impaired US\$ '000
As at December 31, 2018				
Accounts Receivable - Donors	3,168	2,828	188	340
Accounts Receivable - Employees	154	154	-	-
	3,322	2,982	188	340
As at December 31, 2017				
Accounts Receivable - Donors	4,229	3,657	274	572
Accounts Receivable - Employees	137	137	-	-
	4,366	3,794	274	572

Notes to the financial statements continued on page 53



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Notes to the Financial Statements

2) Market Risk

Market risk is the risk that occurs due to changes in market prices, such as interest rates and foreign exchange rates, which will affect the Institute's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

Currency risk

Currency risk is the risk that occurs when the value of a financial instrument fluctuates due to changes in foreign exchange rates. IWMI's exposure to the risk of changes in foreign exchange rates primarily affects the Institute's operating activities (when revenue or an expense is denominated in a different currency from the Institute's functional currency) and bank accounts held in different currencies. In order to mitigate the foreign exchange risks, the Institute matches the currency of payment with the currency of donor funds received, wherever possible.

Foreign currency sensitivity

The following table demonstrates the effect of a reasonably possible change in the US dollar exchange rate, with all other variables held constant, on the net surplus.

	Change in US\$ rate	Effect on net surplus/deficit (US\$ '000)
2018	10%	126
2017	10%	103

The movement on the net surplus/deficit effect is a result of the cash and cash equivalents denominated in currencies other than the functional currency (US Dollar). If the US Dollar had strengthened/weakened by 10% against the major operating currencies, with all other variables held constant, there would have been an increase/decrease in the surplus/deficit for the year.

Interest rate risk

Bank deposits and short-term investments of IWMI are placed in term deposits and fixed deposits at fixed interest rates. Therefore, the risk of volatility of market interest rates will be minimal.



INTERNATIONAL WATER MANAGEMENT INSTITUTE

Notes to the Financial Statements

3) Liquidity Risk

Liquidity risk is the risk that occurs when the Institute may encounter difficulties in meeting the obligation associated with its financial liabilities that are to be settled by delivering cash or other financial assets.

One of the investment objectives of the Institute is to manage liquidity, which is to ensure that it will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions.

As at December 31	Less than one year	
	2018	2017
Other financial liabilities		
Accounts Payable		
Employees - current	276	248
Others	2,005	1,901



INTERNATIONAL WATER MANAGEMENT INSTITUTE
December 31, 2018 (in US Dollars)

Supplementary Information**Exhibit 1 - Grant Revenue**

Project Name	Total Funds Available	Funds Receivable	Deferred Revenue	Total Revenue	Total Revenue
	2018	31.12.2018	31.12.2018	2018	2017
RESTRICTED GRANT INCOME					
WINDOW 1 & WINDOW 2					
CGIAR Fund CRP on Water, Land and Ecosystems (CRP 5)	-	-	-	-	345,046
CRP on Water, Land and Ecosystems (CRP 5 & CRP 24)	10,231,310	-	2,951,555	7,279,755	7,448,447
Performance & Evaluation specialist-DRS	-	-	-	-	10,200
IFPRI CRP on Policies, Institutions and Markets (CRP 23)	124,670	12,330	-	137,000	225,000
CIAT CRP on Climate Change, Agriculture and Food Security - Center activities (CRP 22)	599,810	54,109	-	653,919	587,190
CIAT CRP on BIG DATA (PTF 32)	83,794	15,088	-	98,882	115,206
WORLD FISH CRP on FISH (CRP 11)	26,121	238,879	-	265,000	75,000
Subtotal	11,065,705	320,406	2,951,555	8,434,556	8,806,089
CRP WINDOW 3					
Austria Participatory water governance	443,901	-	216,326	227,575	104,957
EC From Africa to Asia and back again - Testing adaptation in flood-based farming systems (through IFAD-International Fund for Agricultural Development)	23,538	316,701	-	340,239	521,753
EC Water, land and ecosystems in Africa	(98,234)	98,234	-	-	335,452
IFAD From Africa to Asia and back again - Testing adaptation in flood-based farming systems	105,845	4,877	-	110,722	281,070
IFAD Opportunities to enhance smallholder agriculture in sub-Saharan Africa through sustainable water, land and ecosystem management (WLE in Africa)	692,822	70,755	-	763,577	230,927
India ICAR Program Support 2017	-	-	-	-	567,862
India ICAR program support grant 2018 (through India-ICAR-Indian Council of Agricultural Research)	554,776	-	-	554,776	-
Literature Review (MUS)	98,000	-	98,000	-	-
South Africa Irrigation in Limpopo, South Africa	210,429	-	127,834	82,595	111,281
USAID Conjunctive surface-groundwater management of SADC's shared waters: generating principles through fit-for-purpose practice	250,000	-	216,537	33,463	-
USAID Tajikistan WUAs evaluation	344,520	-	-	344,520	252,402
USAID Water resource management on small-scale farms in sub-Saharan Africa	28,843	-	-	28,843	277,937
Subtotal	2,654,440	490,567	658,697	2,486,310	2,683,641
NON CRP WINDOW 3					
China Program Support Grant 2017	-	-	-	-	49,000
China Program support grant 2018	2,000	88,200	-	90,200	-
USAID Feed the Future- Southern Africa regional program	-	-	-	-	46,716
USAID Water team secondment	259,897	-	56,592	203,305	200,451
Subtotal	261,897	88,200	56,592	293,505	296,167
CRP BILATERAL					
ACIAR Groundwater in Eastern Gangetic Plains (through USQ-University of Southern Queensland, Australia)	181,418	-	69,704	111,714	164,219
ADB Building climate resilience of watersheds in mountain eco-regions (through Nepal-DSCVM-Department of Soil Conservation and Watershed Management)	(42,462)	110,780	-	68,318	92,373
ADB Groundwater Use in Irrigation	-	-	-	-	25,964
ADB Lao PDR Northern rural infrastructure development sector project - additional financing irrigation subsector review (through Laos-Department of Planning and Finance, Ministry of Agriculture and Forestry)	117,940	135,363	-	253,303	-
ADB TA-8311 REG: Disaster risk management	-	32,621	-	32,621	-
ADB TA-9323 LAO: Sustainable rural infrastructure and watershed management	86,982	53,065	-	140,047	-
AfDB MUS investments in SA (through WRC-Water Research Commission, South Africa)	123,126	-	61,175	61,951	56,290
Bajaj Allianz Crop monitoring using satellite data for selected states in India for implementation of PMFBY Crop Insurance Scheme	14,191	7,568	-	21,759	33,893
BMGF Crop monitoring using satellite data for selected states in India for implementation of PMFBY Crop Insurance Scheme (through Jal Seva Charitable Foundation)	1,420	156,351	-	157,771	258,493
BMGF From Waste to Food (WaFo), Ghana	-	-	-	-	237,314
BMGF Training program for FSM	-	-	-	-	45,000
BMU Infrastructure investments (WISE UP)	-	-	-	-	209,819
DANIDA Enhancing sustainable groundwater use in South Africa-ESGUSA (through University of Copenhagen)	26,025	13,856	-	39,881	-
DFAT A gender perspective to understand and enhance the functionality of water supply systems: lessons from Nepal (through GHD Australia Pty Ltd)	239,453	-	196,107	43,346	-

Project Name	Total Funds Available	Funds Receivable	Deferred Revenue	Total Revenue	Total Revenue
	2018	31.12.2018	31.12.2018	2018	2017
DFAT Identify best approaches for water supply and storage for agriculture for small farmers in Hpa-An and Hlaingbwe Townships (through World Vision)	47,560	-	-	47,560	-
DFAT Mekong programme on water governance	1,736,563	-	209,691	1,526,872	1,556,485
DFID Anukulan: Developing climate resilient livelihoods for local communities (through iDE)	-	24,427	-	24,427	85,562
DFID Carbon investment in ecosystems (ALTER)	-	-	-	-	86,203
DFID Ecosystems and urban development in India, Nepal	-	-	-	-	15,122
DFID GroFutures: Groundwater Futures in Sub-Saharan Africa (through NERC-Natural Environment Research Council, United Kingdom)	14,809	44,094	-	58,903	106,771
DFID Informing Changes in the Indus Basin/ South Asia Water Governance Programme	(11,645)	11,645	-	-	754,631
DFID Informing changes in the Indus Basin/South Asia Water governance programme-Phase II	438,748	116,930	-	555,678	-
DFID Organic resource use - Ethiopia	-	-	-	-	14,108
DFID REACH Water security & local monitoring	-	-	-	-	16,435
DFID REACH water security & local monitoring- Phase II (through University of Newcastle upon Tyne)	104,200	5,782	-	109,982	-
DFID Security through law reform	-	-	-	-	10,649
DFID Water law reform to improve water security for vulnerable people in Africa (SELARE) - Phase II (through Pegasys Institute)	17,329	38,996	-	56,325	-
EC A Decision-Analytic Framework to explore the water-energy-food Nexus in complex and trans-boundary water resources systems of fast growing developing countries-DAFNE	154,407	-	54,085	100,322	94,172
EC Benchmarking irrigation performance and projection of irrigation water demand in the Nile Basin (through Germany-GIZ-Deutsche Gesellschaft für Internationale Zusammenarbeit)	-	46,520	-	46,520	-
EC SHARE : Bale eco-region (through Farm Africa)	76,160	-	-	76,160	208,294
EC Water management in Uzbekistan	-	-	-	-	185,370
EC Water management in Uzbekistan- Phase II (through Germany-GIZ-Deutsche Gesellschaft für Internationale Zusammenarbeit)	201,547	6,794	-	208,341	-
ESRC DAMS 2.0: Design and assessment of resilient and sustainable interventions in water-energy-food-environment mega-systems (through University of Manchester)	-	23,134	-	23,134	-
ESRC Nepal Resilience Portfolio (MEL) (through IOD PARC)	885	-	-	885	19,360
ESRC Nepal resilience portfolio (MEL)- Phase II (through IOD PARC)	-	4,838	-	4,838	-
ESRC Water security in Ethiopia-MUS (through Cranfield University)	21,055	-	1,900	19,155	13,683
FAO City Region Food System (CRFS) (through Netherlands-RUAF Foundation)	1,281	-	-	1,281	60,744
FAO Qualitative Study WEAL	-	-	-	-	54,446
FAO Water assessment in SADC	-	-	-	-	198,795
FAO Wetland hydrology Laos	-	-	-	-	69,995
GCF Strengthening the resilience of smallholder farmers in the Dry Zone to climate variability and extreme events through an integrated approach to water management (through UNDP-United Nations Development Programme)	30,535	65,985	-	96,520	-
Ghana WaFo- Contribution from Government of Ghana	14,354	-	-	14,354	84,089
GIZ Baseline study and roadmap development to increase carbon and nutrient recovery from municipal and agriculture waste streams in Maharashtra, India	89,424	-	-	89,424	-
GIZ Business model development and feasibility assessment	-	-	-	-	63,358
GIZ GlobE - UrbanFoodPlus	63,873	42,986	-	106,859	74,061
GIZ Integrated Water Resources Management and development in the Karamoja region of Uganda	-	-	-	-	80,109
GIZ Marketing an innovative Fortifer™	10,759	-	-	10,759	43,619
GIZ Organic fertilizer standards for sustainable soil management and agriculture	61,635	-	27,419	34,216	-
GIZ QGIS Trainings and generation	-	-	-	-	33,900
GIZ Soils, fecal sludge and waste recovery	615,519	-	143,853	471,666	410,699
GIZ Strengthening the capacity for managing environmental flows in Uganda	7	23,108	-	23,115	-
GIZ Strengthening the institutional set-up for managing water and other environmental resources in the context of prolonged refugee settlement in Northern Uganda	69,588	-	-	69,588	-
GWP IUWM training material	7,915	-	-	7,915	-
ICARDA Soil salinity management in Central and Southern Iraq (ACIAR) - Utilization of remaining funds for ACIAR groundwater in Eastern Gangetic Plains (ACIAR)	404	-	-	404	44
ICRISAT GW and Irrigation in Karnataka (India)	(27,095)	-	-	(27,095)	110,976
ICRISAT GW and irrigation in Karnataka, India- Phase II (India)	78,773	2,577	-	81,350	-
IDRC IWRM in India (through ICLEI-SA-Local Governments for Sustainability-South Asia)	27,989	16,171	-	44,160	49,688
IFPRI Assessment of small reservoirs in Ghana	-	-	-	-	69,047
IFPRI The Global Futures and CG Strategic Foresight Program (CRP PIM) (Gates Foundation)	-	-	-	-	5,314
IITA Sustainable AWM - Ghana (USAID)	115,724	-	59,652	56,072	84,094
IITA TAAT Water enabling activities across five value chains in seven countries (AfDB)	374,323	-	149,018	225,305	-
ILRI Africa rising phase II, Ethiopia (USAID)	18,000	1,610	-	19,610	-
ILRI Livestock and irrigation value chain (Canada)	46,139	-	-	46,139	171,128
LIFT PYPPI-Pyawt Ywar Pump Irrigation Project	727,660	-	219,740	507,920	363,954
MAFF Drought monitoring and forecasting to enhance agriculture resilience and improving food security in South Asia	267,857	-	194,318	73,539	-
MAFF Improved solutions for management of floods and droughts in South Asia	208,103	-	-	208,103	150,726
NERC Catchment risk assessments - Ethiopia (through University of Newcastle upon Tyne)	29,238	-	350	28,888	13,014

Project Name	Total Funds Available	Funds Receivable	Deferred Revenue	Total Revenue	Total Revenue
	2018	31.12.2018	31.12.2018	2018	2017
NETHERLANDS Capacity Development of HEIs in Small-scale irrigation	(25,420)	25,420	-	-	19,684
NETHERLANDS Determination of the environmental water requirements for the upper and inner Niger Delta	-	-	-	-	31,037
NETHERLANDS Peer review AIT-IHE	-	-	-	-	17,905
NEWRI Nanyang Technological University NEWRI- Turning faecal sludge into a high-value asset	-	-	-	-	2,050
NIBIO Building climate resilience of Indian smallholders through sustainable intensification and agro-ecological farming systems to strengthen food and nutritional security	42,962	-	42,887	75	-
NORWAY/BIOFORSK Climate change adaptation program, India	-	-	-	-	9,932
OECD Multi- Purpose Water Infrastructure	-	-	-	-	336
OES Measuring, understanding and adapting to nexus trade-offs in the 35 river basins	-	-	-	-	88,882
SDC IMoMo outscaling in Central Asia (through IMoMo Regional Innovation Center of Central Asia)	9,206	-	-	9,206	794
SDC Solar irrigation for agriculture resilience (SoLAR)	118,636	-	107,605	11,031	-
SDTT IWMI TATA Programme - III- Action research for strengthening programmes that enhance rural livelihoods	254,692	-	98,120	156,572	104,402
Sida AGRIFOSE Program (through SLU-Swedish University of Agricultural Sciences)	24,029	11,226	-	35,255	-
Sida Wastewater reuse in the MENA region: Addressing the challenges South Africa GRECHLIM (through NRF-National Research Foundation, South Africa)	1,112,380	-	747,074	365,306	-
SRTT IWMI TATA Programme - III- Action research for strengthening programmes that enhance rural livelihoods	11,214	-	-	11,214	39,250
SWEDEN Workshop on Migration Matters II	(55,152)	94,627	-	39,475	9,529
SWM - Wetlands Int.	-	-	-	-	8,396
The Netherlands Creating and capturing value: supporting enterprise for urban liquid (through Netherlands Enterprise Agency)	7,623	-	7,623	-	-
The Netherlands Environmental flow assessment (through Wetlands International)	357,039	-	143,442	213,597	145,844
The Netherlands Environmental flow assessment- Phase II (through Wetlands International)	88,601	-	-	88,601	73,595
The Netherlands Using remote sensing in support of solutions to reduce agricultural water productivity gaps (through FAO-Food and Agriculture Organization of the United Nations)	72,205	66,316	-	138,521	-
UNEP Achieving SDG in Vietnam and Philippines	327,349	-	37,374	289,975	172,923
UNEP SDG Finalization - Goal 6.6.1	-	-	-	-	74,959
UNEP Water-related ecosystems and SDG 6.6	-	-	-	-	18,020
UNOPS Solid waste management in North SL - Phase II	22,201	-	-	22,201	126,999
USAID AWM solutions in SSA (through Texas A&M AgriLife Research)	-	-	-	-	111,878
USAID Empowering and enhancing drought management systems in the Middle East and North Africa (MENA)	625,305	103,260	-	728,565	698,520
USAID Enhanced engagement in research on Kabul River Basin (EKaRB) (through NAS-National Academy of Sciences, USA)	-	7,549	-	7,549	-
USAID GRECHLIM-USAID (through NAS-National Academy of Sciences, USA)	140,700	-	84,120	56,580	77,655
USAID Groundwater governance in the Arab world	8,068	-	1	8,067	56,757
USAID RAMOTSWA2	-	-	-	-	81,245
USAID Reduce water pollution and carbon emissions from irrigated areas by improving irrigation management and rural livelihoods (through NAS-National Academy of Sciences, USA)	194,806	15,854	-	210,660	180,991
USAID Securing water in Ghana	221,600	-	111,847	109,753	-
USAID Sustainably intensified production systems (through Texas A&M AgriLife Research)	-	-	-	-	179,182
USAID The potential role of the transboundary Ramotswa aquifer	21,127	4,055	-	25,182	39,618
USAID Transboundary water competition, CA (through NAS-National Academy of Sciences, USA)	-	-	-	-	8,303
USAID Digo Jal Bikas	65,871	-	-	65,871	113,396
USAID Water Innovations Technologies (WIT) (through Mercy Corps)	543,384	59,336	-	602,720	806,266
USAID Water management for enhanced productivity	287,544	193,512	-	481,056	59,772
USAID Water resources and agriculture (through NAS-National Academy of Sciences, USA)	-	143,377	-	143,377	-
USDA Role of water resources in prospects for Indian agriculture	209,802	-	110,707	99,095	91,528
WIN - Participatory and transparent budgeting	-	-	-	-	8,351
World Bank Ayeyarwady integrated river basin (through Myanmar-DWIR- Directorate of Water Resources and Improvement of River Systems)	-	-	-	-	17,837
World Bank Basin Assessment of Brahmaputra	4,992	-	-	4,992	199,363
World Bank Beyond more crop per drop	-	-	-	-	60,968
World Bank Collective-action challenges in managing water resources under farmer-led irrigation	-	-	-	-	19,966
World Bank Conjunctive transboundary aquifer-catchment management in the Shire Basin (through SADC-GMI-SADC Groundwater Management Institute)	19,987	-	-	19,987	-
World Bank Direct benefit transfer of electricity project in Punjab- Evaluation	63,766	165,373	-	229,139	-
World Bank Evaluation of West Bengal accelerated development of minor irrigation project (through Government of West Bengal)	9,140	-	2,737	6,403	-
World Bank GW for drought resilience in South Asia	-	49,271	-	49,271	-
World Bank Integrated land and water management for adaptation to climate variability and change	50,304	85,302	-	135,606	56,355
World Bank Land and water resources (through FAO-Food and Agriculture Organization of the United Nations)	328,924	-	-	328,924	-
World Bank Open-source mobile weather stations: Reducing flood damages and increasing preparedness of communities	4,601	-	-	4,601	42,821
World Bank Sanivation (through Sanivation LLC)	4,012	-	-	4,012	132,519
	6,111	-	-	6,111	1,689

Project Name	Total Funds Available	Funds Receivable	Deferred Revenue	Total Revenue	Total Revenue
	2018	31.12.2018	31.12.2018	2018	2017
World Bank SDC-SPICE (through Switzerland-SDC-Swiss Agency for Development and Cooperation)	84,132	-	80,823	3,309	16,417
World Bank Sri Lanka: Agriculture Risks Assessment	-	-	-	-	39,616
World Bank Stocktaking on institutional arrangements for irrigation management	-	-	-	-	114,659
World Bank Technical assistance on SLWM, sanitation technology and fecal sludge management to support Swachh Bharat Mission Gramin (through PWC-PricewaterhouseCoopers)	68,007	30,973	-	98,980	-
World Bank The energy-water nexus in Lao PDR: Demonstrating integrated water resources management in the hydropower sector (through CNR-Compagnie Nationale du Rhône)	30,629	37,435	-	68,064	-
World Bank Water Accounting Plus (WA+)	-	-	-	-	44,039
World Bank Water security diagnostic - Pakistan	48,713	-	-	48,713	104,624
Subtotal	11,790,806	2,078,087	2,961,372	10,907,521	10,790,882
NON CRP BILATERAL					
ACIAR Mid-term review of ACIAR projects in Pakistan	988	5,110	-	6,098	-
FAO CGIAR Science Forum 2018	46,920	-	-	46,920	-
FRANCE Staff secondment - Yvan Altchenko	-	-	-	-	11,700
IFPRI Consolidating ReSAKSS-SA (Multi funder)	538,961	63,033	-	601,994	336,039
IFPRI Consolidation of ReSAKSS-SA (Multi Donor)	-	-	-	-	176,290
IFPRI Mozambique strategic analysis and knowledge support systems (MOZAKSS Year 2) (Multi funder)	35,000	28,015	-	63,015	-
MRC Drivers of human exposure to antibacterial resistance in the Sri Lankan environment-design (through University of York)	-	37,652	-	37,652	-
SDC Feasibility study to assess a new partnership between SDC and Nestlé to promote water-efficient food production in Pakistan	26,145	-	-	26,145	-
SDC Mapping, assessment and design of a new initiative of the SDC global water programme (through ARCOWA SA)	10,226	-	-	10,226	-
SIWI Capacity building program for young scientists	116,959	-	116,959	-	-
World Bank Farmer-led irrigation development: Assessment of global experience, trends, drivers, challenges and implications for SSA	38,513	-	-	38,513	-
World Bank Review of World Bank experience in the establishment of water resource institutions	8,193	-	82	8,111	-
World Bank Sri Lanka: Agriculture risks assessment (through World Bank)	29,024	-	-	29,024	10,471
World Bank Training in WRM applications using online tools	1,304	-	1,165	139	-
World Bank Water accounting for officials from the Ministry of Water Resources in India (through IHE-Delft, The Netherlands)	16,096	-	-	16,096	-
World Bank Water testing to understand chronic kidney disease (through U.S. Department of State)	90,556	56,739	-	147,295	8,233
ZEF Secondment - Boubacar Barry (WASCAL)	-	-	-	-	54,975
Subtotal	958,885	190,549	118,206	1,031,228	597,708
SUB TOTAL RESTRICTED	26,731,733	3,167,809	6,746,422	23,153,120	23,174,487
GRAND TOTAL	26,731,733	3,167,809	6,746,422	23,153,120	23,174,487

INTERNATIONAL WATER MANAGEMENT INSTITUTE

December 31, 2018 (in US Dollars)

Supplementary Information

Exhibit 2 - Restricted Grants

Project Name	Start Date	End Date	CRP/ Non-CRP	Total Grant Pledge	Expenditure Prior Years	Expenditure Current Year	Total Expenditure
CGIAR Fund							
CRP on Water, Land and Ecosystems (CRP 5 & CRP 24)	01-Jan-18	31-Dec-18	CRP	8,219,553	-	7,279,755	7,279,755
CIAT CRP on Climate Change, Agriculture and Food Security - Center activities (CRP 22)	01-Jan-18	31-Dec-18	CRP	659,810	-	653,919	653,919
CIAT CRP on BIG DATA (PTF 32)	01-Jan-18	31-Dec-18	PTF	98,882	-	98,882	98,882
IFPRI CRP on Policies, Institutions and Markets (CRP 23)	01-Jan-18	31-Dec-18	CRP	137,000	-	137,000	137,000
WORLD FISH CRP on FISH (CRP 11)	01-Jan-18	31-Dec-18	CRP	265,000	-	265,000	265,000
Total - Windows 1 & 2						8,434,556	
Austria-ADA-Austrian Development Agency Participatory water governance	01-Sep-16	30-Nov-19	CRP	566,683	134,346	227,575	361,921
Subtotal - Austria						227,575	
China-CAAS-Chinese Academy of Agricultural Sciences Program support grant 2018- China	01-Jan-18	31-Dec-18	Non-CRP	90,200	-	90,200	90,200
Subtotal - China						90,200	
EC-European Commission From Africa to Asia and back again - Testing adaptation in flood-based farming systems (through IFAD- International Fund for Agricultural Development)	17-Jun-16	31-Mar-20	CRP	1,697,701	593,781	340,239	934,020
Subtotal - EC						340,239	
Government of India ICAR program support grant 2018 (through India-ICAR- Indian Council of Agricultural Research)	01-Jan-18	31-Dec-18	CRP	554,776	-	554,776	554,776
Subtotal - India						554,776	
IFAD-International Fund for Agricultural Development Opportunities to enhance smallholder agriculture in sub-Saharan Africa through sustainable water, land and ecosystem management (WLE in Africa)	14-Apr-14	30-Jun-18	CRP	1,719,403	955,826	763,577	1,719,403
From Africa to Asia and back again - Testing adaptation in flood-based farming systems	17-Mar-15	31-Mar-19	CRP	1,200,000	1,034,766	110,722	1,145,488
Subtotal - IFAD						874,299	
South Africa-DAFF-Department of Agriculture, Forestry and Fisheries Irrigation in Limpopo, South Africa	01-Jan-15	31-Dec-19	CRP	550,000	339,571	82,595	422,166
Subtotal - South Africa						82,595	
USAID-United States Agency for International Development Water team secondment	01-Oct-11	31-Dec-19	Non-CRP	1,591,363	1,331,465	203,305	1,534,770
Tajikistan WUAs evaluation	01-May-14	30-Jun-18	CRP	1,517,412	1,172,892	344,520	1,517,412
Water resource management on small-scale farms in sub-Saharan Africa	01-Jul-15	30-Sep-18	CRP	600,000	571,157	28,843	600,000
Conjunctive surface-groundwater management of SADC's shared waters: generating principles through fit-for-purpose practice	01-Nov-18	31-Oct-19	CRP	250,000	-	33,463	33,463
Subtotal - USAID						610,131	
Total - Window 3						2,779,815	
ADB-Asian Development Bank Building climate resilience of watersheds in mountain eco-regions (through Nepal-DSCWM-Department of Soil Conservation and Watershed Management)	15-Jan-15	31-Jul-19	CRP	455,917	291,906	68,318	360,224
TA-9323 LAO: Sustainable rural infrastructure and watershed management	02-Feb-18	15-Jan-19	CRP	173,000	-	140,047	140,047
TA-8311 REG: Disaster risk management	08-Apr-18	31-Mar-19	CRP	38,000	-	32,621	32,621
Lao PDR Northern rural infrastructure development sector project - additional financing irrigation subsector review (through Laos-Department of Planning and Finance, Ministry of Agriculture and Forestry)	02-Jul-18	01-Mar-19	CRP	399,936	-	253,303	253,303
Subtotal - ADB						494,289	
AfDB-African Development Bank MUS investments in SA (through WRC-Water Research Commission, South Africa)	01-Oct-16	31-Dec-19	CRP	308,403	59,316	61,951	121,267
Subtotal - AfDB						61,951	

Project Name	Start Date	End Date	CRP/ Non-CRP	Total Grant Pledge	Expenditure Prior Years	Expenditure Current Year	Total Expenditure
Australia-ACIAR-Australian Centre for International Agricultural Research							
Groundwater in Eastern Gangetic Plains (through USQ-University of Southern Queensland, Australia)	01-Sep-14	30-Jun-19	CRP	973,473	780,502	111,714	892,216
Mid-term review of ACIAR projects in Pakistan	15-Nov-18	14-Dec-18	Non-CRP	6,098	-	6,098	6,098
Subtotal - ACIAR						117,812	
Australia-DFAT-Department of Foreign Affairs and Trade							
Mekong programme on water governance	04-Jul-14	31-Jan-19	CRP	5,251,764	3,515,201	1,526,872	5,042,073
Identify best approaches for water supply and storage for agriculture for small farmers in Hpa-An and Hlaingbwe Townships (through World Vision)	01-Feb-18	15-Jun-18	CRP	47,560	-	47,560	47,560
A gender perspective to understand and enhance the functionality of water supply systems: lessons from Nepal (through GHD Australia Pty Ltd)	01-Jul-18	30-Jun-21	CRP	713,657	-	43,346	43,346
Subtotal - DFAT						1,617,778	
Bajaj Allianz General Insurance Company Limited							
Crop monitoring using satellite data for selected states in India for implementation of PMFBY Crop Insurance Scheme	01-Feb-17	31-Jan-19	CRP	82,320	33,893	21,759	55,652
Subtotal - Bajaj Allianz						21,759	
BMGF-Bill & Melinda Gates Foundation							
Crop monitoring using satellite data for selected states in India for implementation of PMFBY Crop Insurance Scheme (through Jal Seva Charitable Foundation)	13-Sep-16	31-Dec-19	CRP	603,810	258,493	157,771	416,264
Subtotal - BMGF						157,771	
Denmark-DANIDA-Danish International Development Agency							
Enhancing sustainable groundwater use in South Africa-ESGUSA (through University of Copenhagen)	01-Apr-18	30-Sep-20	CRP	134,394	-	39,881	39,881
Subtotal - DANIDA						39,881	
EC-European Commission							
SHARE : Bale eco-region (through Farm Africa)	08-Jul-14	07-Aug-18	CRP	806,002	729,842	76,160	806,002
A Decision-Analytic Framework to explore the water-energy-food Nexus in complex and trans-boundary water resources systems of fast growing developing countries-DAFNE	01-Sep-16	31-Aug-20	CRP	304,769	96,717	100,322	197,039
Water management in Uzbekistan- Phase II (through Germany-GIZ-Deutsche Gesellschaft für Internationale Zusammenarbeit)	01-Jan-18	31-Dec-19	CRP	506,743	-	208,341	208,341
Benchmarking irrigation performance and projection of irrigation water demand in the Nile Basin (through Germany-GIZ-Deutsche Gesellschaft für Internationale Zusammenarbeit)	01-Sep-18	30-Sep-20	CRP	360,881	-	46,520	46,520
Subtotal - EC						431,343	
FAO-Food and Agriculture Organization of the United Nations							
CGIAR Science Forum 2018	08-Dec-17	30-Nov-18	Non-CRP	46,920	-	46,920	46,920
City Region Food System (CRFS) (through Netherlands-RUAF Foundation)	25-May-15	15-Mar-18	CRP	151,072	149,791	1,281	151,072
Subtotal - FAO						48,201	
GCF-Green Climate Fund							
Strengthening the resilience of smallholder farmers in the Dry Zone to climate variability and extreme events through an integrated approach to water management (through UNDP-United Nations Development Programme)	01-Nov-17	31-Oct-19	CRP	122,139	-	96,520	96,520
Subtotal - GCF						96,520	
Germany-GIZ-Deutsche Gesellschaft für Internationale Zusammenarbeit							
Soils, fecal sludge and waste recovery	01-Feb-16	31-Jan-19	CRP	1,348,060	503,842	471,666	975,508
Marketing an innovative Fortifer™	01-Apr-16	31-Mar-18	CRP	86,518	75,759	10,759	86,518
GlobE - UrbanFoodPlus	01-Jul-16	31-Dec-18	CRP	182,891	76,032	106,859	182,891
Baseline study and roadmap development to increase carbon and nutrient recovery from municipal and agriculture waste streams in Maharashtra, India	20-Nov-17	31-Jul-18	CRP	89,424	-	89,424	89,424
Organic fertilizer standards for sustainable soil management and agriculture	01-Jan-18	31-Dec-19	CRP	118,810	-	34,216	34,216
Strengthening the institutional set-up for managing water and other environmental resources in the context of prolonged refugee settlement in Northern Uganda	01-May-18	30-Jun-18	CRP	69,588	-	69,588	69,588
Strengthening the capacity for managing environmental flows in Uganda	01-Aug-18	30-Nov-18	CRP	23,115	-	23,115	23,115
Subtotal - GIZ						805,627	

Project Name	Start Date	End Date	CRP/ Non-CRP	Total Grant Pledge	Expenditure Prior Years	Expenditure Current Year	Total Expenditure
Ghana-Ministry of Local Government and Rural Development WaFo- Contribution from Government of Ghana	24-Mar-16	31-Dec-18	CRP	155,887	141,533	14,354	155,887
Subtotal - Ghana						14,354	
GWP-Global Water Partnership IUWM training material	01-Jul-18	31-Dec-18	CRP	7,915	-	7,915	7,915
Subtotal - GWP						7,915	
ICARDA-International Center for Agricultural Research in the Dry Areas Soil salinity management in Central and Southern Iraq (ACIAR) - Utilization of remaining funds for ACIAR groundwater in Eastern Gangetic Plains (ACIAR)	01-Sep-14	31-Aug-18	CRP	111,523	111,119	404	111,523
Subtotal - ICARDA						404	
ICRISAT-International Crops Research Institute for the Semi-Arid Tropics GW and Irrigation in Karnataka (India)	01-Apr-13	30-Sep-17	CRP	220,000	247,095	(27,095)	220,000
GW and irrigation in Karnataka, India- Phase II (India)	01-Apr-17	31-Mar-20	CRP	120,000	-	81,350	81,350
Subtotal - ICRISAT						54,255	
IDRC-International Development Research Centre IWRM in India (through ICLEI-SA-Local Governments for Sustainability-South Asia)	15-Jan-17	14-Jan-20	CRP	143,610	49,688	44,160	93,848
Subtotal - IDRC						44,160	
IFPRI-International Food Policy Research Institute Consolidating ReSAKSS-SA (Multi funder)	01-Jan-17	31-Dec-21	Non-CRP	1,000,000	336,039	601,994	938,033
Mozambique strategic analysis and knowledge support systems (MOZAKSS Year 2) (Multi funder)	01-Jan-18	31-Dec-18	Non-CRP	63,015	-	63,015	63,015
Subtotal - IFPRI						665,009	
IITA-International Institute of Tropical Agriculture TAAT Water enabling activities across five value chains in seven countries (AfDB)	19-Feb-18	30-Nov-21	CRP	2,246,000	-	225,305	225,305
Sustainable AWM - Ghana (USAID)	15-Jun-13	30-Apr-19	CRP	542,881	406,800	56,072	462,872
Subtotal - IITA						281,377	
ILRI-International Livestock Research Institute Livestock and irrigation value chain (Canada)	01-Apr-12	31-Mar-18	CRP	1,490,567	1,444,428	46,139	1,490,567
Africa rising phase II, Ethiopia (USAID)	01-Jun-18	31-Jan-19	CRP	30,000	-	19,610	19,610
Subtotal - ILRI						65,749	
Japan-MAFF-Ministry of Agriculture, Forestry and Fisheries Improved solutions for management of floods and droughts in South Asia	01-Jul-15	31-Aug-18	CRP	701,096	492,993	208,103	701,096
Drought monitoring and forecasting to enhance agriculture resilience and improving food security in South Asia	01-Jul-18	30-Jun-19	CRP	267,857	-	73,539	73,539
Subtotal - MAFF						281,642	
LIFT-Livelihoods and Food Security Trust Fund Manager's Office PYPIP-Pyawt Ywar Pump Irrigation Project	06-Dec-16	31-Mar-19	CRP	1,158,797	373,196	507,920	881,116
Subtotal - LIFT						507,920	
MRC-Medical Research Council, United Kingdom Drivers of human exposure to antibacterial resistance in the Sri Lankan environment-design (through University of York)	01-Nov-17	30-Jun-18	Non-CRP	37,652	-	37,652	37,652
Subtotal - MRC						37,652	
NERC-Natural Environment Research Council, United Kingdom Catchment risk assessments - Ethiopia (through University of Newcastle upon Tyne)	01-Mar-17	31-May-19	CRP	56,195	13,014	28,888	41,902
Subtotal - NERC						28,888	
NIBIO-Norwegian Institute of Bioeconomy Research Building climate resilience of Indian smallholders through sustainable intensification and agro-ecological farming systems to strengthen food and nutritional security	01-Oct-18		CRP	318,708	-	75	75
Subtotal - NIBIO						75	
Sir Dorabji Tata Trust IWMI TATA Programme - III- Action research for strengthening programmes that enhance rural livelihoods	01-Jul-14	31-Dec-19	CRP	551,518	104,402	156,572	260,974
Subtotal - SDTT						156,572	

Project Name	Start Date	End Date	CRP/ Non-CRP	Total Grant Pledge	Expenditure Prior Years	Expenditure Current Year	Total Expenditure
Sir Ratan Tata Trust IWMI TATA Programme - III- Action research for strengthening programmes that enhance rural livelihoods	01-Jul-14	31-Dec-19	CRP	552,179	152,841	39,475	192,316
Subtotal - SRTT						39,475	
South Africa GRECHLIM (through NRF-National Research Foundation, South Africa)	01-Jan-16	31-Dec-18	CRP	51,872	40,658	11,214	51,872
Subtotal - South Africa						11,214	
Sweden-Sida-Swedish International Development Cooperation Agency AGRIFOSE Program (through SLU-Swedish University of Agricultural Sciences)	09-Mar-18	15-Dec-18	CRP	35,255	-	35,255	35,255
Wastewater reuse in the MENA region: Addressing the challenges	10-Apr-18	30-Mar-22	CRP	4,000,000	-	365,306	365,306
Subtotal - Sida						400,561	
Switzerland-SDC-Swiss Agency for Development and Cooperation IMoMo outscaling in Central Asia (through IMoMo Regional Innovation Center of Central Asia)	01-Oct-17	30-Sep-18	CRP	10,000	794	9,206	10,000
Mapping, assessment and design of a new initiative of the SDC global water programme (through ARCOWA SA)	09-Mar-18	31-Jul-18	Non-CRP	10,226	-	10,226	10,226
Feasibility study to assess a new partnership between SDC and Nestlé to promote water-efficient food production in Pakistan	01-May-18	15-Sep-18	Non-CRP	26,145	-	26,145	26,145
Solar irrigation for agriculture resilience (SoLAR)	01-Nov-18	31-Jul-19	CRP	268,130	-	11,031	11,031
Subtotal- SDC						56,608	
The Netherlands Creating and capturing value: supporting enterprise for urban liquid (through Netherlands Enterprise Agency)	15-Sep-14	31-Dec-20	CRP	1,410,637	472,897	213,597	686,494
Using remote sensing in support of solutions to reduce agricultural water productivity gaps (through FAO-Food and Agriculture Organization of the United Nations)	01-May-17	31-Aug-19	CRP	1,000,544	172,923	289,975	462,898
Environmental flow assessment (through Wetlands International)	31-May-17	31-Mar-18	CRP	162,196	73,595	88,601	162,196
Environmental flow assessment- Phase II (through Wetlands International)	01-Mar-18	31-Dec-18	CRP	138,521	-	138,521	138,521
Subtotal - The Netherlands						730,694	
UNEP-United Nations Environment Programme Water-related ecosystems and SDG 6.6	12-May-17	31-Jul-18	CRP	149,200	126,999	22,201	149,200
Subtotal - UNEP						22,201	
United Kingdom-DFID-Department for International Development Anukulan: Developing climate resilient livelihoods for local communities (through iDE)	01-Jan-15	31-Mar-19	CRP	301,709	259,618	24,427	284,045
GroFutures: Groundwater Futures in Sub-Saharan Africa (through NERC-Natural Environment Research Council, United Kingdom)	01-May-15	31-Mar-20	CRP	353,816	294,913	58,903	353,816
Water law reform to improve water security for vulnerable people in Africa (SELARE) - Phase II (through Pegasys Institute)	01-Oct-17	30-Nov-18	CRP	56,325	-	56,325	56,325
REACH water security & local monitoring- Phase II (through University of Newcastle upon Tyne)	01-Oct-17	31-Mar-19	CRP	129,541	-	109,982	109,982
Informing changes in the Indus Basin/South Asia Water governance programme-Phase II	22-Mar-18	22-Dec-18	CRP	555,678	-	555,678	555,678
Subtotal- DFID						805,315	
United Kingdom-ESRC-Economic and Social Research Council Nepal Resilience Portfolio (MEL) (through IOD PARC)	01-Aug-17	31-Jan-18	CRP	20,245	19,360	885	20,245
Water security in Ethiopia-MUS (through Cranfield University)	01-Sep-17	28-Feb-19	CRP	41,516	13,683	19,155	32,838
Nepal resilience portfolio (MEL)- Phase II (through IOD PARC)	01-Jun-18	31-Mar-19	CRP	12,812	-	4,838	4,838
DAMS 2.0: Design and assessment of resilient and sustainable interventions in water-energy-food- environment mega-systems (through University of Manchester)	01-Oct-17	30-Sep-21	CRP	268,508	-	23,134	23,134
Subtotal - ESRC						48,012	

Project Name	Start Date	End Date	CRP/ Non-CRP	Total Grant Pledge	Expenditure Prior Years	Expenditure Current Year	Total Expenditure
USAID-United States Agency for International Development							
AWM solutions in SSA (through Texas A&M AgriLife Research)	06-Nov-13	10-Aug-19	CRP	3,780,205	2,914,144	728,565	3,642,709
Enhanced engagement in research on Kabul River Basin (EKaRB) (through NAS-National Academy of Sciences, USA)	01-Nov-15	30-Apr-19	CRP	301,754	161,055	56,580	217,635
GRECHLIM-USAID (through NAS-National Academy of Sciences, USA)	01-Jan-16	31-Dec-18	CRP	89,999	81,932	8,067	89,999
Transboundary water competition, CA (through NAS-National Academy of Sciences, USA)	01-Nov-15	31-Oct-18	CRP	296,870	230,999	65,871	296,870
Sustainably intensified production systems (through Texas A&M AgriLife Research)	01-Oct-15	15-Sep-19	CRP	149,860	89,301	25,182	114,483
Digo Jal Bikas	01-Apr-16	31-Mar-19	CRP	1,999,999	1,174,248	602,720	1,776,968
Water resources and agriculture (through NAS-National Academy of Sciences, USA)	01-Dec-16	30-Nov-19	CRP	300,000	91,528	99,095	190,623
RAMOTSWA2	15-May-17	14-May-19	CRP	500,000	180,991	210,660	391,651
Water Innovations Technologies (WIT) (through Mercy Corps)	15-Apr-17	31-Dec-21	CRP	1,035,371	59,772	481,056	540,828
Reduce water pollution and carbon emissions from irrigated areas by improving irrigation management and rural livelihoods (through NAS-National Academy of Sciences, USA)	01-Dec-17	30-Nov-19	CRP	221,600	-	109,753	109,753
Water management for enhanced productivity	01-Jul-18	30-Jun-23	CRP	1,488,614	-	143,377	143,377
Empowering and enhancing drought management systems in the Middle East and North Africa (MENA)	15-Aug-18	30-Sep-21	CRP	1,008,632	-	7,549	7,549
Subtotal - USAID						2,538,475	
World Bank							
Land and water resources (through FAO-Food and Agriculture Organization of the United Nations)	30-Apr-17	31-May-18	CRP	47,422	42,821	4,601	47,422
Sanitation (through Sanivation LLC)	01-Nov-17	30-Mar-18	CRP	7,800	1,689	6,111	7,800
SDC-SPIICE (through Switzerland-SDC-Swiss Agency for Development and Cooperation)	21-Aug-17	31-Oct-19	CRP	200,587	16,417	3,309	19,726
Water testing to understand chronic kidney disease (through U.S. Department of State)	22-Sep-17	10-Sep-19	Non-CRP	390,623	8,233	147,295	155,528
Open-source mobile weather stations: Reducing flood damages and increasing preparedness of communities	09-Nov-15	25-Jan-18	CRP	236,531	232,519	4,012	236,531
Water security diagnostic - Pakistan	20-May-17	30-Jun-18	CRP	153,337	104,624	48,713	153,337
Ayeyarwady integrated river basin (through Myanmar-DWIR-Directorate of Water Resources and Improvement of River Systems)	03-May-17	31-Jan-18	CRP	204,355	199,363	4,992	204,355
GW for drought resilience in South Asia	31-May-17	31-Dec-18	CRP	191,961	56,355	135,606	191,961
Sri Lanka: Agriculture risks assessment (through World Bank)	19-Oct-17	30-Jun-18	Non-CRP	39,495	10,471	29,024	39,495
The energy-water nexus in Lao PDR: Demonstrating integrated water resources management in the hydropower sector (through CNR-Compagnie Nationale du Rhône)	06-Oct-17	30-Nov-18	CRP	68,064	-	68,064	68,064
Technical assistance on SLWM, sanitation technology and fecal sludge management to support Swachh Bharat Mission Gramin (through PWC-PricewaterhouseCoopers)	14-Nov-17	30-Apr-19	CRP	137,000	-	98,980	98,980
Collective-action challenges in managing water resources under farmer-led irrigation	28-Dec-17	30-Jan-18	CRP	19,987	-	19,987	19,987
Integrated land and water management for adaptation to climate variability and change	05-Apr-18	30-Jun-18	CRP	328,924	-	328,924	328,924
Farmer-led irrigation development: Assessment of global experience, trends, drivers, challenges and implications for SSA	01-Jul-18	30-Sep-18	Non-CRP	38,513	-	38,513	38,513
Conjunctive transboundary aquifer-catchment management in the Shire Basin (through SADC-GMI-SADC Groundwater Management Institute)	01-Jul-18	30-Apr-19	CRP	425,105	-	229,139	229,139
Water accounting for officials from the Ministry of Water Resources in India (through IHE-Delft, The Netherlands)	02-Aug-18	31-Aug-18	Non-CRP	16,096	-	16,096	16,096
Evaluation of West Bengal accelerated development of minor irrigation project (through Government of West Bengal)	01-Aug-18	31-Mar-19	CRP	95,197	-	49,271	49,271
Direct benefit transfer of electricity project in Punjab- Evaluation	08-Oct-18	12-Mar-20	CRP	91,402	-	6,403	6,403
Review of World Bank experience in the establishment of water resource institutions	01-Nov-18	30-Sep-19	Non-CRP	54,427	-	8,111	8,111
Training in WRM applications using online tools	15-Oct-18	30-Apr-19	Non-CRP	13,045	-	139	139
Subtotal - World Bank						1,247,290	
Total - Bilateral						11,938,749	
Grand Total						23,153,120	

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(In US Dollars '000)

Supplementary Information

Exhibit 3 - CGIAR Research Programs - Expenditure and Funding Report for the year 2018

CRP 11 - FISH

Expenditure Report by Natural Classification

Categories	Windows 1 & 2	Window 3	Bilateral	Center Funds	Total
Personnel Costs	127	-	177	-	304
CGIAR Collaboration Costs	-	-	-	-	-
Other Collaboration Costs	-	-	-	-	-
Supplies and Services	83	-	85	-	168
Operational Travel	18	-	15	-	33
Depreciation/Amortization	-	-	-	-	-
Cost Sharing Percentage	-	-	5	-	5
Total Direct Costs	228	-	282	-	510
Indirect Costs	37	-	39	-	76
Total Costs	265	-	321	-	586
Deferred depreciation	-	-	-	-	-
Grand Total - All Costs	265	-	321	-	586

CRP 11 - FISH

Funding Report

Description	Windows 1 & 2
Opening Balance	(57)
[+] Cash Receipts from Lead Center	83
[-] Disbursements	265
Closing Balance	(239)

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Supplementary Information

Exhibit 4 - CGIAR Research Programs - Expenditure and Funding Report for the year 2018

CRP 22 - CCAFS - Climate Change, Agriculture and Food Security

Expenditure Report by Natural Classification

Categories	Windows 1 & 2	Window 3	Bilateral	Center Funds	Total
Personnel Costs	269	-	189	-	458
CGIAR Collaboration Costs	-	-	-	-	-
Other Collaboration Costs	34	-	-	-	34
Supplies and Services	232	-	147	-	379
Operational Travel	29	-	22	-	51
Depreciation/Amortization	-	-	-	-	-
Cost Sharing Percentage	-	-	8	-	8
Total Direct Costs	564	-	366	-	930
Indirect Costs	90	-	53	-	143
Total Costs	654	-	419	-	1,073
Deferred depreciation	-	-	-	-	-
Grand Total - All Costs	654	-	419	-	1,073

CRP 22 - CCAFS - Climate Change, Agriculture and Food Security

Funding Report

Description	Windows 1 & 2
Opening Balance	(347)
[+] Cash Receipts from Lead Center	947
[-] Disbursements	654
Closing Balance	(54)

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(In US Dollars '000)

Supplementary Information

Exhibit 5 - CGIAR Research Programs - Expenditure and Funding Report for the year 2018

CRP 23 - PIM - Policies, Institutions and Markets

Expenditure Report by Natural Classification

Categories	Windows 1 & 2	Window 3	Bilateral	Center Funds	Total
Personnel Costs	60	-	47	-	107
CGIAR Collaboration Costs	-	-	-	-	-
Other Collaboration Costs	-	-	-	-	-
Supplies and Services	45	-	12	-	57
Operational Travel	13	-	7	-	20
Depreciation/Amortization	-	-	-	-	-
Cost Sharing Percentage	-	-	-	-	-
Total Direct Costs	118	-	66	-	184
Indirect Costs	19	-	10	-	29
Total Costs	137	-	76	-	213
Deferred depreciation	-	-	-	-	-
Grand Total - All Costs	137	-	76	-	213

CRP 23 - PIM - Policies, Institutions and Markets

Funding Report

Description	Windows 1 & 2
Opening Balance	(65)
[+] Cash Receipts from Lead Center	189
[-] Disbursements	137
Closing Balance	(13)

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Supplementary Information

Exhibit 6 - CGIAR Research Programs - Expenditure and Funding Report for the year 2018

CRP 24 - Phase 02: WLE - Water, Land and Ecosystems (IWMI only)

Expenditure Report by Natural Classification

Categories	Windows 1 & 2	Window 3	Bilateral	Center Funds	Total
Personnel Costs	2,073	548	3,450	-	6,071
CGIAR Collaboration Costs	25	78	307	-	410
Other Collaboration Costs	-	953	1,512	-	2,465
Supplies and Services	1,160	463	3,162	-	4,785
Operational Travel	190	96	511	-	797
Depreciation/Amortization	-	-	-	-	-
Cost Sharing Percentage	-	151	142	-	293
Total Direct Costs	3,448	2,289	9,084	-	14,821
Indirect Costs	547	197	1,007	-	1,751
Total Costs	3,995	2,486	10,091	-	16,572
Deferred depreciation	-	-	-	-	-
Grand Total - All Costs	3,995	2,486	10,091	-	16,572

INTERNATIONAL WATER MANAGEMENT INSTITUTE
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(In US Dollars '000)

Supplementary Information

Exhibit 7 - CGIAR Research Programs - Expenditure and Funding Report for the year 2018

CRP 24 - Phase 02: WLE - Water, Land and Ecosystems

(Including W1&2 Expenditures of Participating Centers in the 'CGIAR Collaboration Costs' and Other Collaboration Costs)

Expenditure Report by Natural Classification

Categories	Windows 1 & 2	Window 3	Bilateral	Center Funds	Total
Personnel Costs	2,073	548	3,450	-	6,071
CGIAR Collaboration Costs	3,185	78	307	-	3,570
Other Collaboration Costs	125	953	1,512	-	2,590
Supplies and Services	1,160	463	3,162	-	4,785
Operational Travel	190	96	511	-	797
Depreciation/Amortization	-	-	-	-	-
Cost Sharing Percentage	-	151	142	-	293
Total Direct Costs	6,733	2,289	9,084	-	18,106
Indirect Costs	547	197	1,007	-	1,751
Total Costs	7,280	2,486	10,091	-	19,857
Deferred depreciation	-	-	-	-	-
Grand Total - All Costs	7,280	2,486	10,091	-	19,857

CRP 24 - Phase 02: WLE - Water, Land and Ecosystems

(Including W1&2 Expenditures of Participating Centers in the 'CGIAR Collaboration Costs')

Funding Report

Description	Window 1 & 2
Opening Balance	5,507
[+] Cash Receipts from Consortium	6,221
Disbursements on PPA	
Biodiversity	613
CIAT	762
ICARDA	77
ICRISAT	793
IFPRI	1,332
IWMI	3,995
World Agroforestry	751
RUAF	80
[-] Disbursements on PPA	8,403
Closing Balance	3,325

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Supplementary Information

Exhibit 8 - Platforms - Expenditure and Funding Report for the year 2018

CGIAR Platform 32 BIGDATA

Expenditure Report by Natural Classification

Categories	Windows 1 & 2	Window 3	Bilateral	Center Funds	Total
Personnel Costs	49	-	-	-	49
CGIAR Collaboration Costs	-	-	-	-	-
Other Collaboration Costs	-	-	-	-	-
Supplies and Services	33	-	-	-	33
Operational Travel	3	-	-	-	3
Depreciation/Amortization	-	-	-	-	-
Cost Sharing Percentage	-	-	-	-	-
Total Direct Costs	85	-	-	-	85
Indirect Costs	14	-	-	-	14
Total Costs	99	-	-	-	99
Deferred depreciation	-	-	-	-	-
Grand Total - All Costs	99	-	-	-	99

CGIAR Platform 32 - BIGDATA

Funding Report

Description	Windows 1 & 2
Opening Balance	(47)
[+] Cash Receipts from Lead Center: PPA	131
[-] Disbursements: PPA	99
Closing Balance	(15)

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Supplementary Information

Exhibit 9 - Total CRPs and Platforms Expenditure Report for the year 2018

Expenditure Report by Natural Classification

Categories	Windows 1 & 2	Window 3	Bilateral	Center Funds	Total
Personnel Costs	2,578	548	3,863	-	6,989
CGIAR Collaboration Costs	3,185	78	307	-	3,570
Other Collaboration Costs	159	953	1,512	-	2,624
Supplies and Services	1,553	463	3,406	-	5,422
Operational Travel	253	96	555	-	904
Depreciation/Amortization	-	-	-	-	-
Cost Sharing Percentage	-	151	155	-	306
Total Direct Costs	7,728	2,289	9,798	-	19,815
Indirect Costs	707	197	1,109	-	2,013
Total Costs	8,435	2,486	10,907	-	21,828
Deferred depreciation	-	-	-	-	-
Grand Total - All Costs	8,435	2,486	10,907	-	21,828

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