



AfricaRice

Africa Rice Center (AfricaRice)



Audited Financial Statements

for the year ended
31 December 2011



**Audited
Financial
Statements**

for the year ended
31 December 2011



STATEMENT OF THE BOARD CHAIR YEAR ENDED 31 DECEMBER 2011

The Board of Trustees of the Africa Rice Center (AfricaRice) is pleased with the continued improvements in the financial health and stability of the Center during the financial year ended on 31 December 2011 in spite of challenges posed by the funding uncertainties caused by the implementation of the new funding procedures through the CGIAR fund office. These uncertainties run through to the third and even fourth quarter for some unconfirmed program funds. The Board is pleased to note that even under such difficult circumstances, AfricaRice ended up with a positive result by closing with a surplus of \$1.191 million for the year-ended 31 December 2011. The Board wishes to commend the management for the sound and prudent manner in which it has managed the Center's resources in accordance with Board-approved program of work and budget.

The Board of Trustees met two times during the year 2011. The full Board met at St Louis, Station in Senegal, during the month of March and later the Executive and Finance Committee (EFC) of the Board met in Cotonou, in October 2011. The total revenue during the year increased by US\$ 0.350 million to US\$22.381 million, up from US\$22.031 million in 2010. The net expenditure increased by US\$ 1.359 million to US\$21.190 million up from US\$19.831 million in 2010. This resulted in a surplus of US\$1.191 million and increased the Center's net assets. The Center's Net Assets increased from US\$10.798 million at end of 2010 to US\$11.989 million at end of 2011. Out of this increase, an amount of US\$ 0.536 million was set aside as "Designated Net Assets" to support future capital replacement. This increase was mainly due to a combination of revenue recognition of member states receipts from 2010, US\$ 0.493 million and bilateral unrestricted grants received from Australia and Belgium during the year.

Other Indicators of Financial Health

The Center's liquidity and reserve indicator levels have risen to 222 days, from 195 days in 2010. It is the sixth consecutive year that this financial indicator is above CGIAR recommended level. Indirect cost recoveries from projects increased from US\$1.685 million to US\$2.166. The audited Indirect Cost Rate for AfricaRice reduced further to 13.8% during the year, down from 16.4% in 2010.

Restricted Receivables to Restricted Payables from donors ratio increased from 1.73 to 3.59 which exceeds the CG recommended level of (less than 1). This is explained by the level of unsettled donor debts resulting from the delayed implementation of the new funding processes within the CGAIR System. Like all CGIAR Centers in 2011, AfricaRice had to resort to pre-financing to maintain adequate level of research activities for on-going projects, pending disbursement of funds through the new funding mechanisms.

Risk Management

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

Fiduciary Responsibility

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



AfricaRice

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

The Board congratulates the leadership and management of AfricaRice for developing the AfricaRice Center Strategy for 2011-2020 the Global Rice Science Partnership (GRiSP) as the first Consortium Research Program of the CGIAR, and for successfully implementing the 2011 work plans and activities related to the GRiSP program. The GRiSP is the result of the continuing effective partnership of AfricaRice with the International Rice Research Institute (IRRI) and the International Center for Tropical Agriculture (CIAT). AfricaRice as a member of the CCAFS also received funds allocations from this CRP in late 2011 and was able to carry out some related activities during the year.

Appreciation

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

Peter J. Matlon
Chairman, Board of Trustees

Africa Rice Center - Centre du riz pour l'Afrique

Address / Adresse	Telephone / Téléphone	Fax / Télécopieur	E-mail / Courrier électronique	Web Site / Site Internet
01 B.P. 2031 Cotonou, Bénin	(229) 21 35 01 88	(229) 21 35 05 56	AfricaRice@cgiar.org	www.AfricaRice.org



BOARD STATEMENT ON RISK MANAGEMENT YEAR ENDED 31 DECEMBER 2011

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

Most critical risks include:

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

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

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

Risk mitigation strategies include the implementation of systems of internal controls, which, by their nature, are designed to manage rather than eliminate risk. The Center endeavors to manage risk by ensuring that the appropriate infrastructure, control systems and people are in place throughout the organization. Key practices employed in managing risks and opportunities include environmental reviews, clear policies and accountabilities, transaction approval frameworks, financial and management reporting, and the monitoring of metrics designed to highlight

Africa Rice Center - Centre du riz pour l'Afrique

Address / Adresse
01 B.P. 2031 Cotonou, Bénin

Telephone / Téléphone
(229) 21 35 01 88

Fax / Télécopieur
(229) 21 35 05 56

E-mail / Courrier électronique
AfricaRice@cgiar.org

Web Site / Site Internet
www.AfricaRice.org



AfricaRice

positive or negative performance of individuals and processes across a broad range of key performance areas. The design and effectiveness of the risk management system and internal controls is subject to coordination through a Risk Management Committee and ongoing review by the Center's Internal Audit Unit, which is independent of the operating units, and which reports on the results of its audits directly to the Director General and to the Board through its Audit Committee.

The AfricaRice Board and management have reviewed the implementation of the risk management process during 2011 and the Board is satisfied with the progress made.

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

Peter J. Matlon
Chairman, Board of Trustees

Africa Rice Center - Centre du riz pour l'Afrique

Address / Adresse	Telephone / Téléphone	Fax / Télécopieur	E-mail / Courrier électronique	Web Site / Site Internet
01 B.P. 2031 Cotonou, Bénin	(229) 21 35 01 88	(229) 21 35 05 56	AfricaRice@cgiar.org	www.AfricaRice.org



CERTIFICATE BY CENTER MANAGEMENT YEAR ENDED 31 DECEMBER 2011

We have prepared the accompanying financial statements of the Africa Rice Center (AfricaRice) as of 31 December 2011. These financial statements are the responsibility of the Africa Rice Center management, and have been duly presented to the Center's external auditors, Ernst and Young for review.

The Center's management has worked closely with the internal and external auditors to ensure that the financial statements are presented in compliance with the CGIAR Manual, Financial Guideline Number 2.

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

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

Aguibou D Tall
Director of Administration and Finance

Papa Abdoulaye Seck
Director General



Ernst & Young
2A Oa Oo Road
Oo Oa
Oo Oo 2 Oo arina
Oa Oo Oo Oo
Oel O 2 Oo (01) Oo O Oo O
Fa O 2 Oo (01) Oo O O
O mail O Service O n Oe O O m
O O Oe O O m

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

Report on the Financial Statements

We have audited the accompanying financial statements of Africa Rice Center, which comprise the Statement of Financial Position as at December 31, 2011, the Statement of Activities and Statement of Cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Africa Rice Center (AfricaRice) as at December 31, 2011, and of its surplus and its cash flows for the year then ended in accordance with CGIAR Accounting Policies and Reporting Practices Manual.

Lagos, Nigeria.
March 30, 2011

AFRICA RICE CENTER (AfricaRice)
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2011

	Note	2011	2010
<u>ASSETS</u>			
<u>Current Assets</u>			
Cash and Cash Equivalent	3	12,155,406	10,567,088
Accounts Receivable:			
Donors	4	5,841,551	4,611,594
Employees (net of allowances)	5	409,127	278,420
Others (net of allowances)	6	273,324	412,691
Inventories	13	325,468	318,940
Prepaid Expenses	7	447,405	284,135
Total Current Assets		19,452,281	16,472,868
<u>Property and Equipment</u>			
Property and Equipment	8	12,544,953	10,407,080
Less: Accumulated Depreciation	8	(12,009,318)	(9,599,034)
Total Property and Equipment-Net		535,635	808,046
TOTAL ASSETS		19,987,916	17,280,914
LIABILITIES AND NET ASSETS			
<u>Current Liabilities</u>			
Accounts Payable:			
Donors	9	2,771,273	1,974,036
Employees	10(a)	424,756	380,634
Others	11	692,880	727,763
Employees Investment Account	10(b)	214,136	214,000
Provisions and Accruals	12	3,895,815	3,186,157
Total Current Liabilities		7,998,860	6,482,590
TOTAL LIABILITIES		7,998,860	6,482,590
<u>Net Assets</u>			
<u>Unrestricted Net Assets:-</u>			
Undesignated		11,453,421	9,990,278
Designated		535,635	808,046
TOTAL NET ASSETS		11,989,056	10,798,324
TOTAL LIABILITIES & NET ASSETS		19,987,916	17,280,914

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

The financial statements were approved by the Board of Trustees on **30 March 2012** and were signed on their behalf by:



Mr. Aguibou Dahirou Tall
Director of Finance and Administration



Dr. Papa Abdoulaye Seck
Director General

AFRICA RICE CENTER (AfricaRice)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2011

	Unrestricted	Restricted				Total		
		Bilateral Temporarily Restricted	Bilateral Challenge Programs	CGIAR Research Program(CRP)	Genebank Stability Fund	2011	2010	
Note	US \$	US \$				US \$	US \$	
REVENUES, GAINS AND OTHER SUPPORT								
Grants	Annex 10	1,280,889	11,278,445	602,885	8,233,655	343,000	21,738,874	20,321,262
Member State Operating Income	14(a)	492,964					492,964	1,565,073
Member State Capital Dev. Income	14(b)							
Other Income	15	149,315					149,315	144,899
Total Revenue,Gains and Other Support		1,923,168	11,278,445	602,885	8,233,655	343,000	22,381,153	22,031,234
EXPENSES AND LOSSES								
Program Related Expenses	16(a),(b)		11,278,445	602,885	8,233,655	343,000	20,457,985	17,784,661
Management and General Expenses	16(b)	2,898,843	-	-			2,898,843	3,731,745
Sub-Total Expenses and Losses		2,898,843	11,278,445	602,885	8,233,655	343,000	23,356,828	21,516,406
Indirect Cost Recovery		(2,166,407)					(2,166,407)	(1,685,137)
Total Expenses and Losses		732,436	11,278,445	602,885	8,233,655	343,000	21,190,421	19,831,269
Change in Net Assets:								
Net Surplus		1,190,732	-	-	-	-	1,190,732	2,199,965

MEMO ITEM

Total Expenses-by Natural Classification

	Unrestricted	Restricted				Total	
		Bilateral Temporarily Restricted	Bilateral Challenge Programs	CGIAR Research Program(CRP)	Genebank Stability Fund	2011	2010
Personnel Costs	1,661,187	3,357,600	128,619	2,446,285	97,099	7,690,790	6,486,785
Supplies & Services	872,872	3,994,241	212,225	2,903,599	233,664	8,216,602	8,140,966
CRP Collaborators and Partnerships Costs-CGIAR Centers							
Collaborators and Partnerships Costs		2,746,231	148,514	757,723		3,652,468	4,270,121
Operational Travel	126,857	716,222	36,312	560,726	12,237	1,452,354	1,472,543
Depreciation	237,927	464,151	77,215	1,565,322		2,344,614	1,145,991
Sub-Total Expenses and Losses	2,898,843	11,278,445	602,885	8,233,655	343,000	23,356,828	21,516,406
Indirect Cost Recovery	(2,166,407)					(2,166,407)	(1,685,137)
Total Expenses and Losses	732,436	11,278,445	602,885	8,233,655	343,000	21,190,421	19,831,269

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

AFRICA RICE CENTER (AfricaRice)
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED 31 DECEMBER 2011

UNRESTRICTED NET ASSETS	Undesignated US \$	Designated ^{1/} US \$	Total US \$
Balance as at 1 January 2010	7,795,536	802,822	8,598,358
Net Surplus for the year	2,199,965		2,199,965
<u>Net Gain and Losses not recognised in Statement of Activities:</u>			
Prior Period Adjustments			
Net Changes in Investment in Fixed Assets	(5,223)	5,223	
Balance as at 31 December 2010	9,990,278	808,046	10,798,324
Net Surplus for the year	1,190,732		1,190,732
Net Changes in Investment in Fixed Assets	272,411	(272,411)	
^{1/} Designated in an amount equal to the Investment in Net book Value of Property Plant and Equipment			
Balance as at 31 December. 2011	11,453,421	535,635	11,989,056

^{1/} Designated Net Assets

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

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

These are classified as follows:-

(a) Undesignated Net Assets

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

(b) Designated Net Assets

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

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

AFRICA RICE CENTER (AfricaRice)
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2011

	Total	
	2011	2010
CASHFLOWS PROVIDED (USED) IN OPERATING ACTIVITIES		
Change in Net Assets	1,190,732	2,199,965
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities :		
Prior Period Adjustments	227,631	
Depreciation	2,344,614	1,145,990
Gain on Disposal of Fixed Assets	(44,929)	(23,465)
Decrease (Increase) in Assets		
Accounts Receivable:		
Donors	(1,229,957)	422,450
Employees	(130,707)	(27,573)
Others	139,366	383,567
Inventories	(6,527)	(23,558)
Prepaid Expenses	(163,271)	(114,857)
Increase (Decrease) in Liabilities		
Accounts Payable:		
Donors	797,237	(3,979,898)
Employees	44,122	(40,936)
Others	(34,882)	(35,200)
Employees Investment Account	136	
Provisions and Accruals	709,658	512,762
Net Cash Provided in Operating Activities	3,843,223	419,247
CASHFLOWS PROVIDED (USED) IN INVESTING ACTIVITIES		
Acquisition of Property and Equipment	(2,299,834)	(1,152,749)
Proceeds from Disposal of Property and Equipment	44,929	25,000
Net Cash Used in Investing Activities	(2,254,905)	(1,127,749)
CASHFLOWS PROVIDED (USED) IN FINANCING ACTIVITIES		
Bank Overdraft		
Net Cash Used in Financing Activities		
Net Increase (Decrease) in Cash and Cash Equivalents		
Cash and Cash Equivalents at Beginning of Year	10,567,088	11,275,590
(Decrease)/Increase in Cash and Cash Equivalents	1,588,318	(708,502)
Cash and Cash Equivalents at End of Year	12,155,406	10,567,088

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

AFRICA RICE CENTER (AfricaRice)

NOTES THE FINANCIAL STATEMENTS

1. ORGANIZATION AND OBJECTIVES

The Africa Rice Center (AfricaRice) is a leading pan-African research organization with a mission to contribute to poverty alleviation and food security in Africa through research, development and partnership activities. It belongs to the Consortium of Centers supported by the Consultative Group on International Agricultural Research (CGIAR). It is also an autonomous intergovernmental research association of African member countries.

The Center was created in 1971 by 11 African countries. Today its membership comprises 24 countries, covering West, Central, East and North African regions, namely Benin, Burkina Faso, Cameroon, Central African Republic, Chad, Côte d'Ivoire, Democratic Republic of Congo, Egypt, Gabon, the Gambia, Ghana, Guinea, Guinea Bissau, Liberia, Madagascar, Mali, Mauritania, Niger, Nigeria, Republic of Congo, Senegal, Sierra Leone, Togo and Uganda.

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

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(i) Basis of Preparation and Presentation of Financial Statements

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

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

(ii) Revenue Recognition

The financial statements of AfricaRice have been presented using the accrual basis of accounting except for contributions from member states in support of the operational budget of AfricaRice that are recognized as revenue in the fiscal year following the one in which the contributions are received.

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

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

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

AFRICA RICE CENTER (AfricaRice)

NOTES THE FINANCIAL STATEMENTS

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

(iii) Foreign Currency Transactions

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

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

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

(iv) Property, Plant, Equipment and Depreciation

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

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

The annual depreciation rates are as follows:

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

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

(v) Accrued Relocation Allowance

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

(vi) Inventories

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

Materials in transit are stated at invoice cost.

AFRICA RICE CENTER (AfricaRice)

NOTES THE FINANCIAL STATEMENTS

2.1 TAX STATUS

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

2.2 GRANTS IN-KIND

The financial statements do not include grants in-kind, and these are disclosed as detailed below.

Seconded personnel

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

	2011 Number of personnel	2011 Estimated costs (US \$)	2010 Number of personnel	2010 Estimated costs (US \$)
Japan	2	240,000	2	240,000
France	2	240,000	1	120,000
Total	<u><u>4</u></u>	<u><u>480,000</u></u>	<u><u>3</u></u>	<u><u>360,000</u></u>

2.3 NATIONALLY RECRUITED STAFF (GSS) PROVIDENT FUND

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

The Provident Fund is managed by an independent management committee comprising of elected representatives of the staff body and ex-officio representatives of the Center management. The Fund operates under an intra-Center constitution which lays out the guidelines for granting loans to its members as well as fund withdrawal options.

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

2.4 INDIRECT COST RECOVERY

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

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

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

2.5 CONTINGENT LIABILITIES AND SUBSEQUENT EVENTS

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

AFRICA RICE CENTER (AfricaRice)

NOTES TO THE FINANCIAL STATEMENTS - (Continued)

3. CASH AND CASH EQUIVALENTS

	2011	2010
	US \$	US \$
Bank Balances-Current Accounts ^{a/}	6,534,693	2,685,514
Bank Balances-Short Term Investment Accounts ^{b/}	5,582,806	7,837,083
Cash on Hand ^{c/}	37,907	44,491
	12,155,406	10,567,088

^{a/} The bank balances include bank accounts at headquarters and those held by outstations for local cash management in the respective locations

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

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

4 ACCOUNTS RECEIVABLE-DONORS

	2011	2010
	US \$	US \$
<u>Unrestricted Grants:-</u>		
United States of America		500,000
France		168,425
Canada		656,619
Sweden		486,476
Norway		244,706
Sub-Total Unrestricted Grants Receivable		2,056,226
<u>Restricted Grants:-</u>		
<u>Restricted Project Fund Balances Receivable-See note (a) below</u>		
Bilateral Restricted Grants Receivable	4,900,677	2,457,598
Challenge Program Grants Receivable	77,538	97,769
CGIAR Research Programs Receivable-GRiSP	863,336	
Sub-Total Restricted Grants Receivable	5,841,551	2,555,367
	5,841,551	4,611,594

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

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

AFRICA RICE CENTER (AfricaRice)

NOTES TO THE FINANCIAL STATEMENTS - (Continued)

5	ACCOUNTS RECEIVABLE-EMPLOYEES	2011	2010
		US \$	US \$
	Due from Staff Members	410,094	278,420
	Due from Separated Staff Members	268	1,235
	Sub-Total Employee Accounts Receivable	410,362	279,655
	Less: Provision for Doubtful Accounts Receivable ^{a/}	(1,235)	(1,235)
		409,127	278,420

^{a/}No general provision is made for doubtful receivables.

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

6	ACCOUNTS RECEIVABLE-OTHERS	2011	2010
		US \$	US \$
	Corporate Services Inter-Center Receivables:		
	International Institute of Tropical Agriculture (IITA)	67,494	179,305
	Bioversity International		
	International Potato Center (CIP)	60	16,832
	Sub-Total Iner-Center Accounts Receivable	67,554	196,137
	Other CGIAR Centers Accounts Receivable	45,744	8,805
	Sundry Receivable Accounts	160,026	216,554
	Sub-Total	273,324	421,496
	Less: Provision for Doubtful Accounts Receivable ^{a/}		(8,805)
		273,324	412,691

^{a/}No general provision is made for doubtful receivables.

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

7	PREPAID EXPENSES	2011	2010
		US \$	US \$
	Petrol Coupons	667	2,984
	Pre-Paid to Suppliers	446,738	281,151
		447,405	284,135

AFRICA RICE CENTER (AfricaRice)

NOTES TO THE FINANCIAL STATEMENTS - (Continued)

8 PROPERTY, PLANT AND EQUIPMENT

		Balance	Prior Period	Reclassified		Balance
		1 January	Adjustment ^(c)	Assets in	Disposals	31 December
		2011		Transit	Additions	2011
		US \$			(Note b)	2011
					US \$	US \$
<u>Cost</u>						
Physical Facilities (Buildings and Installations)	Note (a)	828,945		14,153	483,646	1,326,744
Heavy Duty Equipment		604,487			98,060	702,547
Agricultural Equipment		1,613,155			43,210	1,656,365
Vehicles and Tractors		2,089,183		31,949	(150,468)	2,367,726
Furniture and Office Equipment		1,237,539			94,052	1,331,591
Laboratory & Scientific Equipment		2,686,639		5,210	707,951	3,399,800
Computers		1,283,215		12,605	(11,493)	1,467,383
Fixed Assets in Transit		63,917		(63,917)	292,797	292,797
		10,407,080	-	-	(161,961)	2,299,834
						12,544,953
<u>Accumulated Depreciation</u>						
Physical Facilities (Buildings and Installations)		704,811	227,631		308,369	1,240,811
Heavy Duty Equipment		578,453			102,608	681,061
Agricultural Equipment		1,565,041			53,187	1,618,228
Vehicles and Tractors		1,895,253			(150,468)	2,224,902
Furniture and Office Equipment		1,172,793			114,611	1,287,404
Laboratory & Scientific Equipment		2,662,053		5,210	719,451	3,386,714
Computers		1,015,420			(11,493)	1,277,401
Fixed Assets in Transit		5,210		(5,210)	292,797	292,797
		9,599,034	227,631		(161,961)	2,344,614
						12,009,318
Net Book Value		808,046	- (227,631)	-	- (44,780)	535,635

(a) As a result of adjustments which followed a change of Accounting Policy on Capitalization of Land, Buildings and Installations in year 2000 as described in other notes, Buildings and Installations amounting to \$12,029,892 were excluded from the Fixed Assets Register and treated as 'Assets in Custody'. This policy has been discontinued with effect from January 1, 2004 following the implementation of the revised Financial Guideline No. 2. The buildings constructed in Cotonou, Republic of Benin, since 2005 are being depreciated over a period of 5 years in line with the Management decision to stay in the host country, Benin, for a period of 5 years by which period it is anticipated that peace will have been re-established in Côte d'Ivoire.

(b) The Fixed Asset additions financed from restricted funds during the year amounted to **US\$ 2,106,688** and **US\$ 948,411** in 2010.

(c) The Prior Period Adjustment relates to a depreciation adjustment for Fixed Asset additions in 2011 financed from 2010 accrued expenses.

AFRICA RICE CENTER (AfricaRice)

NOTES TO THE FINANCIAL STATEMENTS - (Continued)

9 ACCOUNTS PAYABLE-DONORS

	2011	2010
	US \$	US \$
Restricted Grants:-		
<u>Restricted Grants Received in Advance - See Note (a) below</u>		
Bilateral Restricted Grants Received in Advance	1,282,544	1,381,071
Challenge Program Grants Received in Advance	147,695	
CGIAR Research Programs(CRP) Received in Advance-GRiSP		
CGIAR Research Programs(CRP) Received in Advance-CCAF	98,927	
CGIAR Genebank Stability Fund Received in Advance		
Sub-Total Restricted Grants Payable as per Schedule	1,529,166	1,381,071
USAID-OFDA Refundable Balance -See Note (b) below	100,000	100,000
Sub-Total Restricted Grants Payable	1,629,166	1,481,071
Member States and Other Contribution:		
Member States Contributions Received in Advance	1,142,107	492,965
Sub-Total Member States Contributions Received in Advance	1,142,107	492,965
	2,771,273	1,974,036

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

(b) This account payable was held under instruction from the donor USAID who had indicated a decision to have the amount transferred to a different project that has yet to be identified.

No provision is made for donor accounts receivable based on past experience and a detailed review of restricted spending to ensure that the receivables fall within amounts pledged by the donors.

10(a) ACCOUNTS PAYABLE-EMPLOYEES

	2011	2010
	US \$	US \$
Staff Provident Funds (Liberia Staff) ^{a/}	27,851	25,145
Staff Provident Funds (Côte D'Ivoire, Senegal and Benin-based Staff) ^{a/}	135,255	176,286
Due to Separated Staff Members	19,940	31,700
Due to Staff Members	241,710	147,503
	424,756	380,634

^{a/} Provident Fund is a retirement fund for Nationally Recruited Staff (See also note 2.3)

10(b) ACCOUNTS PAYABLE-EMPLOYEES INVESTMENT ACCOUNT

	2011	2010
	US \$	US \$
Amount Invested in Time Deposit for the General Support Staff Provident Fund		
Balance Brought Forward January 1, 2011	214,000	214,000
Capital Enhancements During the Year 2011	136	-
Balance Carried Forward December 31, 2011	214,136	214,000

These are excess cash funds belonging to the Staff Provident Fund that were invested in short term deposit with Citibank New York.

Interest earned during the year has been credited to the control account for the General Support Staff Provident Fund, and partially capitalized in 2011.

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

AFRICA RICE CENTER (AfricaRice)

NOTES TO THE FINANCIAL STATEMENTS - (Continued)

11 ACCOUNT PAYABLE-OTHERS		
	2011	2010
	US \$	US \$
Suppliers Payable Accounts	292,618	358,576
Payroll Taxes Accounts Payable	29,770	35,773
Other CGIAR Centers	112,653	113,733
Corporate Services Inter-Center Payables:		
International Institute of Tropical Agriculture (IITA)	160,025	103,620
Bioversity International	84	8,902
International Potato Center (CIP)		
Sub-Total Corporate Service Inter-Center Accounts Payable	160,109	112,522
Sundry Payable Accounts	97,730	107,159
	692,880	727,763
12 PROVISIONS AND ACCRUALS		
	2011	2010
	US \$	US \$
Accrued Expenses & Provisions (a)	2,402,167	2,004,741
Staff Accrued Leave	643,494	542,822
Accrued Relocation & Repatriation Allowances	446,851	429,111
Accrued Termination Benefits-Support Staff	292,213	161,983
Accrued Audit Fees-Internal and External	111,090	47,500
(a) Accrued Expenses and Provisions are various, works, supplies, services and travel relating to the head quarters, and all outstations of AfricaRice as of the end of the financial year.		
	3,895,815	3,186,157
13 INVENTORIES		
	2011	2010
	US \$	US \$
Stationery and Office Supplies	28,927	28,405
Vehicle and Equipment Spare Parts	192,233	196,854
Building and Maintenance Supplies	59,305	52,743
Fuel and Lubricants	3,576	14,503
Fuel Stocks - Cotonou	10,067	4,831
Field and Farm Supplies	4,403	1,738
Laboratory Supplies	600	600
Stocks - Health Post	991	996
General Stocks	25,366	18,270
	325,468	318,940

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

AFRICA RICE CENTER (AfricaRice)

NOTES TO THE FINANCIAL STATEMENTS - (Continued)

14 MEMBER STATES' CONTRIBUTION

(a) Funds paid by Member States towards AfricaRice's Operations will continue to be recognised as Revenue in the subsequent year in accordance with Note 2.(i).

The following Member States paid in contributions to the Operational activities of AfricaRice during the years ended December 31, 2010 and 2009

	2011 US \$	2010 US \$
Benin	18,283	
Cote D'Ivoire	102,669	
Ghana	-	604,645
Chad	59,809	
Liberia	36,566	18,283
Mali	16,642	104,041
Senegal	18,283	36,566
Niger	-	24,070
The Gambia	69,595	74,336
Cameroun	29,873	
Burkina-Faso	30,784	32,328
Sierra Leone	36,566	418,640
Togo	19,045	215,598
Uganda	18,283	18,283
Egypt	18,283	18,283
Gabon	18,283	
	492,964	1,565,073

(b) Funds paid by Member States and other Donors towards Capital Development are therefore credited to Revenue when they are received in accordance with the existing Board-approved Policy.

No Member States made contributions to the Capital Development activities of AfricaRice relating to the years ended December 31, 2011 and 2010

15 OTHER INCOME

	2011 US \$	2010 US \$
'Other Income' Revenues are made up as follows:		
Interest Income	42,687	45,672
Sale of rice	4,905	1,492
Guest House	12,641	7,833
Transport	28,074	4,569
Miscellaneous Income	16,079	61,868
Sale of Fixed Assets	44,929	23,465
	149,315	144,899

AFRICA RICE CENTER (AfricaRice)

NOTES TO THE FINANCIAL STATEMENTS - (Continued)

16 EXPENSES AND LOSSES

	2011	2010
	US \$	US \$
(a) Program Related Expenses by Functional Classification as of December 31, 2011		
Research	10,742,806	8,096,303
Challenge Programs	602,885	618,502
Research Support	3,648,725	2,523,236
Training Information and Library Services	145,729	232,243
Rice TIME Unit	4,176,420	4,736,398
System-Wide Program (SWEP-IVC)	1,141,420	1,577,979
	20,457,985	17,784,661

(b) Expenses and Losses by Functional and Natural Classification as of December 31, 2011

	2011		2010	
	US \$		US \$	
	Program Related	Management and General	Program Related	Management and General
Personnel Costs	6,029,603	1,661,187	4,893,259	1,593,526
Supplies & Services	7,343,729	872,872	6,422,772	1,718,194
CRP Collaborators and Partnerships Costs-CGIAR Centers				
Supplies & Services-Collaborators and Partnerships Costs	3,652,468		4,268,792	1,328
Operational Travel	1,325,497	126,857	1,276,985	195,560
Depreciation	2,106,688	237,927	922,853	223,137
Gross Operating Expenses	20,457,985	2,898,843	17,784,661	3,731,745

ANNEX 1

AFRICA RICE CENTER (AfricaRice) AFRICAN DEVELOPMENT BANK

FINANCIAL REPORT: period from 1 January to 31 December 2011

Project Title:- AFDB(WARDA)-NERICA DISSEMINATION PROJECT	
DESCRIPTION	AMOUNT (US\$)
Balance due from AfDB brought forward 1 January 2011	155,484
WARDA (AfricaRice) Grant:	
-PERSONNEL COSTS	43,492
-SUPPLIES AND SERVICES	79,067
-OPERATIONAL TRAVEL	78,274
-CAPITAL	-
Total expenses on WARDA (AfricaRice) Grant	200,833
NARS GRANT:	
-OPERATIONAL FUNDS PAID OUT	-
Total expenses on NARS GRANT	-
TOTAL EXPENDITURE FOR THE YEAR	200,833
Interest on Bank account (Credit)	(1,233)
Received from AFDB in 2011:	
Received in April 2011	(370,467)
Total funds received	(371,700)
Balance due to AFDB carried forward as at 31 December 2011	(15,383)

ANNEX 2

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

FINANCIAL REPORT: Statement of Expenditure for the period 1 January to 31 December 2011

Project Title:-IFAD/EC-Rice Policy and Technology Impact for Food Security and Poverty Reduction		
DESCRIPTION	AMOUNT (US\$)	AMOUNT (EURO)
-PERSONNEL COSTS	-	-
-SUPPLIES AND SERVICES	-	-
-OPERATIONAL TRAVEL	-	-
-CAPITAL	-	-
TOTAL EXPENDITURE FOR THE YEAR	-	-
Balance due from IFAD as at 31 December 2010	97,552	72,800
Exchange Difference on Prior Year Receivable Amount		
Amount received from IFAD:		
Jan-11 (10% of Budget 2009)	(48,376)	(36,400)
Balance due from IFAD as at 31 December 2011	49,176	36,400

ANNEX 3

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

FINANCIAL REPORT: Statement of Expenditure for the period 1 January to 31 December 2011

Project Title:- IFAD/EC System Wide Programme "Realisation of Agricultural Potential (RAP) of Inland Valley Lowlands in SSA"		
DESCRIPTION	AMOUNT (US\$)	AMOUNT (EURO)
-PERSONNEL COSTS	127,291	98,218
-SUPPLIES AND SERVICES	312,554	241,168
-OPERATIONAL TRAVEL	37,740	29,121
-CAPITAL	4,729	3,649
TOTAL EXPENDITURE FOR THE YEAR	482,313	372,156
Balance due from IFAD as at 31 December 2010	140,231	104,650
Received from IFAD in January 2011 (10% of 2009 Budget)	(69,540)	(52,325)
Revaluation Exchange Difference on Conversion of Closing Balance to Euros	(2,877)	
Balance due from IFAD as at 31 December 2011	550,127	424,481

ANNEX 4

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

FINANCIAL REPORT: Statement of Expenditure for the period 1 January to 31 December 2011

Project Title:- IFAD/EC-Rice Policy “2010 Incremental EC Contribution to CGIAR”		
DESCRIPTION	AMOUNT (US\$)	AMOUNT (EURO)
-PERSONNEL COSTS	418,127	322,629
-SUPPLIES AND SERVICES	284,166	219,264
-OPERATIONAL TRAVEL	66,225	51,100
-CAPITAL	1,332	1,027
TOTAL EXPENDITURE FOR THE YEAR	769,850	594,020
Balance due from IFAD as at 31 December 2010	811,038	605,252
Amount received from IFAD: May 2011-Application No.1	(562,780)	(380,000)
Revaluation Exchange Difference on Conversion of Closing Balance to Euros	43,669	
Balance due from IFAD as at 31 December 2011	1,061,777	819,272

ANNEX 5

AFRICA RICE CENTER (AfricaRice) INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT (IFAD)

FINANCIAL REPORT: Statement of Expenditure for the period 1 January to 31 December 2011

Project Title:- NERICA Access-WCA Project "Enhancing Smallholder Access to NERICA for Alleviating Rural Poverty in West and Central Africa"	
DESCRIPTION	AMOUNT (US\$)
-PERSONNEL COSTS	80,671
-SUPPLIES AND SERVICES	129,503
-OPERATIONAL TRAVEL	9,776
-CAPITAL	-
TOTAL EXPENDITURE FOR THE YEAR	219,950
Balance due from IFAD as at 31 December 2010	500,406
Received from IFAD in 2011:	
Jul-11 Application No. 3	(552,000)
Sep-11 Application No. 4B	(220,000)
Sub-Total Funds Received in 2011	(772,000)
Balance due to IFAD as at 31 December 2011	(51,644)

ANNEX 6

AFRICA RICE CENTER (AfricaRice) GERMANY UNRESTRICTED (ATTRIBUTED) CONTRIBUTION (GIZ GmbH CONTRACT No.: 81137640 AND PROJECT No.:10.7860.9-001.00)

FINANCIAL REPORT: Statement of Expenditure for the period 1 January to 31 December 2011

Program: Genetic Resources Unit "Rice Genetic Diversity and Discovery"		
DESCRIPTION	AMOUNT (US\$)	AMOUNT (EURO)
-PERSONNEL COSTS	101,190	75,459
-OPERATIONS	87,804	65,477
-INDIRECT ADMINISTRATIVE COSTS	30,930	23,064
TOTAL EXPENDITURE FOR THE YEAR 2011	219,924	164,000
Received from GIZ in 2011:		
1st Payment -October 2011 Ref: CM/10/11/13	(109,552)	(82,000)
2nd Payment -December 2011 Ref: CM/12/11/10	(110,372)	(82,000)
Total Receipts in 2011	(219,924)	(164,000)
Balance due from GIZ as at 31 December 2011	-	-

ANNEX 7

AFRICA RICE CENTER (AfricaRice)

CRP 3.3 - Global Rice Science Partnership (GRiSP)

FINANCIAL REPORT: Statement of Expenditure for the period 1 January to 31 December 2011

Natural Classification	W1/W2	W3/Bilateral	Center Funds	Total
	(US\$)	(US\$)	(US\$)	(US\$)
Personnel	2,430,807	3,430,961		5,861,768
Collaborator Costs - CGIAR Centers				-
Collaborator Costs - Others	768,269	2,891,932		3,660,201
Supplies & Services	1,905,662	2,557,207		4,462,869
Operational Travel	641,713	902,469		1,544,182
Depreciation	1,565,322	469,637		2,034,959
SUB-TOTAL DIRECT COSTS FOR 2011	7,311,773	10,252,206	-	17,563,979
INDIRECT COSTS	874,563	1,172,474		2,047,037
TOTAL ALL COSTS FOR THE YEAR ENDED 31 DECEMBER 2011	8,186,336	11,424,680	-	19,611,016
CRP 3.3 FUNDING REPORT				
Description	W1/W2	W3/Bilateral	Center Funds	Total
	(US\$)	(US\$)	(US\$)	(US\$)
OPENING BALANCE AS AT 1 JANUARY 2011	-	-	-	-
Cash Receipts from Lead Center:-				
Various		11,424,680		11,424,680
Sep-11 Ref: CM/09/11/03	1,000,000			1,000,000
Oct-11 Ref: CM/10/11/02	2,443,000			2,443,000
Dec-11 Ref: CM/12/11/06	3,880,000			3,880,000
SUB-TOTAL RECEIPTS FOR 2011	7,323,000	11,424,680	-	18,747,680
Disbursements in 2011	8,186,336	11,424,680	-	19,611,016
CLOSING BALANCE AS AT 31 DECEMBER 2011	863,336	-	-	863,336

ANNEX 8

AFRICA RICE CENTER (AfricaRice)

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

FINANCIAL REPORT: Statement of Expenditure for the period 1 January to 31 December 2011

Natural Classification	W1/W2 (US\$)	W3/Bilateral (US\$)	Center Funds (US\$)	Total (US\$)
Personnel	15,478	55,203		70,681
Collaborator Costs - CGIAR Centers	-	-		-
Collaborator Costs - Others	24,894	-		24,894
Supplies & Services	-	112,574		112,574
Operational Travel	774	66,797		67,571
Depreciation	-	22,234		22,234
SUB-TOTAL DIRECT COSTS FOR 2011	41,146	256,808	-	297,954
INDIRECT COSTS	6,172	43,690	-	49,862
TOTAL ALL COSTS FOR THE YEAR ENDED 31 DECEMBER 2011	47,318	300,498	-	347,816

CRP 7 FUNDING REPORT

Description	W1/W2 (US\$)	W3/Bilateral (US\$)	Center Funds (US\$)	Total (US\$)
OPENING BALANCE AS AT 1 JANUARY 2011	-	-	-	-
Cash Receipts from Lead Center:-				
Various		300,498		300,498
Dec-11 Ref: CM/12/11/01	146,245			146,245
SUB-TOTAL RECEIPTS FOR 2011	146,245	300,498	-	446,743
Disbursements in 2011	47,318	300,498	-	347,816
CLOSING BALANCE AS AT 31 DECEMBER 2011	(98,927)	-	-	(98,927)

ANNEX 9

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

FINANCIAL REPORT: Statement of Expenditure for the period 1 January to 31 December 2011

Program: Funds Council-GENE BANK STABILITY FUNDS	
DESCRIPTION	AMOUNT (US\$)
-PERSONNEL COSTS	97,099
-SUPPLIES AND SERVICES	233,664
-TRAVEL	12,237
TOTAL EXPENDITURE FOR THE YEAR 2011	343,000
FUNDS RECEIVED IN 2011:	
Nov-11 Ref: CM/11/11/05	(343,000)
Total Receipts in 2011	343,000
Balance due from/(to) the Fund as at 31 December 2011	-

ANNEX 10

AFRICA RICE CENTER (AfricaRice) SCHEDULE OF GRANT REVENUES

For the Year Ended 31 December 2011 and 2010
(Expressed in US Dollars)

DONORS	Grant Period	For the year ended 31 December 2011				
		Grant Pledges Available	Accounts Receivable	Accounts Payable	Grant 2011	Grant 2010
<u>UNRESTRICTED</u>						
Australia	Jan'11-Dec'11	520,065			520,065	
Belgium	Jan'11-Dec'11	760,824			760,824	647,396
Canada	Jan'11-Dec'11				-	656,619
France	Jan'11-Dec'11				-	246,449
Japan	Jan'11-Dec'11				-	379,365
Norway	Jan'11-Dec'11				-	244,706
Sweden	Jan'11-Dec'11				-	486,476
United Kingdom	Jan'11-Dec'11				-	1,030,918
USAID	Jan'11-Dec'11				-	500,000
World Bank	Jan'11-Dec'11				-	1,800,000
Total Unrestricted Grants		1,280,889	-	-	1,280,889	5,991,929
<u>TEMPORARILY RESTRICTED BILATERAL GRANTS</u>						
AfDB (NERICA Dissemination Project)	Jan'04-Dec'11	1,230,000		15,383	200,833	579,585
Services to CARD Secretariat	Oct'09-Open	24,415		6,978	114	23,494
ANRP ESCAPE	Jul'11-Nov'14	125,804		49,462	9,803	
ACP- AfroWeeds Project	Oct'09-Oct'12	408,453	45,182		102,895	161,465
BADEA-IRM Training	Jan'09-Dec'09	320,000				(121,488)
BADEA 2010 IRM Training	Jul'10-Dec'11	330,000		5,453	25,431	196,524
Consultancy Services (KABIROU)	Apr'11-Dec'11	6,820	1,192		4,691	
Diffusion of Improved Crop Varieties in Africa (DIVA)	Nov'09-Dec'12	168,300		29,789	24,537	113,974
BIOV2 New DIIVA Obj.	Jan'11-Dec'12	250,000		4,702	102,248	
CAAS-Chinese Academy of Agricultural Sciences	Nov'08-Oct'11	3,449,862	340		650,663	1,630,626
CANADA Linkage Fund-Mc Gill University	Apr'08-Mar'11	209,711			50,601	72,593
CIDA Support to Rice Research in Africa	Mar'11-Mar'16	7,136,573		255,053	1,270,871	

DONORS	Grant Period	For the year ended 31 December 2011				
		Grant Pledges Available	Accounts Receivable	Accounts Payable	Grant 2011	Grant 2010
<u>TEMPORARILY RESTRICTED BILATERAL GRANTS</u>						
CARD Regional Workshop July 10	Jul'10-Jul'10	79,584				79,511
CFC-(Spirivwa Project)	Jan'00-Dec'09	536,039				18,024
CFC-NERICA Dissemination in Central Africa Project	Jan'08-Mar'12	2,500,961	361,827		836,355	181,676
Conserv. Food & Health Found.	Jul'06-Dec'10	81,000				6,177
DFID16-Striga Project-University of Sheffield	May'08-Sep'11	53,250	2,280		16,282	37,664
ESSO Rice Development in Chad	Jan'10-Dec'11	214,242			63,905	147,187
European Union(Rice Policy & Techn. Impact on Food Security....)	Jan'07-Dec'10	1,203,184	49,176			457,262
European Union(RAP Project)	Jan'09-Dec'13	5,193,453	550,127		479,436	700,293
Rice Policy (Incremental Fund)	Jun'10-Dec'12	2,743,300	1,061,777		813,519	811,038
FAO-Liberia Seed Production Project	Aug'08-Jun'10	168,475			2,188	(9,929)
FAO-Seed Systems Study Project	Jan '10-Dec'10	198,500				198,500
Seed Policy Workshop	Jan'11-Jun'11	50,000			50,000	
Training of APO for FAO	May'11-Dec'12	4,200		4,200		
GTZ-RISOCAS-University of Hohenheim Project	Mar'08-Feb'11	236,553			(12,872)	(44,233)
GTZ-Characterization of Bacterial Leaf Blight	May'08-Apr'10	86,420				4,552
GTZP8 -GTZ MICCORDEA	Jan'10-Dec'12	1,608,000		54,716	595,033	436,811
GTZ-Attributed Grant	Jan'11-Dec'11	231,528			219,924	231,547
IBRD-CGIAR Collaboration Fund Proj.	Jan '11 - Open	414,492		254,251	160,240	
CCAFS Research Theme #5 Project	Dec'10-May'11	15,000			15,000	
IFAD-NERICA Seeds Access-West and Central Africa Project	Dec'07-Dec'12	1,500,000		51,644	219,950	658,224
IFAD ESA Project	Jan'09-Dec'10	60,000				15,000
IFAR-CGIAR Fellowship Programs	Jan'09-Open	55,000		8,609	8,067	27,324
IRRI/WARDA Abiotic Stress Project	Jan'08-Feb'14	4,800,000	166,674		1,446,674	874,001
Japan/UNDP-TCDC (Interspecific Hybrid. Project)	Jan'00-Mar'12	380,000	251,360		257,548	283,801
Japan (Increasing Quality Compet.Loc. Project)	Jan'03-Mar'12	100,000	100,630		99,326	81,143
Japan (Dev.Interspec. OG&OS Progenies Project)	Jan'03-Mar'12	100,000	114,642		58,889	102,112
Japan (High Yield Varieties-Humid Zones project)	Dec'05-Mar'12	100,000	72,306		151,143	138,453
Japan (Phys. & Genetic Invest.-NERICA Project)	Jan'07-Mar'12	100,000	63,266		62,561	70,392
Japan-Development of Sustainable Rice Farming Systems Project	Jan'08-Mar'12	60,000		22,680	50,324	51,895
Japan Emergency Rice Initiativ	Apr'09-Sep'10	4,800,000				287,738
Japan Breeding Project	Jan'10-Dec'14	6,000,000	1,834,485		1,686,384	1,748,100

DONORS	Grant Period	For the year ended 31 December 2011				
		Grant Pledges Available	Accounts Receivable	Accounts Payable	Grant 2011	Grant 2010
<u>TEMPORARILY RESTRICTED BILATERAL GRANTS</u>						
Japan SMART IV	Oct'09-Sep'14	3,000,000		416,949	731,471	727,149
Japan-Capacity Bldg-Saito	Oct'09-Dec'10	10,730				3,640
Japan-Capacity Building-Sokei	Oct'09-Feb'11	48,349			(1,472)	26,885
Japan Capacity Building-Abe	Sep'10-Open	11,500		602	1,986	8,912
Japan/CGFellowship Program-Abe	Nov'10-Open	12,700		6,552	3,539	3,415
Japan/CGFellowship Program-Saito	Nov'10-Mar'11	7,000			8,152	
Japan-CGIAR Fellowship (Dr. Michi)	Sep'11-Open	7,192		4,212	2,980	
Japan (RYMV Project)	Jan'00-Mar'12	100,000	69,345		70,946	64,254
JICA/WARDA-Collaboration Project	Apr'04-Open	164,035		29,269	67,772	198,866
JIRCAS Collab. Proj.-Benin	Jun'10-Open	4,000		3,852	1,248	78
MISU Competitiveness Study	Oct'10-Aug'11	49,335	24,788		49,456	
PADER Project	Feb'11-Dec'12	54,820		54,820		
Syngenta Proposal Development	Jan'10-Dec'10	193,530			(1,640)	118,702
Syngenta Value Chains	Apr'11-Mar'12	416,456	131,198		547,654	
UNDP-Liberia Seed Production Project	Apr'09-Apr'11	296,604	82		93,100	90,224
UNDP KMV Project Liberia	Oct'08-Jun'11	230,000			(44,982)	76,092
USAID/CORAF RYMV	Jan'10-Dec'10	39,000				39,000
USAID:West Africa Rice Initiative Project	Oct'08-Sep'10	5,100,000				2,102,578
WOTRO Parasite Project	Apr'11-Mar'15	139,923		3,368	25,672	
Sub-Total Restricted Bilateral Grants		57,218,293	4,900,677	1,282,544	11,278,445	13,710,831

ANNEX 10

AFRICA RICE CENTER (AfricaRice) SCHEDULE OF GRANT REVENUES

For the Year Ended December 31, 2011 and 2010
(Expressed in US Dollars)

DONORS	Grant Period	For the year ended 31 December 2011				Grant 2010
		Grant Pledges Available	Accounts Receivable	Accounts Payable	Grant 2011	
<u>CHALLENGE PROGRAMS</u>						
Water and Food						
WorldFish-Project M439	Apr'05-Mar'10	42,946			-	8,472
Generation Challenge Program						
CIMMYT-GCP-Project SP1-G4008-05	Jan'08-Dec'10	19,200	1,320		-	
CIMMYT-GCP-Project SP3-G4007-08	Aug'07-Jul'09	304,440	29,618		-	24,223
GCP-I-Bridges-WARDA/IRD	Aug'07-Dec'09	80,000	9,000		-	
GCP-NAM population-WARDA/CIAT	Aug'08-Dec'11	114,058	7,324		29,442	6,898
GCP Rice Challenge Initiative	Jun'09-Mar'14	2,717,754		147,695	569,206	517,965
GCP Drought Avoidance Root	Nov'08-Sep'11	100,800	30,276		4,237	60,944
Sub-Total Challenge Program Grants		3,379,198	77,538	147,695	602,885	618,502
<u>CGIAR Research Programs (CRP) Grants</u>						
CCAFS CRP Total	Jan'11-Dec'15	584,980	-	98,927	47,318	
GRiSP CRP Total	Jan'11-Dec'15	8,213,000	863,336	-	8,186,337	
Sub-Total CGIAR Research Program(CRP) Grants		8,797,980	863,336	98,927	8,233,655	
<u>CGIAR Genebank Stability Grants</u>						
Fund Council Genebank	Jan'11-Dec'15	343,000	-	-	343,000	
Sub-Total CGIAR Genebank Stability Fund Grants		343,000			343,000	
Total Restricted Grants		69,738,471	5,841,551	1,529,166	20,457,985	14,329,333
Total Grants		71,019,360	5,841,551	1,529,166	21,738,874	20,321,262

ANNEX 11

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

**For the Year Ended 31 December 2011 and 2010
(Expressed in US Dollars)**

TEMPORARILY RESTRICTED BILATERAL

Donor and Project	Notes to Adjustments	Grant Period	Grant Pledged	2010 Balances		Balance Adjustments 2011	Received in 2011	2011 Balances		Expenditures/ Grants in 2011	Expenditures/ Grants in 2010
				Receivable @ 31/12/10	Payables @ 31/12/10			Receivable @ 31/12/11	Payables @ 31/12/11		
AFDB I(NERICA Dissemination Project)		Jan'04-Dec'11	1,230,000	155,484			371,700	15,383	200,833	579,585	
Contracted Services to CARD Secretariat		Oct'09-Open	24,415	18,249			25,340	6,978	114	23,494	
ANRP ESCAPE		Jul'11-Nov'14	125,804				59,265	49,462	9,803		
ACP- AfroWeeds Project	(a)	Oct'09-Oct'12	408,453	51,328	16,952		92,089		102,895	161,465	
BADEA-IRM Training		Jan'09-Dec'09	320,000							(121,488)	
BADEA 2010 IRM Training	(b)	Jul'10-Jun'12	330,000		(57,007)			5,453	25,431	196,524	
Consultancy Services (KABIROU)		Apr'11-Dec'11	6,820			3,499			4,691		
Diffusion of Improved Crop Varieties in Africa (DIVA)		Nov'09-Dec'12	168,300	45,674		100,000		29,789	24,537	113,974	
BIOV2 New DIIVA Obj.		Jan'11-Dec'12	250,000			106,950		4,702	102,248		
CAAS-Chinese Academy of Agricultural Sciences		Nov'08-Oct'11	3,449,862	106,033		756,356			650,663	1,630,626	
CANADA Linkage Fund-Mc Gill University		Apr'08-Mar'11	209,711						50,601	72,593	
CIDA Sup. Rice Res. in Africa		Mar'11-Mar'16	7,136,573			1,525,924		255,053	1,270,871		
CARD Regional Workshop July 10		Jul'10-Jul'10	79,584							79,511	
CFC-(Spirivwa Project)	(c)	Jan'00-Dec'09	536,039	27,610	1,817	25,793				18,024	
CFC-NERICA Dissemination in Central Africa Project		Jan'08-Mar'12	2,500,961	158,772		633,300			836,355	181,676	

Donor and Project	Notes to Adjustments	Grant Period	Grant Pledged	2010 Balances		Balance Adjustments 2011	Received in 2011	2011 Balances		Expenditures/ Grants in 2011	Expenditures/ Grants in 2010
				Receivable @ 31/12/10	Payables @ 31/12/10			Receivable @ 31/12/11	Payables @ 31/12/11		
Conserv. Food & Health Found.		Jul'06-Dec'10	81,000								6,177
DFID16-Striga Project-University of Sheffield		May'08-Sep'11	53,250	2,568			11,434	2,280		16,282	37,664
ESSO Rice Development in Chad		Jan'10-Dec'11	214,242	6,170			57,735			63,905	147,187
European Union(Rice Policy & Techn. Impact on Food Security....)											
European Union(RAP Project)		Jan'07-Dec'10	1,203,184	97,552			48,376	49,176		479,436	457,262
Rice Policy (Incremental Fund)		Jan'09-Dec'13	5,193,453	140,231			69,540	550,127		813,519	700,293
FAO-Liberia Seed Production Project		Jun:10-Dec'12	2,743,300	811,038			562,780	1,061,777		2,188	811,038
FAO-Seed Systems Study Project		Aug'08-Jun'09	168,475	2,188							(9,929)
Seed Policy Workshop		Jan '10-Dec '10	198,500				50,000		4,200	50,000	198,500
Training of APO for FAO		Jan'11-Jun'11	50,000				4,200				
GTZ-RISOCAS-University of Hohenheim Project		May'11-Dec'12	4,200				9,173			(12,872)	(44,233)
GTZ-Characterization of Bacterial Leaf Blight		Mar'08-Feb'11	236,553								4,552
GTZP8 -GTZ MICCORDEA		May'08-Apr'10	86,420	22,045			551,280	54,716		595,033	436,811
GTZ-Attributed Grant		Jan'10-Dec'12	1,608,000	98,469			219,924			219,924	231,547
IBRD-CGIAR Collaboration Fund Proj.		Jan '11 - Open	231,528	414,491			15,000	254,251		160,240	
CCAFS Research Theme #5 Project		Dec'10-May'11	15,000				8,250			15,000	
IFAD-HIV/AIDS and Rural Poverty Project		Jan'07-Jun'09	165,000	8,250			772,000	51,644		219,950	658,224
IFAD-NERICA Seeds Access-West and Central Africa Project		Dec'07-Dec'12	1,500,000	500,406							15,000
IFAD ESA Project		Jan'09-Dec'10	60,000				11,000		8,609	8,067	27,324
IFAR-CGIAR Fellowship Programs		Jan'09-Open	55,000	5,676			1,280,000	166,674		1,446,674	874,001
IRRI/WARDA Abiotic Stress Project		Jan'08-Feb'14	4,800,000							257,548	283,801
Japan/UNDP-TCDC (Interspecific Hybrid. Project)		Jan'00-Mar'12	380,000	6,188				251,360		99,326	81,143
Japan (Increasing Quality Compet.Loc. Project)		Jan'03-Mar'12	100,000	1,304				100,630		58,889	102,112
Japan (Dev.Interspec. OG&OS Progenies Project)		Jan'03-Mar'12	100,000	55,753				114,642		151,143	138,453
Japan (High Yield Varieties-Humid Zones project)		Dec'05-Mar'12	100,000	78,837				72,306		62,561	70,392
Japan (Phys. & Genetic Invest.-NERICA Project)		Jan'07-Mar'12	100,000	704				63,266		50,324	51,895
Japan-Development of Sustainable Rice Farming Systems Project		Jan'08-Mar'12	60,000	73,004				22,680		1,686,384	287,738
Japan Emergency Rice Initiatiiv		Apr'09-Sep'10	4,800,000				2,800	1,834,485		731,471	1,748,100
Japan Breeding Project		Jan'10-Dec'14	6,000,000	150,900			635,220				727,149
Japan SMART IV		Oct'09-Sep'14	3,000,000						416,949		3,640
Japan-Capacity Bldg-Saito		Oct'09-Dec'10	10,730							(1,472)	26,885
Japan-Capacity Building-Sokei		Oct'09-Feb'11	48,349	1,472				602		1,986	8,912
Japan Capacity Building-Abe		Sep'10-Open	11,500				806	6,552		3,539	3,415
Japan/CGFellowship Program-Abe		Nov'10-Open	12,700	9,285			1,152			8,152	
Japan/CGFellowship Program-Saito		Nov'10-Mar'11	7,000	7,000							

Donor and Project	Notes to Adjustments	Grant Period	Grant Pledged	2010 Balances		Balance Adjustments 2011	Received in 2011	2011 Balances		Expenditures/ Grants in 2011	Expenditures/ Grants in 2010
				Receivable @ 31/12/10	Payables @ 31/12/10			Receivable @ 31/12/11	Payables @ 31/12/11		
Japan (RYMV Project)		Jan'00-Mar'12	100,000		1,601			69,345		70,946	64,254
JICA/WARDA-Collaboration Project		Apr'04-Open	164,035				155,212		29,269	67,772	198,866
JIRCAS Collab. Proj.-Benin		Jun'10-open	4,000	3,046			2,054		3,852	1,248	78
MISU1-Competitiveness Study		Oct'10-Aug'11	49,335				24,668	24,788		49,456	
PADER Project		Feb'11-Dec'12	54,820				54,820		54,820		
Syngenta Proposal Development		Jan'10-Dec'10	193,530	1,640						(1,640)	118,702
Syngenta Value Chains		Apr'11-Mar'12	416,456				416,456	131,198		547,654	90,224
UNDP-Liberia Seed Production Project		Apr'09-Apr'11	296,604		18,268		74,750	82		93,100	76,092
UNDP KMV Project Liberia		Oct'08-Jun'11	230,000	44,982						(44,982)	39,000
USAID/CORAF RYMV		Jan'10-Dec'10	39,000								2,102,578
USAID:West Africa Rice Initiative Project		Oct'08-Sep'10	5,100,000								
WOTRO Parasite Project		Apr'11-Mar'15	139,923				29,040		3,368	25,672	
Sub-Total Restricted Grants				2,457,598	1,381,071	(38,238)	8,775,078	4,900,677	1,282,544	11,278,445	13,710,831

NOTES:

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

ANNEX 11

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

**For the Year Ended 31 December 2011 and 2010
(Expressed in US Dollars)**

CHALLENGE PROGRAMS

Donor and Project	Notes to Adjustments	Grant Period	Grant Pledged	2010 Balances		Balance Adjustments 2010	Received in 2011	2011 Balances		Expenditures/ Grants in 2011	Expenditures/ Grants in 2010
				Receivable @ 31/12/10	Payables @ 31/12/10			Receivable @ 31/12/11	Payables @ 31/12/11		
<u>Water and Food</u>											
WorldFish-Project M439 -Community Based Fish Culture in Irrigation Systems and Seasonal Floodplains		Apr'05-Mar'10	42,946								8,472
CIMMYT-GCP-Project SP1-G4008-05-Generation Challenge Program											
Connecting performance under drought with genotypes through phenotype associations		Jan'08-Dec'10	19,200	1,320				1,320			24,223
CIMMYT-GCP-Project SP3-G4007-08 -Integration of genomics tools with conventional screening for developing NERICA rice cultivars for West Africa		Aug'07-Jul'09	304,440	29,618				29,618			
IGDP/IRD-GCP-I-Bridges -Interspecific bridges that give full access to the African rice allele pool for enhancing drought tolerance of African rice		Aug'07-Dec'09	80,000	9,000				9,000			
CIMMYT-GCP-Project SP1-G4008-45-A Nested Association Mapping (NAM) population of Rice		Aug'08-Dec'11	114,058	9,994				7,324		29,442	6,898
GCP Rice Challenge Initiative		Jun'09-Mar'14	2,717,754	21,798				147,695		569,206	517,965

Donor and Project	Notes to Adjustments	Grant Period	Grant Pledged	2010 Balances		Received in 2011	2011 Balances		Expenditures/ Grants in 2011	Expenditures/ Grants in 2010
				Receivable @ 31/12/10	Payables @ 31/12/10		Receivable @ 31/12/11	Payables @ 31/12/11		
				Balance Adjustments 2010						
GCP Drought Avoidance Root		Nov'08-Sep'11	100,800		26,039		30,276		4,237	60,944
Sub-Total Challenge Program Grants					97,769	770,811	77,538	147,695	602,885	618,502
<u>CGIAR Research Programa(CRP) Grants</u>										
CCAFS CRP Total		Jan'11-Dec'15				146,245		98,927	47,318	
GRiSP CRP-Total		Jan'11-Dec'15				7,323,000	863,336		8,186,337	
Sub-Total CGIAR Research Program(CRP) Grants						7,469,245	863,336	98,927	8,233,655	
<u>CGIAR Genebank Stability Grants Fund Council Genebank</u>		Jan'11-Dec'15.				343,000			343,000	
Sub-Total CGIAR Genebank Stability Fund Grants						343,000			343,000	
Total All Restricted Grants				(38,238)	2,555,367	17,358,134	5,841,551	1,529,166	20,457,985	14,329,333

NOTES:

ANNEX 12

AFRICA RICE CENTER (AfricaRice)

STATEMENT OF OPERATING EXPENSES

For the Year Ended 31 December 2011 and 2010

INDIRECT COST RATE

	<u>2011</u>	<u>2010</u>
Direct Operating Expenses		
Research	18,335,284	15,333,011
Research Support	2,129,945	2,683,692
Operations	315,296	665,182
Sub-total	20,780,525	18,681,885
Less: Overhead recovery ¹	(1,939,489)	(1,420,158)
Total Direct Operating Expenses	18,841,036	17,261,727
Indirect Operating Expenses		
Management	2,569,745	2,678,271
Common Sustenance Services	26,945	156,250
Total Indirect Operating Expenses	2,596,690	2,834,521
Less: Indirect Cost Recovery from Hosted Institutions ¹	(226,918)	(264,979)
Less: Cost Sharing Percentage(CSP) ²	(20,387)	
Total Operating Expenses	21,190,421	19,831,269
Cost Ratios		
Direct/Total	88.9%	87.0%
Indirect/Total	12.3%	14.3%
Indirect/Direct	13.8%	16.4%

¹ The deduction of the overhead recovery does not result in a net amount but rather it results in the correct gross amount of the direct costs. This is because the project costs (normally reported as direct project costs) include an amount of indirect costs that a donor of restricted projects allows a Center to recover. As this is not a real direct cost it should be removed. This is usually the amount shown as recovery in the Statement of Activity (SOA). However, since 2007 this amount includes additional overhead recovery due to services provided to hosted institutions and for invoiced services that do not form part of AfricaRice's direct costs stated above.

² The same treatment applies to the Cost Sharing Percentage(CSP) recorded in the Statement of Activities but which supposed to be remitted to the Fund Council.



AfricaRice

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