



# CGIAR System Organization (Former CGIAR Consortium) Audited Financial Statements **2016**



For the year ended 31 December 2016

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## Independent Auditor's Report

We have audited the accompanying financial statements of the CGIAR System Organization, which comprise the statement of financial position as at 31 December 2016 and the statements of activities, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

The financial statements have been prepared by management of CGIAR System Organization in accordance with the Accounting Policies and Reporting Practices Manual – Financial Guidelines Series, No.2, Revised February 2006 and supplemented by the 2016 Advisory Note issued by the CGIAR Consortium in December 2016.

### **Management's responsibility for the financial statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the CGIAR Financial Guidelines Series No.2 titled 'Accounting Policies and Reporting Practices' ("the Manual") supplemented by the CGIAR 2016 Advisory Note, 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.

### **Auditor's 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 about whether the financial statements are free from material misstatement.

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

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

### **Opinion**

In our opinion the financial statements present fairly, in all material respects, the financial position of the CGIAR System Organization as at 31 December 2016, and its activities and its cash flows for the year then ended in accordance with the CGIAR Financial Guidelines Series No.2 titled 'Accounting Policies and Reporting Practices' ("the Manual") supplemented by the CGIAR 2016 Advisory Note.



**Purpose of the Financial Statements and basis of accounting**

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the purpose of preparation of these financial statements and to Note 3, which describes the basis of accounting. Even though the CGIAR System Organization is not subject to statutory laws and regulation requiring to prepare a full set of annual Financial Statements, the entity prepares the latter in accordance with the article 19.3 of its Joint Agreement, in order to provide all its stakeholders, once a year, with a comprehensive view of its business performance and financial position. As a result, the financial statements may not be suitable for another purpose.

Without qualifying our opinion, we emphasize that the accounting policies used and disclosures made are not intended to, and do not, comply with all the requirements of International Financial Reporting Standards (IFRS).

Rome, (date to be defined)

PricewaterhouseCoopers SpA

A handwritten signature in purple ink that reads 'RSchiibelin'.

**Rodrigue G. Schiibelin**  
(Partner)

# Letter from the Interim Chair of the Board

## A year of positive transition

The CGIAR System Organization's 2016 Financial Statements illustrate a capacity on part of the CGIAR System Management Office's leadership and staff to manage and disburse available resources in an efficient manner during a year of considerable organizational upheaval.

To provide for continuity in terms of organizational history and reporting, the accompanying Financial Statements have been prepared by management pursuant to decisions taken jointly by CGIAR's Funders and 15 Centers during the first half of 2016, to significantly and positively, transform the governance arrangements of the CGIAR System.

Specifically, on 17 June 2016, the CGIAR Centers and Funders adopted a CGIAR System Framework that sets out the overall governing framework of the CGIAR System and provides for a System Council and a CGIAR System Organization with its two constituent parts, a System Management Board and System Management Office. Effective from 1 July 2016, and with the agreement of CGIAR's Centers and Funders, and by decision of the former CGIAR Consortium Board in its final decision making role, the CGIAR Consortium Constitution was amended and replaced in its entirety with the Charter of the CGIAR System Organization ("Charter"). These governance changes impacted board composition, the board's overall mandate, and the legal name of the CGIAR System Organization, without any impact on the legal personality of the organization itself. Pending formal approval of the change of name by the Government of France as Host Country of the CGIAR System Organization, and as provided for in the Transitional arrangement set out in the Charter, the operating name of the organization transitioned from the CGIAR Consortium to the CGIAR System Organization with effect from 1 July 2016. With appreciation for the efforts undertaken by France to give effect to the revised governance arrangements, the effective date for the change of the organization's name was 21 November 2016, representing the date of approval of amendments to the 'Agreement establishing the Consortium of International Agricultural Research Centers as an International Organization', itself effective on 20 July 2012.

In 2016, the System Management Office took on major additional responsibilities arising from 2015 decisions of CGIAR's Funders and Centers to consolidate operational support for CGIAR's governing bodies in one office, in place of the former CGIAR Consortium Office and Fund Office. With formal effect from 1 July 2016, the System Organization assumed all the operational responsibilities for supporting the new CGIAR System Council and CGIAR's Funders. This work added to the already important mandate of the System Management Office to provide operational support to the System Management Board, as the successor in name to the former CGIAR Consortium Board, which ended operations on 30 June 2016.

Under the leadership of the System Organization's Interim Executive Director from July to September 2016, and the Executive Director from October 2016, there has been considerable effort to reposition the System Organization to being more facilitative in its engagement across the System. This is welcomed by the Board, as are the efforts made in the 6 months to December 2016 to strive for improved cost efficiency in the System Management Office's own operations, thus joining with other System entities to deliver, year on year, improved value for money for CGIAR's investors.

Overall, 2016 saw the System Management Office manage approximately the same level of resources as in 2015, of which approximately 60% related to System Organization expenditure, approximately 10% related to expenditures of the CGIAR shared services Internal Audit Unit, and the balance related to expenditures provided in support of Center-wide Special Initiatives Projects.

I would like to congratulate each member of the Office's staff during 2016, for their engagement and commitment to deliver on the mission and vision of the CGIAR System over 2016.

**Prof. Dr. Martin Kropff**

# Statement on Risk Management

The System Management Board has ultimate responsibility for ensuring that the CGIAR System Organization has in place appropriate risk management and internal control systems and practices. The Board's responsibility includes the determination of the nature and extent of the principal risks that the Board is willing to take to achieve the strategic objectives of the organization, and being satisfied that management has understood the risks, is implementing and monitoring appropriate policies, and is providing the Board with timely information so that the Board may discharge its responsibilities.

Financial, operational and reputational risk is an everyday part of CGIAR System activities given the range of actors, the number of countries in which research actions are undertaken, that CGIAR's operations are heavily focused on operating with and across multiple partnerships, and in certain settings, there are challenging development contexts that impact on day to day operations. The CGIAR System Organization is one constituent part of the CGIAR System, with multiple other stakeholders having different roles and responsibilities.<sup>1</sup>

The 1 July 2016 transition to revised governance arrangements for the CGIAR System altered the CGIAR System Organization's sphere of control and influence regarding risk management for the CGIAR System, by narrowing the areas that the CGIAR System Organization is responsible for.

Nevertheless, 2016 represented a transition year, with the System Management Board assuming, from 1 July 2016, the ongoing responsibilities of the former Consortium Board in respect of the CGIAR Research Programs ("CRPs") and other Special Initiative Projects through to 31 December 2016, the end date of those programs and projects. These responsibilities included discharge of the CGIAR System Organization's obligation to account to CGIAR's Funders for the disbursement and use of Window 1 and 2 funding from the CGIAR Fund, and ensure that the impact pathways of the CRPs and projects were efficiently and effectively managed. The Audit and Risk Committee of the System Management Board took note of the comprehensive materials provided to it at the time of transition of the legal responsibility from the Consortium Board to the System Management Board on 1 July 2016, to facilitate the discharge of the CGIAR System Organization's responsibilities to identify and effectively manage risk.

Key practices employed during 2016 for managing risks regarding the CRPs and Special Initiative Projects included ongoing implementation of risk management policies and clear lines of accountability; the review of routine financial and programmatic reporting; and consideration of annual statements of assurance provided by Centers to the CGIAR System Organization in respect of Center-level risks. These practices were undertaken in a context of each CRP being hosted at one of CGIAR's 15 Research Centers, with each Center having its own internal risk management and control environments, and under the fiduciary oversight also of the respective Center's Board of Trustees.

On a continuing basis, the CGIAR System Organization endeavors to manage risk by ensuring that the appropriate infrastructure, controls, systems and people are in place throughout the organization. The Audit and Risk Committee regularly engages with management, with the Committee's functioning being supported by a work plan in which risk issues are scheduled for routine discussion. The Audit and Risk Committee reports at System Management Board meetings, ensuring risk remains a central topic at Board level. The Audit and Risk Committee supports the CGIAR System Organizations' continued reliance on existing risk management strategies and existing risk management and internal control practices.

<sup>1</sup> The Charter of the CGIAR System Organization, with operative effect from 1 July 2016, sets out these other actors, and defines their respective roles and responsibilities.  
<https://library.cgiar.org/bitstream/handle/10947/4370/CharterCGIAROrganization.pdf?sequence=4>

The CGIAR System Organization's external and internal assurance providers comprise an important element of the organization's risk management framework. CGIAR's Internal Audit Unit (IAU), continuing post CGIAR's governance transition, reports to the System Management Board through the Audit and Risk Committee, thus maintaining the same arrangements as applied before the transition. Annually, the Board-approved IAU work program includes the review, reporting, and provision of risk-prioritized recommendations regarding the System Organization's management of principal risks impacting the organization.

A key new feature of CGIAR's transformed governance arrangements, is agreement between CGIAR's Funders and Centers, to develop a risk management framework of the CGIAR System. The responsibility for developing the proposed risk management framework falls to the System Management Board, with CGIAR's System Council holding responsibility for approval of that overall framework – the elements of which will draw heavily upon the existing risk management policies, procedures and practices of CGIAR's Centers. The Framework will include strategic communications and escalations elements.

The Audit and Risk Committee is collaborating with CGIAR's Centers to present, by not later than November 2017, a proposed risk management framework of the CGIAR System that: identifies, evaluates and prioritizes System-level risks and opportunities; develops risk mitigation strategies that balance benefits with costs; monitors the implementation of these strategies; and periodically reports to the Board through the Audit and Risk Committee on risk assessments and their results in respect of those areas that will fall under the responsibility of the System Management Board. Risk assessments will incorporate the results of collaborative risk assessments with CGIAR Centers, CGIAR System Organization components and other entities of the CGIAR System in relation to shared risks arising from jointly managed activities.

Concurrently, the System Management Board carries responsibility for approving revised arrangements for an Internal Audit Function for the CGIAR System, taking into account the existing arrangements at CGIAR Centers. This proposal is being developed at the same time as the risk management framework proposal due to the interrelated nature of the two work streams. Any new proposed arrangements for CGIAR's Internal Audit Function will adhere to Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing.



**Bushra Malik, CA/CPA**

*Chair, Audit and Risk Committee System Management Board*

# Management Statement of Responsibility for Financial Reporting

The CGIAR System Organization's financial statements are prepared by management, which is responsible for their fairness, integrity and objectivity. The accompanying 2016 Financial Statements have been prepared in accordance with the accounting policies of the CGIAR System, as contained in Financial Guidelines Series No.2 – Accounting Policies and Reporting Practices ("FG2"). The CGIAR System Organization's transition to International Financial Reporting Standards ("IFRS") compliance by end 2017, as required by FG2, is in progress.

As described in the Letter from the Interim Chair of the Board, 2016 represented a year of significant transition in the governance arrangements of the CGIAR System Organization, without impacting management's overall responsibilities and deliverables.

Throughout 2016 the CGIAR System Organization had direct responsibility for the accounting of System Management Office 2016 expenditures and has maintained a system of internal controls designed to provide reasonable assurance that assets are safeguarded and that the CGIAR System Organization's financial records are properly kept. The System Management Office continues with the implementation of OCS (Agresso Business World) as the Enterprise Resource Planning platform. The CGIAR System Organization's system of financial reporting presents management with an accurate view of its operations which enables it to identify and discern risks, while at the same time providing assurance for reliable financial statements and management reports.

The CGIAR System Organization also has fiduciary responsibility for funds disbursed from the CGIAR Fund, and from 1 January 2017, the new CGIAR Trust Fund, to Lead Centers for the implementation of CGIAR Research Programs and other initiatives and platforms. Consistent with prior years, these funds are not reflected in the Statement of Financial Position or Statement of Activity. These funds are for the implementation of CGIAR Research Programs and Genebank support and are reported in the Financial Statements of the respective Lead Centers. The CGIAR System Organization is required to prepare the aggregated CGIAR Financial Report and is responsible for the accuracy and reliability of the financial information.

The CGIAR System Organization continues to be supported by the CGIAR Internal Audit Unit, which undertakes regular assurance and advisory engagements, providing management with recommendations regarding the adequacy of the CGIAR System Organizations' policies and procedures and the effectiveness of their implementation.

PricewaterhouseCoopers has been engaged to examine and report on the final statements of the CGIAR System Organization. The firm's examination is conducted in accordance with international standards on auditing. PricewaterhouseCooper's report accompanies these 2016 Financial Statements.



**Elwyn Grainger-Jones**  
*Executive Director*



**Albin Hubscher**  
*Head of Finance & Program Performance*



# Financial Statements

**CGIAR System Organization**  
(Former CGIAR Consortium)  
**Statement of Financial Position**  
(Thousands of US\$)

	Notes	31/12/2016	31/12/2015
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	7	6,493	8,490
Accounts Receivable			
Grants Receivable - Donors	8	-	2
CGIAR Centers	9	492	1,469
Others	10	437	402
Prepaid Expenses	11	274	518
<b>Total current Assets</b>		<b>7,696</b>	<b>10,881</b>
<b>TOTAL ASSETS</b>		<b>7,696</b>	<b>10,881</b>
<b>LIABILITIES AND NET ASSETS</b>			
<b>Current Liabilities</b>			
Accounts Payable			
Grants Payable - Donors	12	4,782	5,774
CGIAR Centers	13	516	2,778
Others	14	301	473
Accruals	15	728	891
<b>Total current liabilities</b>		<b>6,327</b>	<b>9,916</b>
<b>Non-current liabilities</b>			
Accounts Payable			
Deferred grant revenue	16	258	397
<b>Total non-current liabilities</b>		<b>258</b>	<b>397</b>
<b>TOTAL LIABILITIES</b>		<b>6,585</b>	<b>10,313</b>
<b>NET ASSETS</b>			
Undesignated		1,111	568
<b>Total Unrestricted Net Assets</b>		<b>1,111</b>	<b>568</b>
<b>Total Net Assets</b>		<b>1,111</b>	<b>568</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>		<b>7,696</b>	<b>10,881</b>

**CGIAR Consortium**  
**Statement Of Activities**  
(Thousands of US\$)

	Notes	2016				2015			
		Unrestricted	Restricted CRPs	Restricted Non CRPs	Total 2015	Unrestricted	Restricted CRPs	Restricted Non CRPs	Total
<b>Revenue and Gains</b>									
Grant Revenue									
Windows 1 & 2	17	-	352	8,938	9,290	-	527	8,014	8,541
Windows 3		-	-	-	-	-	-	-	-
Bilateral	18	-	-	1,181	1,181	-	-	1,254	1,254
Total Grant Revenue		-	352	10,119	10,471	-	527	9,268	9,795
Other Revenue	19	1,758	-	1,720	3,478	1,555	-	2,031	3,586
Total Other Revenue		1,758	-	1,720	3,478	1,555	-	2,031	3,586
<b>Total Revenue and Gains</b>		<b>1,758</b>	<b>352</b>	<b>11,839</b>	<b>13,949</b>	<b>1,555</b>	<b>527</b>	<b>11,299</b>	<b>13,381</b>
<b>Expenses and Losses</b>									
CGIAR collaborators	20	-	352	1,284	1,636	-	527	495	1,022
Non CGIAR collaborators	21	-	-	791	791	-	-	1,039	1,039
General and Admin		-	-	10,944	10,944	-	-	11,443	11,443
Other Expenses		-	-	-	-	-	-	-	-
<b>Total Operating Expenses</b>	22	<b>-</b>	<b>352</b>	<b>13,019</b>	<b>13,371</b>	<b>-</b>	<b>527</b>	<b>12,977</b>	<b>13,504</b>
<b>Financial result</b>									
Financial Incomes		84	-	-	84	101	-	-	101
Financial Expenses		119	-	-	119	75	-	-	75
<b>Total Financial</b>	23	<b>(35)</b>	<b>-</b>	<b>-</b>	<b>(35)</b>	<b>26</b>	<b>-</b>	<b>-</b>	<b>26</b>
<b>Surplus (Deficit)</b>	24	<b>1,723</b>	<b>-</b>	<b>(1,180)</b>	<b>543</b>	<b>1,581</b>	<b>-</b>	<b>(1,678)</b>	<b>(97)</b>

**CGIAR System Organization**  
(Former CGIAR Consortium)  
**Statement of Changes in Net Assets**  
(Thousands of US\$)

<b>Balance 1 January, 2015</b>	<b>665</b>
Net Surplus/Deficit	(97)
<b>Balance 31 December, 2015</b>	<b>568</b>
Net Surplus/Deficit	543
<b>Balance 31 December, 2016</b>	<b>1,111</b>

# Notes to the Financial Statements

As of 31 December 2016

(All values expressed in Thousands of US dollars)

## 1 Statement of Purpose

The Consultative Group on International Agricultural Research was established as a global partnership in 1971. After several reforms, in December 2009, a new framework of overarching principles was agreed between CGIAR's Centers and its then funders to give rise to a reformed CGIAR as set forth in the 'CGIAR Joint Declaration'. On 29 April 2010, the Consortium of International Agricultural Research Centers ("CGIAR Consortium") was established as a joint venture between CGIAR's 15 International Agricultural Research Centers, supported by the Consultative Group on International Agricultural Research.

On 20 July 2012, the CGIAR Consortium obtained international organization status pursuant to the 'Agreement establishing the Consortium of International Agricultural Research Centers as an International Organization'<sup>2</sup> ("the IO Agreement") and operated in accordance with the rules set forth in the Constitution of the CGIAR Consortium ("Constitution").<sup>3</sup>

On 17 June 2016, the CGIAR's 15 Centers and current Funders adopted a 'CGIAR System Framework' ("Framework") that transformed the overall governance arrangements of the CGIAR System. The Framework provides for a System Council and a CGIAR System Organization ("System Organization"), the latter with its two constituent parts, a System Management Board and System Management Office. Effective from 1 July 2016, and with the agreement of CGIAR's Centers and Funders, and by decision of the former CGIAR Consortium Board on 21 June 2016 in its final decision making role, and by decision of CGIAR's Centers effective on 30 June 2016, the Constitution was amended and replaced in its entirety with the 'Charter of the CGIAR System Organization' ("Charter"). These governance changes impacted board composition, the board's overall mandate, and the legal name of the CGIAR System Organization.

There was no impact on the legal personality of the organization itself by reason that the organization's legal personality derives from the IO Agreement, which legal personality continued uninterrupted during 2016. The IO Agreement annexes the Charter as the governing document of the System Organization.

Pending formal approval of the change of name by the Government of France as Host Country of the CGIAR System Organization, and as provided for in the Transitional arrangement set out in the Charter, the operating name of the organization transitioned from the CGIAR Consortium, to the CGIAR System Organization with effect from 1 July 2016.

The System Organization had full operational and legal responsibility for its activities in 2016, as overseen by the former Consortium Board to 1 July 2016, and the now operational System Management Board from 1 July 2017. Refer to note 5 below for membership details of the respective Boards at the relevant times.

Pursuant to the Charter, the purpose of the System Organization, whose Financial statements are presented hereby, is to provide support to the CGIAR System. Led by the Executive Director, the System Organization manages the day-to-day operations of the System Organization, the System Management Board and the System Council, and facilitates collaboration within the CGIAR System.

The CGIAR System Organization is an independent international organization with such international legal personality as may be necessary for the exercise of its functions and powers, and the fulfillment of its purposes, including without prejudice to the generality of the foregoing, the legal capacity:

- (a) to enter into treaties, agreements, arrangements and contracts
- (b) to acquire and dispose of movable and immovable property
- (c) to institute and respond to legal proceedings

<sup>2</sup> Date of entry into force is 20 July 2012, and modified in 2016 following adoption by the Centers and Funders of a new governance model: <http://on.cgiar.org/2s3JJ3z>

<sup>3</sup> As approved by the Consortium Board on 5 May 2011 and the 15 Centers on 3 June 2011, with an effective date of 20 July 2012, the date of entry into the treaty establishing the Consortium as an International Organization.

The System Organization is not subject to statutory laws and regulation requiring the entity to prepare a full set of annual financial statements. However, for the 2016 calendar year, due to decisions taken by the CGIAR System Council and the System Management Board in July 2016, the System Organization continued to operate pursuant to the 'Joint Agreement entered into between the CGIAR Consortium and the Fund Council of the CGIAR Fund represented by the World Bank'<sup>4</sup>. Pursuant to article 19.3 of the Joint Agreement, the System Organization is required to present a full set of annual financial statements through to 31 December 2016 to provide all its stakeholders with a comprehensive annual review of its business performance and financial position.

#### **Headquarters Agreement with the French Government**

On 4 March 2013, the Consortium of International Agricultural Research Centers signed an Agreement with the French Government regarding "Headquarters of the Consortium and its privileges and immunities in the French Territory"<sup>5</sup>. On 31 March 2015, an agreement was signed with the Region Occitanie (formerly titled Languedoc – Roussillon) providing an office building located at 1000, avenue Agropolis, F-34394 Montpellier Cedex 5, France from where the CGIAR System Organization operates. The building includes 790 sqm of office, meeting and open space, and the facility is built on a piece of land of approximately 1,000 sqm, which is part of the Agricultural Agropolis Park. The facility is provided by the Region Occitanie free of charge except for an agreed upon last minute modification for which the System Organization agreed to reimburse the Region with a payment of Euro 10,474 during first five years of occupation. The agreement is in place for a duration of 20 years and if not renewed the facility shall be returned to the Region Occitanie.

#### **CGIAR Centers**

Acronym	Name	Headquarter location
AfricaRice	Africa Rice Center	Cote d'Ivoire
Bioversity	Bioversity International	Italy
CIAT	Centro Internacional de Agricultura Tropical	Colombia
CIFOR	Center for International Forestry Research	Indonesia
CIMMYT	Centro Internacional de Mejoramiento de Maíz y Trigo	Mexico
CIP	Centro Internacional de la Papa	Peru
ICARDA	International Center for Agricultural Research in the Dry Areas	Lebanon
ICRAF	World Agroforestry Centre	Kenya
ICRISAT	International Crops Research Institute for the Semi-Arid Tropics	India
IFPRI	International Food Policy Research Institute	USA
IITA	International Institute of Tropical Agriculture	Nigeria
ILRI	International Livestock Research Institute	Kenya
IRRI	International Rice Research Institute	Philippines
IWMI	International Water Management Institute	Sri Lanka
WorldFish	WorldFish (also known under ICLARM)	Malaysia

<sup>4</sup> Approved by the Fund Council on 5 April 2011, and the System Management Board July 2016.

<sup>5</sup> As now amended by the French Government in December 2016, to reflect the June/July 2016 governance transition and the new operating name of the CGIAR System Organization.

# 2

## Vision and Mission

CGIAR's vision is a world free of poverty, hunger and environmental degradation. CGIAR's mission is to advance agri-food science and innovation to enable poor people, especially poor women, to increase agricultural productivity and resilience,

share in economic growth, feed themselves and their families better, and conserve natural resources in the face of climate change and other threats. CGIAR's 2016 - 2022 Strategy and Results Framework ("SRF")<sup>6</sup> defines CGIAR's aspirations and strategic actions to deliver on our mission, with the actions of the System Organization operationally aligned to that SRF due to the organization's status as one part of the collective whole of the definition of the CGIAR System.<sup>7</sup>

# 3

## Summary of Significant Accounting Policies

The major accounting policies followed at the System Organization are summarized below:

### a) Accounting for not-for-profit organizations

The System Organization Financial Statements are prepared in compliance with the CGIAR Financial Guidelines Series No. 2 titled 'CGIAR Accounting Policies and Reporting Practices' ("the Manual"), following the accrual basis of accounting. This Manual takes as its reference the International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). However, there may be deviations from IFRS. In instances where IFRS do not specifically cover issues unique to not-for-profit organizations, the Manual has drawn from other widely used standards (such as FASB Accounting Standards Codification 958, Not-For-Profit Entities of US GAAP) to provide guidance on issues of importance that are not yet addressed by existing IFRS Standards.

Furthermore, note that IAS 1 provides that "If entities with not-for-profit activities in the private sector or the public sector apply this Standard, they may need to amend the descriptions used for particular line items in the financial statements and for the financial statements themselves." In line with this provision, the Manual has, when applicable and deemed appropriate, applied descriptions that more closely reflect the nature of the CGIAR Centers' activities than those set out in IFRS.

The System Organization is one of several system entities within CGIAR, all of which are financed by Window 1 of the CGIAR Trust Fund with effect from January 2017 (and the former CGIAR Fund during 2016). These entities are required to treat such funding as restricted funding<sup>8</sup>, and may therefore only recognize revenue to the extent that services have been rendered.

<sup>6</sup> SRF 2016 – 2030: [http://www.cgiar.org/?s=strategy+and+results+framework&s\\_area=all](http://www.cgiar.org/?s=strategy+and+results+framework&s_area=all)

<sup>7</sup> CGIAR System Framework, definitions, item (g).

<sup>8</sup> Traditionally, donors have given either restricted (where the project purpose, timeline and budget is defined by them) or unrestricted (without restrictions)

In line with the CGIAR 2016 Advisory Note<sup>9</sup>, the format of the Statement of Activity was adjusted to show the computation of financial incomes and financial expenses (see notes 22 and 24).

#### **b) Translation of currencies**

The System Organization's financial statements are issued in thousands of US dollars ("US\$"). Those assets and liabilities denominated in other currencies are translated at the exchange rate in effect at the end of each financial period. Grants received in currencies other than US dollars are recorded at market exchange rates in effect at the time the grant is received or, if outstanding at 31 December, at the market rate of exchange in effect at year end. Income and expenses in currency other than US dollars are recorded at the official exchange rate on the dates of the transaction. Profits and losses arising on exchange are included in the results of operations.

#### **c) Net assets**

Net assets comprise of the residual interest in an entity's assets after liabilities are deducted. They are classified as either designated or undesignated.

#### **d) Revenue recognition**

Cash grants are recorded at the face value of the cash received or the US dollar equivalent. Grant revenue is recognized when there is reasonable assurance that the System Organization will comply with the conditions of the grant. Restricted grants are

recognized as revenue to the extent of expenses incurred. It should be recognized that the System Organization is financed with funds from Window 1 according to the System Council annually approved budget for System Actions and Entities.

#### **e) Expenses**

Expenses are recognized on the accrual basis of accounting.

#### **f) Fixed Assets**

Property and equipment whose full cost exceeds US\$ 3 thousand and which the System Organization can use in the production or supply of goods, services including for administrative services, and have a life span of more than one year, are capitalized, and shown at acquisition cost less accumulated depreciation.

#### **g) Depreciation**

Depreciation is calculated on a straight-line basis at annual rates over the estimated useful life of the asset. The annual rates used are as follows:

- i. Assets purchased with restricted funds:  
Fully depreciated in the year of acquisition
- ii. Assets purchased with unrestricted funds:
  - Office Furniture and Equipment 5 years
  - IT equipment over US\$ 3 thousand 3 years

As of 31 December 2016, all assets had been purchased with restricted funds.

# 4

## Exclusion

These Financial Statements are only for the operational activities for the System Organization.

In 2016, the System Organization also had responsibility for Window 1 and Window 2 CGIAR. Fund resources disbursed directly from the CGIAR Fund to Lead Centers for the financing of CRPs.

Consistently with prior years, these funds are not reflected in the Statement of Position or Statement of Activities of the System Organization but considering that they will get reflected in the CGIAR Financial Report 2016, which presents System-wide financial data based on the Audited Financial Statements of the Centers and the System Organization.

<sup>9</sup> The CGIAR Financial Guidelines are supplemented by a yearly advisory note issued by the CGIAR System Organization.

# 5

## CGIAR System Management Board

As described in Note 1, CGIAR adopted a revised governance model in 2016, approved by the Centers and Funders in June 2016.

As part of that revised model, the former Consortium Board ceased operations with effect from 1 July 2016 and the CGIAR System Management Board became the governing body on that same date.

Tables 1, 2 and 3 below set out Board composition pre-and post-transition:

- Table 1: The list of remunerated non-executive independent members of the CGIAR Consortium Board for the period 1 January 2016 to 30 June 2016.

- Table 2: The list of non-remunerated Center or CRP representatives attending Consortium Board meetings, as nominated by the Centers/CRPs, and who participated in Consortium Board discussions on a non-voting basis for the period 1 January 2016 to 30 June 2016.

- Table 3: The list of CGIAR System Management Board voting members from 1 July 2016. Those members who are not Directors General of CGIAR Centers are remunerated with an honorarium to recognize each person's contribution of time to the deliberations of the CGIAR System Management Board.

**Table 1:**

Name	Appointment Date	Country	Role
Lynn Haight	1 January 2010	Canada	Chair
Ganesan Balachander	1 January 2010	India	Member
Marion Guillou	1 January 2013	France	Member
Molly Jahn	1 June 2015	USA	Member
Klaus Leisinger	1 January 2014	Germany	Member
Agnes Mwang'ombe	4 February 2011	Kenya	Member
Paul Zuckerman	1 January 2014	United Kingdom	Member

**Table 2:**

Name	Appointment Date	Country	Role
David Bergvinson	1 January 2016	ICRISAT	Director General
Karen Brooks	1 January 2016	PIM	CRP Director
Chandra Maframootoo	1 January 2015	ICRISAT	Board Chair
Ann Tutwiler	1 January 2015	Bioversity	Director General



**Table 3:**

Name	Appointment Date	Country	Role
Martin Kropff	1 July 2016	Interim Chair	Director General
Catherine Bertini	1 July 2016	Voting Member	Independent Member
Shenggen Fan	1 July 2016	Voting Member	Director General
Gordon MacNeil	1 July 2016	Voting Member	Board Member
Bushra Malik	1 July 2016	Voting Member	Board Member
Jummiy Smith	1 July 2016	Voting Member	Director General
Eugene Terry	1 July 2016	Voting Member	Independent Member
Marget Thawuwitz	1 July 2016	Voting Member	Board Chair
Ann Tutwiler	1 July 2016	Voting Member	Director General

Respectively, for the period 1 January 2016 to 30 June 2016, and 1 July 2016 to 31 December 2016, the Consortium CEO, and the System Organization Interim/Executive Director, served as non-voting ex-officio members of the respective Board.

# 6

## Fixed Assets

	Furnishings & Equipment (Thousands of US\$)	Computers (Thousands of US\$)	Total (Thousands of US\$)
<b>Cost</b>			
Balance at 1 January 2016	357	-	357
Additions (restricted)	49	-	49
Disposals	-	-	-
Balance at 31 December 2016	<u>406</u>	<u>-</u>	<u>406</u>
<b>Depreciation</b>			
Balance at 1 January 2016	357	-	357
Charge of the year	49	-	49
Relating to disposals	-	-	-
Balance at 31 December 2016	<u>406</u>	<u>-</u>	<u>406</u>
<b>Net book Value</b>			
Balance at 1 January 2016	-	-	-
Additions (restricted)	-	-	-
Disposals	-	-	-
Balance at 31 December 2016	<u>-</u>	<u>-</u>	<u>-</u>

Fixed assets were purchased in 2016 and installed in the neighboring Agropolis building to allow temporary office space as part of the transition arrangements to create the CGIAR System Organization and to allow the System Management Office to assume both

functions of the former CGIAR System Management Office and Fund Office.

All fixed assets were fully depreciated as per item f) and g) under major accounting policies.

## CURRENT ASSETS

# 7

### Cash and Cash Equivalents

	31/12/2016 (Thousands of US\$)	31/12/2015 (Thousands of US\$)
BNPPARIBAS - ICARDA funds in trust	178	1,555
BNPPARIBAS USD Account	2,860	6,423
BNPPARIBAS Euro Account	1	508
Société Marseillaise de Crédit (SMC) USD Account	1,857	-
Société Marseillaise de Crédit (SMC) EUR Account	81	-
ARKEA bank Entreprise USD account	1,508	-
ARKEA bank Entreprise EUR account	1	-
Cash	7	4
<b>Total</b>	<b>6,493</b>	<b>8,490</b>

Two new bank facilities were established for convenience purposes. Société Marseillaise de Crédit ("SMC") and ARKEA Banque Entreprises et Institutionnels ("ARKEA"). In both banks, a US\$ and EUR account was opened.

Short term investments were made during the year, one CDT per month in the amount of estimated monthly salary and benefit commitments in US\$ with ARKEA. The investment return is accounted for as financial income.

As reported in December 2015, the agreement between ICARDA and the then named CGIAR Consortium (now System Organization) was extended until December 2016 and was amended again in 2016 until December 2017 to maintain a US\$ funds in a trust account to support and help alleviate the difficulties and delays which ICARDA experiences with its bank transactions because of geopolitical circumstances.

# 8

### Grants Receivable - Donors

	31/12/2016 (Thousands of US\$)	31/12/2015 (Thousands of US\$)
Transition budget	-	2
	-	2

To account for unplanned transition expenditures expected to be incurred by the System Organization, the former CGIAR Fund Council approved, in September 2015, an amount of US\$ 100 thousand. Considering expenditures recorded in 2015, the remaining funds of US\$ 98 thousand were added to

the 2016 System Organization budget, for use by the System Management Office. The account was closed at 30 September 2016.

## 9

## Accounts receivables - CGIAR Centers

	31/12/2016	31/12/2015
	(Thousands of US\$)	(Thousands of US\$)
Africa Rice	44	19
Bioversity	-	373
CIAT	34	33
CIFOR	34	13
CIMMYT	-	14
CIP	14	115
ICARDA	23	107
ICRISAT	17	64
IFPRI	31	41
IITA	47	99
ILRI	24	47
IRRI	32	268
IWMI	34	62
WorldAgroforestry	105	130
World Fish	53	83
	<b>492</b>	<b>1,469</b>

As a result of the the System Organization's transition from being hosted by Bioversity to an independent International Organization with effect from 1 January 2015, the Bioversity accounts receivable of US\$ 373 thousand could not be completely settled during 2015.

The same applied to the accounts receivable with IRRI for US\$ 268 thousand resulting from the transfer of the Internal Audit Unit accounting from IRRI to the System Organization. The collaborative efforts of Bioversity and IRRI during 2016 resulted in full settlement of the accounts receivables, with the

## 10

## Accounts receivables - Other Accounts

	31/12/2016	31/12/2015
	(Thousands of US\$)	(Thousands of US\$)
Sundry Accounts Receivable	81	40
VAT Reclaimable	90	52
AIARC	262	311
Securit Deposit	4	-
<b>Total</b>	<b>437</b>	<b>402</b>

Value Added Tax (VAT) reimbursement requests were submitted to the French Government which usually processes and reimburses these requests within 3-6 months. The last one had been done on May 2016.

AIARC<sup>10</sup>, a third-party supplier to the System Organization, processes the monthly payroll and administers pension and healthcare plans for the System Organization personnel. AIARC requires funds in advance to provide these services.

The substantive portion of sundry accounts receivables concerns IT services purchased by the System Organization and to be charged to the Centers. Nominal amounts include travel advances for staff and others supplier advances before final settlement of invoices in 2017.

Under the System Organization's bad debt policy, the organization is required to make provision for those Accounts receivable which are past due for certain periods. A provision of US\$ 7 thousand had been set up in 2016 for an overpayment for a supplier. No provision was made in 2015.



## Prepaid Expenses

	<b>31/12/2016</b>	<b>31/12/2015</b>
	(Thousands of US\$)	(Thousands of US\$)
CGIAR System Organization	59	77
Shared Services	187	300
Open Access	-	1
IAU	27	141
	<b><u>274</u></b>	<b><u>518</u></b>

The System Organization prepaid certain operating expenses primarily related to building maintenance and services.

The System Organization provides several shared services to support Center operations, the fees for which are paid by the System Organization and subsequently invoiced to the respective Centers. The reduction in pre-payments between 2015 and 2016 is due to the CGNET (email services) invoice now being issued half yearly.

<sup>10</sup> The Association of International Agricultural Research Centers (AIARC) is a not-for-profit 501(c)(3) membership corporation, headquartered in Alexandria, Virginia, USA.

## CURRENT LIABILITIES

# 12

### Grants Payable - Donors

	31/12/2016 (Thousands of US\$)	31/12/2015 (Thousands of US\$)
CGIAR Centers – Board Orientation Program	96	88
Strengthening Impact Assessment in CGIAR	443	728
Virtual Information Platform	973	1,000
Open Access	924	1,243
Gender	2,347	2,715
<b>Total</b>	<b>4,782</b>	<b>5,774</b>

'Grants Payable – Donors', includes grants received from donors for which conditions for revenue recognition are not yet met, and amounts payable to donors in respect of unexpended funds received in advance for signed contracts.

In 2016, US\$ 800 thousand was received for the Strengthening Impact Assessment in the CGIAR ("SIAC") special initiative project.

Concurrent with the submission of the CGIAR 2017 – 2022 Portfolio of CRP and Platform proposals in July 2016, it was decided that the Open Access special initiative project will, with effect from 1 January 2017, become a part of the Big Data Platform which is led by CIAT. Since IFPRI is leading Module 1 of the Big Data

Platform, the remaining funds in the Open Access special initiative project shall be transferred to IFPRI in 2017 as soon as the necessary agreements are in place.

The Gender special initiative project will come to an end in March 2017, although reporting on results and impact will take at least until end of 2017 or perhaps until quarter 1 of 2018.

At the decision of CGIAR's Centers, the Center-led Board Orientation Program did not take place in 2016. The increase of US\$ 8 thousand is the result of a reversed 2015 accrual. The next Board Orientation Program is planned for September 2017, with the funds held at end 2016 contributing to the meeting's costs.

# 13

### Accounts payables - CGIAR Centers

	31/12/2016 (Thousands of US\$)	31/12/2015 (Thousands of US\$)
ICARDA Funds in Trust	65	1,555
Bioversity	46	81
CIAT	4	-
CIP	1	-
ICARDA	-	1
ICRISAT	8	1
IFPRI	135	616
IITA	2	3
ILRI	-	1
IRRI	-	6
WorldAgroforestry	53	508
World Fish	202	6
	<b>516</b>	<b>2,778</b>

As explained in Note 7, a 'Funds In Trust' account was established to support ICARDA's financial transactions.

The decrease in accounts payable is primarily the result of balancing the ICARDA Funds in Trust account at year-end and agreements and clarification reached

with IFPRI and World Agroforestry Centre on outstanding payments.

Improved workflow and internal processes adopted during 2016 mean that supplier and Center invoices, once registered, can be paid in a shorter timeframe.

# 14

## Accounts payables - Other Accounts

	31/12/2016	31/12/2015
	(Thousands of US\$)	(Thousands of US\$)
Trade	301	473
<b>Total</b>	<b>301</b>	<b>473</b>

'Accounts Payable – Other Accounts' includes pending invoices for consultancy fees US\$ 203 thousand, and other commercial suppliers US\$ 99 thousand which includes Danoffice US\$ 9 thousand, Adecco US\$ 6 thousand, PwC US\$ 8 thousand.

# 15

## Accruals

	31/12/2016	31/12/2015
	(Thousands of US\$)	(Thousands of US\$)
CGIAR System Organization	379	356
Internal Audit Unit	104	121
Gender	58	139
Open Access	3	30
Provision for unused leave	185	246
	<b>728</b>	<b>891</b>

'Accruals' represent transactions recorded in the books in 2016, even if payment was not yet made at the end of the reporting period. According to the principle of separation of fiscal years or reporting periods, this amount is composed of accruals made for supplies and services received and expenses incurred before 31 December 2016 for which invoices were not yet received. Some of these bear a date post 31 December 2016.

The accruals for the System Organization concern: Fellows salary costs (US\$ 110 thousand) consultancy fees for the preparation of CGIAR corporate level reports for 2016 (US\$ 70 thousand), PwC consultancy fees (US\$ 40 thousand), pending reimbursements for 2016 meetings (US\$ 50 thousand), and others miscellaneous costs related to 2016 year.

## NON CURRENT LIABILITIES

# 16

### Deferred Income

	31/12/2016 (Thousands of US\$)	31/12/2015 (Thousands of US\$)
CGIAR System Organization	-	47
Internal Audit Unit	-	30
Shared Services - ESRI	43	39
Shared Services - ENVI	46	45
Shared Services - BlueJeans	52	227
Shared Services - Journals	79	9
Shared Services - others	38	-
	<b>258</b>	<b>397</b>

Deferred income relates to money already received from Centers for shared-services contracts that have not yet expired. The income relating to 2016 has been deferred to that year.

The main deferred shared-services contracts are subscription support for which the contract periods do not coincide with the calendar year.

# REVENUE AND GAINS

## 17

### Window 1 & Grant Revenue

	2016		2015	
	(Thousands of US\$)	(Thousands of US\$)	(Thousands of US\$)	(Thousands of US\$)
	Restricted CRPs	Restricted Non CRPs	Restricted CRPs	Restricted Non CRPs
CGIAR Fund	-	6,810	-	6,600
Gender	362	1,624	470	759
Open Access	10	329	57	653
Transition	-	98	-	2
Transition	-	27	-	-
Transition	-	50	-	-
<b>Total</b>	<b>352</b>	<b>8,938</b>	<b>527</b>	<b>8,014</b>

- (a) Window 1 funds received from the CGIAR Fund for the normal operation of the System Management; and
- (b) For Special Initiative Projects as approved by the former Fund Council.

budget, US\$ 77 thousand Window 1 funds for the 2016 System Council second semester operational budget and an additional US\$ 2.542 thousand for Special Initiative projects.

For (b) above, the revenue is recognized only to the extent that the specific work has been completed on the date of financial reporting.

In 2016, the System Organization received US\$ 6,671 thousand Window 1 funds from the CGIAR Fund administered by the World Bank for its operational

## 18

### Bilateral Income

Contributions were received from the following sources:

	2016		2015	
	(Thousands of US\$)	(Thousands of US\$)	(Thousands of US\$)	(Thousands of US\$)
	Restricted CRPs	Restricted Non CRPs	Restricted CRPs	Restricted Non CRPs
Bill & Melinda Gates Foundation	-	1,125	-	1,206
GFAR-Shared Services	-	44	-	-
FAO Services	-	12	-	48
<b>Total</b>	<b>-</b>	<b>1,181</b>	<b>-</b>	<b>1,254</b>



# 19

## Other Revenue

	2016		2015	
	(Thousands of US\$)	(Thousands of US\$)	(Thousands of US\$)	(Thousands of US\$)
	Unrestricted	Restricted Non CRPs	Unrestricted	Restricted Non CRPs
Shared Services	1,135	-	1,175	-
Income tax	196	-	143	-
IAU revenue	-	1,720	-	2,031
BOP revenue	-	-	57	-
Indirect cost	157	-	149	-
Others- reimbursement of expenses	270	-	17	-
Transition revenue to cover 2015 expenses	-	-	2	-
Reimbursement VAT 2014	-	-	12	-
<b>Total</b>	<b>1,758</b>	<b>1,720</b>	<b>1,555</b>	<b>2,031</b>

Other Revenue represents the following:

- (a) Income from provision of services to Centers and partners. The System Organization leverages the combined purchasing power of CGIAR to provide maximum value for money to the Centers and charges a nominal fee which contributes to cover its cost.
- (b) Nominal administrative charges levied on hosted projects such as Strengthening Impact Assessment in the CGIAR ("SIAC"), the Gender and Open Access-Open Data Special Initiatives, the Virtual Intelligence Platform ("VIP"), the Fund Effectiveness Working Group ("FEWG") and CGIAR's Internal Audit Unit, in 2016 a shared service of CGIAR's Centers and the CGIAR Consortium, and now System Organization.

The Fund Use Agreement for Special Initiatives was signed in March 2015. Since the former Fund Council's approval in April 2014, costs for the Gender Initiative were accrued. Costs were also accrued in 2014 for Open Access - Open Data, and the former Fund Council approved on a non-objection basis this Special Initiative project in January 2015.

As part of the transition arrangements it was agreed that the System Organization continues to manage and administer the ongoing Specific Initiatives projects until they are transferred to Centers or the projects come to an end.

## EXPENSES AND LOSSES

# 20

### CGIAR Collaborators

	2016		2015	
	(Thousands of US\$)	(Thousands of US\$)	(Thousands of US\$)	(Thousands of US\$)
	Restricted CRPs	Restricted Non CRPs	Restricted CRPs	Restricted Non CRPs
Open Access	(10)	-	57	66
Strengthening Impact Assessment in CGIAR	-	217	-	200
Gender	362	1,016	470	203
Other special Initiative	-	51	-	26
<b>Total</b>	<b>352</b>	<b>1,284</b>	<b>527</b>	<b>495</b>

The most significant amount of CGIAR collaborator expenditures were recorded on behalf of the Gender special initiative

# 21

### Non-CGIAR Collaborators

	2016		2015	
	(Thousands of US\$)	(Thousands of US\$)	(Thousands of US\$)	(Thousands of US\$)
	Restricted CRPs	Restricted Non CRPs	Restricted CRPs	Restricted Non CRPs
Open Access	-	-	-	50
Strengthening Impact Assessment in CGIAR	-	772	-	897
Gender	-	-	-	92
System Organisation	-	19	-	-
<b>Total</b>	<b>-</b>	<b>791</b>	<b>-</b>	<b>1,039</b>

# 22

### General and Administration Expenditures by Natural Classification

	2015		2014	
	(Thousands of US\$)	(Thousands of US\$)	(Thousands of US\$)	(Thousands of US\$)
	Restricted CRPs	Restricted Non CRPs	Restricted CRPs	Restricted Non CRPs
Personnel Costs	-	5,077	-	4,971
CGIAR Collaboration Costs	352	1,284	527	495
Other Collaboration Costs	-	791	-	1,039
Supplies and Services	-	4,906	-	5,330
Travel	-	711	-	903
Depreciation	-	49	-	-
Indirect Cost Recovery	-	201	-	239
<b>Total Expenses and Losses</b>	<b>352</b>	<b>13,019</b>	<b>527</b>	<b>12,977</b>

Natural classification refers to cost categories common to all CGIAR Centers.

# 23

### Financial Incomes and Financial Expenses

Represents realized and unrealized exchange gain and loss during the year, including interests from investments, as indicated in Note 7, and bank charges

# 24

### Surplus/Deficit

The reported surplus of US\$ 543 thousand is a result of managing and controlling expenditures. While higher expenditures resulted for consultancies because of working groups (107% of budget) significant expenditure reductions were achieved in site management (62% of budget), meetings (66% of budget), travel (69% of budget) and Board fees (75% of budget).

As in previous years, the surplus is not returned to the Window 1 of the CGIAR Fund account as, with effect from 1 January 2017, the new CGIAR Trust Fund account is established.

# 25

### Subsequent Events for 2016

An internal reorganization of the System Management Office was implemented in March 2017 to ensure more effective operational alignment with the revised governance arrangements and emphasis. The organization changed from a pure functional structure to a matrix-based structure with modified functional areas and task oriented teams. As from March 2017 onwards, the office's Human Resources function operates under the Legal and Office Resources unit. The IT function operates under the Funder and External Engagement unit. The Finance and Corporate Services and the Science departments merged into a Financial and Program Performance unit and a new Board and Council Relations unit was established, separating former functional responsibilities from the Office of the Executive Director. The internal management accounts structure is adjusted accordingly.

## Schedule I – Result by Activities

### Result Per Activities As of 31 December, 2016 (Thousands of US\$)

	GENDER	OPEN ACCESS	VIP	SIAC	FEWG	SPECIFIC INITIATIVES	IAU	TRANSITION	SHARED SERVICES	HOSTED ACTIVITIES	SYSTEM COUNCIL SUPPORT	SYSTEM MANAGEMENT BOARD & OFFICE	TOTAL
<b>Revenue and Gains</b>													
Grant Revenue													
Windows 1 & 2	1,986	319	27	-	50	2,382	-	98	-	98	77	6,733	9,290
Window 3	-	-	-	-	-	-	-	-	-	-	-	-	-
Bilateral	-	-	-	1,085	40	1,125	-	-	44	44	-	12	1,181
<b>Total Grant Revenue</b>	<b>1,986</b>	<b>319</b>	<b>27</b>	<b>1,085</b>	<b>90</b>	<b>3,507</b>	<b>-</b>	<b>98</b>	<b>44</b>	<b>142</b>	<b>77</b>	<b>6,745</b>	<b>10,471</b>
Other Revenue	-	-	-	-	-	-	1,720	-	1,135	2,855	-	623	3,478
<b>Total Other Revenue</b>	<b>1,986</b>	<b>319</b>	<b>27</b>	<b>1,085</b>	<b>90</b>	<b>3,507</b>	<b>1,720</b>	<b>98</b>	<b>1,179</b>	<b>2,997</b>	<b>77</b>	<b>7,368</b>	<b>13,949</b>
<b>Total Revenue and Gains</b>													
<b>Expenses and Losses</b>													
Research Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
CGIAR collaborators expenses	1,378	(10)	-	217	-	1,585	-	-	-	-	-	51	1,636
Non CGIAR collaborators expenses	-	-	-	772	-	772	-	-	-	-	-	19	791
General and Admin Expenses	608	329	27	96	103	1,163	1,683	95	1,117	2,895	66	6,821	10,944
Other Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Expenses</b>	<b>1,986</b>	<b>319</b>	<b>27</b>	<b>1,085</b>	<b>103</b>	<b>3,520</b>	<b>1,683</b>	<b>95</b>	<b>1,117</b>	<b>2,895</b>	<b>66</b>	<b>6,891</b>	<b>13,371</b>
<b>Financial result</b>													
Financial Incomes	-	-	-	-	-	-	-	-	-	-	-	84	84
Financial Expenses	-	-	-	-	-	-	5	-	2	7	-	112	119
<b>Surplus (Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(13)</b>	<b>(13)</b>	<b>32</b>	<b>3</b>	<b>60</b>	<b>95</b>	<b>11</b>	<b>450</b>	<b>543</b>

## Schedule II - Restricted Projects

### Schedule of Restricted Projects For the year ended as of 31 December, 2016 (Thousands of US\$)

DONOR AND PROGRAM PROJECTS	CRP code	funding type	starting date	ending date	grant pledged	expenditures prior years	expenditures 2016	total expenditures
<b>Restricted projects : Bilateral, W1, W2 &amp; W3</b>								
<b>Bill &amp; Melinda Gates</b>								
Strengthening Impact Assessment in the CGIAR System	BU10023	bilateral	09/11/2012	01/03/2016	4,992	2,368	1,085	3,453
Open Access and Open Data - part 1	BU10014	W1	10/01/2015	09/01/2017	2,380	1,137	319	1,456
FEWG	BU10059	bilateral			50		54	54
<b>Total Bill &amp; Melinda Gates</b>					<b>7,423</b>	<b>3,505</b>	<b>1,458</b>	<b>4,963</b>
<b>Fund Office through W1</b>								
Gender Management and Administration <sup>(1)</sup>	BU10015	W1	07/05/2014	31/03/2017	780	615	16	631
Electronic Platform	BU10031	W1	07/05/2014	31/03/2017	530	155	133	288
Knowledge Sharing Workshops <sup>(1)</sup>	BU10032	W1	07/05/2014	31/03/2017	690	134	353	487
Leadership Development	BU10033	W1	07/05/2014	31/03/2017	300	-	90	90
Mentoring and Coaching	BU10034	W1	07/05/2014	31/03/2017	1,125	95	495	590
Postdoctoral Fellowships	BU10035	W1	07/05/2014	31/03/2017	2,400	552	893	1,445
PDF external assessment	BU10054	W1	07/05/2014	31/03/2017	55	-	5	5
FEWG	BU10059	W1			40		49	49
<b>Total Fund Office</b>					<b>5,920</b>	<b>1,551</b>	<b>2,034</b>	<b>3,585</b>
<b>Russian Federation through W1</b>								
Virtual Information Platform	BU10044	W1	02/11/2015	02/11/2017	1,000	-	28	28
<b>Total Russian Federation</b>					<b>1,000</b>	<b>-</b>	<b>28</b>	<b>28</b>
<b>Total Restricted projects</b>					<b>14,343</b>	<b>5,056</b>	<b>3,520</b>	<b>8,577</b>

<sup>1</sup> An expenditure for 2014 was forgotten in the previous year figure (US\$ 58 for BU10015 and US\$ 3 for BU10032)

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