

INTERNATIONAL LIVESTOCK RESEARCH
INSTITUTE

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

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INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

BOARD OF TRUSTEES

Dr Uwe Werblow	- German	- Chair
Dr Fee Chon Low	- Malaysia	- Reappointed November 2006
Dr Carlos Sere	- Uruguay	- Ex-officio (Director General)
Dr Romano Kiome	- Kenya	- Host Country Representative
Dr Abera Deressa	- Ethiopia	- Host Country Representative
Prof Nieves Confesor	- Philippines	- Appointed March 2008
Prof Knut Hove	- Norway	- Appointed October 2005
Dr James Dargie	- United Kingdom	- Appointed August 2005
Ms Emmy Simmons	- United States of America	- Appointed October 2005
Dr Modibo Traore	- Mali	- Appointed October 2005
Prof Samir K Barua	- India	- Appointed March 2007

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

STATEMENT OF PURPOSE

The International Livestock Research Institute (ILRI) works at the crossroads of livestock and poverty, bringing high-quality science and capacity building to bear on poverty reduction and sustainable development for poor livestock keepers and their communities. Livestock are critical to the poor in several ways: as a source of income and employment, as assets to provide savings in moving out of poverty and to buffer against household emergencies and more general shocks, and as a critical tool in sustainably improving productivity in mixed smallholder farming systems.

Livestock keepers are very important in the world. They represent almost 20% of the world population and steward most of the agricultural land in the tropics, particularly in sub-Saharan Africa and tropical Asia. The expanding demand for livestock products in developing countries provide unique opportunities for improving livelihoods and linked to that, improving stewardship of the environment. ILRI's role is to provide research technologies, knowledge and evidence for sustainable and pro-poor policies and investments.

ILRI focuses on key livestock value chains of importance to the poor. Smallholder dairy systems are one such system in which the availability of family labour and the ability of ruminants to exploit lower quality available roughage allow the poor to be competitive. Along these value chains, bundling of improved breeding, feeding and animal health services together with financial and marketing services are critical. Smallholders are most competitive in local markets and provide an initial focus for improving the market success for the poor in most developing countries. However, as urbanization increases and incomes grow, smallholders will need to be linked through more sophisticated value chains to capture greater value opportunities.

ILRI also tracks dynamic changes in livestock systems to assess future opportunities for the poor. Major research areas include identifying and assessing options for adaptation to climate change, mitigating risk from emerging and re-emerging diseases and providing a diversity of livelihood strategies for livestock keepers in harsher environments.

LOCATIONS AND STAFF

ILRI's headquarters are located in Nairobi, Kenya, with a second principal campus in Addis Ababa, Ethiopia. In 2008, ILRI scientists were also based in partner institutions in Africa (Nigeria, Mozambique, and Mali) and Asia (China, India, and Vietnam). ILRI employs about 700 staff from about 40 nationalities, including 83 internationally recruited staff representing some 30 disciplines. About 600 staff are nationally recruited, largely from Kenya and Ethiopia. An increasing number of scientists who work at ILRI are jointly appointed by a partner organization and ILRI.

GOVERNANCE

The Board of Trustees is composed of 11 outstanding professionals with particular expertise in the field of livestock science, agricultural research, development and corporate management. The key role of the Board is to determine ILRI's mission, to oversee the adequacy of the Institute's strategy, strategic planning and programme review processes, and to provide appropriate input into it. The Board ensures that plans and programmes are appropriate for carrying out ILRI's mandate, that they are in line with CGIAR priorities and that they have high probability for impact on poverty reduction and sustainable natural resource use. The Board has the fiduciary responsibility of ILRI's financial resources.

ILRI is one of the 15 international agricultural research centres supported by the Consultative Group on International Agricultural Research (CGIAR) which is an association of governments and public-and private-sector institutions working to reduce poverty, hunger and environmental degradation in developing countries. The co-sponsors of the CGIAR are the World Bank, the United Nations Development Programme, the Food and Agriculture Organization of the United Nations and the International Fund for Agricultural Development.

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

STATEMENT OF PURPOSE (continued)

FUNDING

ILRI is funded by more than 50 private, public and government organizations of the North and South. Some donors support ILRI with core and programme funds whereas others finance individual research projects. In-kind support from national partners, particularly Kenya and Ethiopia as well as that from international collaborators is substantial and vital. This mix of generic, specific and in-kind resources is essential for the partnership research we conduct.

PARTNERSHIPS

ILRI's strategy is based on strong partnerships as an essential way of operating and ensuring that the outputs of our research lead to development impacts.

It gives us pleasure to acknowledge the donor countries and organisations that supported ILRI research in 2008 listed in exhibit 1 through 3. We could not have helped reduce world poverty through animal agriculture research without their intellectual as well as financial support. Many thanks.

Signed on behalf of the Board of Trustees by:



Dr Carlos Sere
Director General

21 April 2009

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

STATEMENT BY THE CHAIRMAN OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2008

The year ending December 2008 was another busy and rewarding year for ILRI. We had a modest growth in our budget, and continued to implement the recommendations from the 2006 External Programme and Management review (EPMR). Both Board and Management actively engaged in the CGIAR Reform process. We have consolidated a number of platforms that ILRI has hosted over the last couple of years which we see as new organisational models for future operation of the CGIAR. These include the "CGIAR Collective Action for Eastern and Central Africa, the Hub for Biosciences eastern and central Africa (BecA) and the Regional Strategic Analysis and Knowledge Support Systems (ReSAKSS) for eastern and southern Africa. The Board also implemented all of the recommendations from a Centre Commissioned External review of the Institute's Governance.

There were many more activities and changes taking place which are too numerous to mention in this brief overview. I would however like to highlight a few key issues that reflect the changes that ILRI is managing in a dynamic environment:

- Major progress on the construction of the ILRI-BecA platform for biosciences was made with completion expected in mid 2009. There were a number of exciting research projects initiated on the BecA platform and over 30 African students conducting research for their MSc and PhD degrees.
- Major expansion of activities on infectious diseases, especially those emerging or re-emerging due to dynamic social and ecological change.
- Studies were undertaken and completed to better target investments in adaptation to climate change for livestock keepers in Africa.
- Deepening of dairy value chain work with key partners on service delivery and input and marketing hubs. This work is underway in both Africa and Asia. The issue of market access and value chain for small holder livestock keepers is the theme of the ILRI 2007 Annual Report.

Reference to these and other ILRI activities and outputs can be accessed through our web site at www.ilri.org

The ILRI Board held two face to face Board of Trustees (BoT) meetings and retreats in 2008 in Addis Ababa, Ethiopia, and Nairobi, Kenya. A number of Board Members participated in the Institute's Annual Planning Meeting (APM) to get acquainted with ILRI's programme and research staff, to monitor ongoing work and progress and to reflect jointly with ILRI staff on strategic issues related to the Institute and the broader CGIAR agenda.

The following are actions taken by the ILRI Board of Trustees in 2008 to improve the Board's overall performance:

1. In 2008 the Board appointed Professor Nieves Confesor to the ILRI Board. Professor Confesor is a member of the Faculty of the Asian Institute of Management, a core faculty at its Centre for Development Management and Executive Education and Lifelong Learning.
2. In 2007 the ILRI Board commissioned a Centre Commissioned External Review on governance. The Board reviewed and adopted the CCER recommendations in 2008 and immediately undertook to implement the recommendations. Key amongst the actions and decisions taken were:
 - The establishment of an Audit Committee separate from the Finance Committee
 - To retain the Human Resources Committee of the Board
 - To develop a clear and forward looking strategy and procedure for Board member succession including the position of Board Chair
 - To maintain the process of comprehensively assessing Board meetings, the performance of the Board Chair and the Director General
 - To ensure that Board policies and procedures are posted on the ILRI web site and communicated broadly to ILRI staff

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

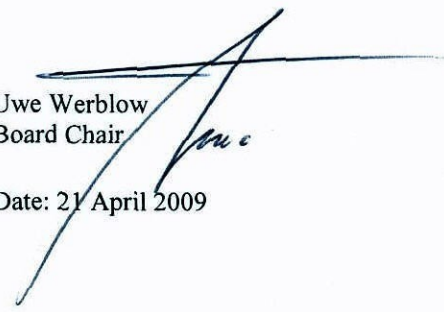
STATEMENT BY THE CHAIRMAN OF THE BOARD OF TRUSTEES (continued) FOR THE YEAR ENDED 31 DECEMBER 2008

The Board is pleased to note the continued financial health and stability and the sound and prudent management of the Institute's financial resources. Revenue in 2008 amounted to US\$ 43.4 million against expenditure of US\$ 42.1 million resulting in a small surplus of US\$ 1.3 million for the year 2008. The Institute's undesignated net assets at the end of 2008 amount to US\$ 9 million (total net assets amount to US\$ 26 million) with liquidity and operational reserve levels above the CGIAR recommended ranges. This situation allows ILRI to adopt a more forward-looking perspective in terms of financial and budget matters.

The total staff complement in 2008 was approximately 700. The majority of these were based at headquarters in Kenya and at our principal campus in Ethiopia. Of the 700 staff approximately 85 staff are internationally recruited representing some 40 nationalities. Whereas about 50 staff left the Institute in 2008, we recruited about 40 new members of staff.

As I mentioned at the beginning of this overview, 2008 was an extremely busy year for the ILRI family. But it was at the same time a very successful year. With quite some pride, the Board would like to thank all ILRI staff for their commitment and hard work.

On behalf of the Members of the Board I thank our investors and partners for their confidence and continued support allowing us to fulfil our mission.



Uwe Werblow
Board Chair

Date: 21 April 2009

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

ILRI BOARD STATEMENT ON RISK MANAGEMENT FOR THE YEAR ENDED 31 DECEMBER 2008

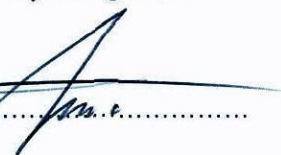
The ILRI Board of Trustees is responsible for ensuring that the Institute has an appropriate risk management system in place to identify, assess, manage and monitor risks faced by the Centre in achieving its objectives. ILRI faces risks as dynamic as the environment in which the Institute operates. They include threats to ILRI's reputation, finances, operations, staff, infrastructure and stakeholders.

ILRI has had a risk management policy and strategy in place since 2004. Both policy and practice of the Institute's risk management conforms to the CGIAR principles and guidelines adopted by the CGIAR. The Institute manages risk by ensuring that appropriate means, processes and tools as well as control systems and people are in place throughout the organisation. The key practices ILRI has developed to manage risks include appropriate policies and clear accountabilities, regular environmental scans, integrated planning systems, use of transaction approval frameworks, adequate research-, financial- and management reporting systems as well as monitoring individual performance and business processes across key areas.

The effectiveness of ILRI's risk management policy, strategy and implementation has been assessed by the CGIAR's Internal Audit Unit, which is independent of ILRI business Units. The ILRI Board of Trustees reviews both the risk management system as well as major risks at each of its meetings. At its November 2008 meeting, the Board discussed and agreed the basic principles and areas for the 2009 ILRI Internal Audit Plan, which was formally adopted in January 2009.

The Board of Trustees has reviewed ILRI's risk management policy and strategy and is satisfied that it was implemented effectively during 2008.

Uwe Werblow

Board Chair: 

Date: 21 April 2009

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

STATEMENT OF MANAGEMENT'S RESPONSIBILITIES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

Management is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Institute and its subsidiary as at the end of the financial year and of the consolidated results of activities and cash flows of the Institute and its subsidiary for that year. Management is also required to ensure that the Institute keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Institute and its subsidiary. They are also responsible for safeguarding the assets of the Institute and its subsidiary.

The Institute's management is responsible for the preparation and fair presentation of these financial statements in accordance with the Financial Guideline Series No.2 –Accounting Policies & Reporting Practices Manual of the Consultative Group on International Agricultural Research (CGIAR) and International Financial Reporting Standards(IFRS). This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

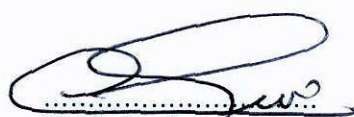
Management accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with CGIAR Financial Guideline Series No.2 –Accounting Policies & Reporting Practices Manual and International Financial Reporting Standards. Management is of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the institute and its subsidiary and of its consolidated results of activities and cash flows. Management further accepts responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

The Board of Trustees exercises its responsibility for these financial statements through its Finance and Audit Committees. The Committees meet regularly with management, internal auditors and external auditors to review matters relating to financial planning, financial reporting, risk management, internal control, and auditing.

The accompanying report is based on the audit conducted by Deloitte & Touche.

Nothing has come to the attention of the management to indicate that the Institute and its subsidiary will not remain going concerns for at least the next twelve months from the date of this statement.

Signed on behalf of Management by:



Dr. Carlos Sere
Director General



Michael Klass
Interim Director of Finance and Administration

21 April 2009

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

We have audited the accompanying financial statements of International Livestock Research Institute (ILRI), set out on pages 10 to 36 which comprise the consolidated and Institute separate statements of financial position as at 31 December 2008, and the consolidated and Institute separate statements of activities, consolidated and Institute separate statements of changes in net assets and the consolidated statement of cash flows for the year then ended, together with the summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

The institute's management are responsible for the preparation and fair presentation of these financial statements in accordance with Consultative Group on International Agricultural Research (CGIAR) financial guideline Series No-2 Accounting Policies & Reporting Practices Manual (February 2006) and International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we considered the internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that were appropriate in the circumstances, but not for the purpose of expressing an opinion on the entity's internal controls. 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 accompanying financial statements give a true and fair view of the consolidated and ILRI state of financial affairs at 31 December 2008 and of the consolidated and ILRI results of activities and the consolidated cash flows for the year then ended in accordance with the Consultative Group on International Agricultural Research (CGIAR) financial guideline Series No-2 Accounting Policies & Reporting Practices Manual (February 2006) and International Financial Reporting Standards.


Certified Public Accountants (Kenya)

21 April 2009

Nairobi

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

CONSOLIDATED STATEMENT OF ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2008

REVENUE AND GAINS	Note	Unrestricted US\$ '000	Restricted Temporary US\$ '000	Challenge Program US\$ '000	2008 Total US\$ '000	2007 Total US\$ '000
Grant Revenue (Exhibit 1 & 2)	5	13,770	25,524	322	39,616	34,703
Other revenue and gains	6	3,883	-	-	3,883	3,724
Sales of livestock	7	163	-	-	163	153
Cost of sale of livestock	7	(73)	-	-	(73)	(52)
Fair value gain on biological assets	7	192	-	-	192	16
Total revenue and gains		17,935	25,524	322	43,781	38,544
EXPENSES AND LOSSES						
Program related expenses	8	4,709	25,524	322	30,555	31,937
Management and general expenses	9	13,631	-	-	13,631	8,676
Kapiti Plains expenses	7	163	-	-	163	113
Handover of assets in Debre Zeit	19	-	-	-	-	1,178
Sub total expenses and losses		18,503	25,524	322	44,349	41,904
Indirect cost recovery	10	(2,041)	-	-	(2,041)	(1,760)
Total expenses and losses		16,462	25,524	322	42,308	40,144
NET SURPLUS / (DEFICIT)		1,473	-	-	1,473	(1,600)
EXPENSES BY NATURAL CLASSIFICATION						
Personnel costs		11,087	8,698	67	19,852	17,859
Collaborators/Partnership Costs		126	2,715	171	3,012	3,959
Supplies and Services		2,640	12,125	26	14,791	14,317
Operational Travel		979	1,986	58	3,023	2,358
Depreciation	19	1,630	-	-	1,630	1,651
Total		16,462	25,524	322	42,308	40,144

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

INSTITUTE SEPARATE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2008

REVENUE AND GAINS	Note	Unrestricted US\$ '000	Restricted Temporary US\$ '000	Challenge* Program US\$ '000	2008 ILRI US\$ '000	2007 ILRI US\$ '000
Grant Revenue (Exhibit 1& 2)	5	13,770	25,524	322	39,616	34,703
Other revenue and gains	6	3,883	-	-	3,883	3,724
Total revenue and gains		17,653	25,524	322	43,499	38,427
EXPENSES AND LOSSES						
Program related expenses	8	4,709	25,524	322	30,555	31,937
Management and general expenses	9	13,631	-	-	13,631	8,676
Handover of assets in Debre Zeit	19					1,178
Sub total expenses and losses		18,340	25,524	322	44,186	41,791
Indirect cost recovery	10	(2,041)	-	-	(2,041)	(1,760)
Total expenses and losses		16,299	25,524	322	42,145	40,031
NET SURPLUS/ (DEFICIT)		<u>1,354</u>	<u>-</u>	<u>-</u>	<u>1,354</u>	<u>(1,604)</u>
EXPENSES BY NATURAL CLASSIFICATION						
Personnel costs	11	11,055	8,698	67	19,820	17,826
Collaborators/Partnership costs		126	2,715	171	3,012	3,959
Supplies and services		2,523	12,125	26	14,674	14,252
Operational travel		979	1,986	58	3,023	2,358
Depreciation	19	1,616	-	-	1,616	1,636
TOTAL		<u>16,299</u>	<u>25,524</u>	<u>322</u>	<u>42,145</u>	<u>40,031</u>

* Revenue and expenses shown under Challenge Program relate to funds granted by Challenge Programs to ILRI.

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2008

ASSETS

	Note	2008 US\$ '000	2007 US\$ '000
Current Assets			
Cash and cash equivalents	12	24,188	26,542
Accounts receivable and advances			
Donors	13	6,128	3,545
Advances to partners		3,902	1,287
Other CG centres	14	332	444
Employees including project advances		390	448
Others	15	575	475
Inventories	16	695	644
Livestock	17	882	840
Prepaid expenses		1,377	1,165
Total Current Assets		38,469	35,390
Non Current Assets			
Prepaid operating lease	18	13	16
Property and equipment – net	19	15,193	11,871
Total Non-Current Assets		15,206	11,887
TOTAL ASSETS		53,675	47,277

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable			
Donors	20	20,182	13,833
Other CG centres	21	399	424
Employees	22	1,602	1,481
Others	23	1,273	2,408
Accruals	24	2,069	2,315
Total Current Liabilities		25,525	20,461

Non Current Liabilities

Accounts payable – Employees	22	3,176	3,212
Total Liabilities		28,701	23,673

Net Assets

Unrestricted – Undesignated		8,735	10,721
– Designated		15,720	12,380
Reserves in experimental farm		519	503
Total Net Assets		24,974	23,604

TOTAL LIABILITIES AND NET ASSETS

53,675	47,277
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The financial statements on pages 10 to 36 were approved by the Board of Trustees on 21 April 2009 and were signed on its behalf by:


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Director General


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Interim Director of Finance and Administration

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

INSTITUTE SEPARATE STATEMENT OF FINANCIAL POSITION 31 DECEMBER 2008

ASSETS

	Note	2008 US\$ '000	2007 US\$ '000
Current Assets			
Cash and cash equivalents	12	24,155	26,447
Accounts receivable and advances			
Donors	13	6,128	3,545
Advances to partners		3,902	1,287
Other CG centres	14	332	444
Employees including project advances		390	448
Others	15	1,029	891
Inventories – net-	16	695	644
Prepaid expenses		1,377	1,165
Total Current Assets		38,008	34,871
Non Current Assets			
Property and equipment – net	19	15,138	11,798
Investment in subsidiary	7	1,816	1,816
Total Non-Current Assets		16,954	13,614
TOTAL ASSETS		54,962	48,485

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable			
Donors	20	20,182	13,833
Other CG centres	21	399	424
Employees	22	1,602	1,481
Others	23	1,263	2,303
Accruals	24	2,069	2,315

Total Current Liabilities		25,515	20,356
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Non Current Liabilities

Accounts payable – Employees	22	3,176	3,212
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Total Liabilities		28,691	23,568
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Net Assets

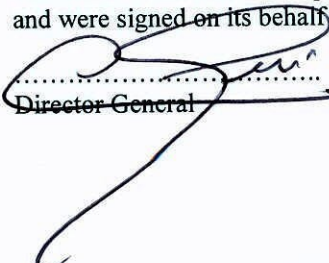
Unrestricted – Undesignated	25	8,735	10,721
– Designated	25	17,536	14,196

Total Net Assets		26,271	24,917
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TOTAL LIABILITIES AND NET ASSETS

		54,962	48,485
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The financial statements on pages 10 to 36 were approved by the Board of Trustees on 21 April 2009 and were signed on its behalf by:


Director General


Interim Director of Finance and Administration

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

INSTITUTE SEPARATE STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	Un- designated US\$ '000	Designated reserve US\$ '000	Total US\$ '000
At 1 January 2007		13,641	12,880	26,521
Net change in investment in fixed assets		(1,316)	1,316	-
Exchange translation		-	-	-
Deficit for the year		(1,604)	-	(1,604)
		<u>10,721</u>	<u>14,196</u>	<u>24,917</u>
Balance as at 31 December 2008		10,721	14,196	24,917
At 1 January 2008	-	10,721	14,196	24,917
Net changes in investment in fixed assets	25	(3,340)	3,340	-
Surplus for the year	-	1,354	-	1,354
		<u>8,735</u>	<u>17,536</u>	<u>26,271</u>
Balance as at 31 December 2008	25	8,735	17,536	26,271

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2008

	Note	2008 US\$ '000	2007 US\$ '000
CASH FLOWS FROM OPERATING ACTIVITIES			
Change in net assets		1,473	(1,600)
Depreciation of property and equipment		3,867	1,650
Gain on disposal of property and equipment		(285)	(369)
Exchange difference on subsidiary's opening reserves		(103)	31
(Increase)/ decrease in current assets:			
Accounts receivable			
Donors		(5,198)	(404)
Employees		58	117
Others		12	(196)
Inventories		(93)	116
Prepaid expenses		(212)	(760)
Increase/(decrease) in current liabilities:			
Accounts payable			
Donors		6,349	5,104
Employees		85	172
Others		(1,160)	1,351
Accruals		(246)	564
Net cash generated from operating activities		4,547	5,776
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property and equipment		(7,411)	(4,288)
Proceeds of disposal of property and equipment		494	1,685
Net cash used in investing activities		(6,917)	(2,603)
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(2,370)	3,173
Exchange translation		16	(4)
CASH AND CASH EQUIVALENTS			
At the beginning of the year		26,542	23,373
At the end of the year	12	24,188	26,542

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

1. A) CREATION AND STATUS OF THE INSTITUTE

The International Livestock Research Institute (ILRI) was created as an international organisation by an agreement dated 21 September 1994 signed in Berne, Switzerland, by the governments of Switzerland, Denmark, Sweden, Kenya and Ethiopia and the United Nations Environmental Programme. On 1 January 1995, all the activities, assets, liabilities and fund balances of the International Laboratory for Research on Animal Diseases (ILRAD) based in Nairobi, Kenya, and the International Livestock Centre for Africa (ILCA) based in Addis Ababa, Ethiopia, were transferred to ILRI.

ILRI operates under agreements entered into with the governments of the respective host countries (Kenya and Ethiopia).

The Government of Kenya (1974) and the Government of Ethiopia (1976) made available to ILRI leasehold land of approximately 70 hectares and 32 hectares respectively.

The financial statements of ILRI have been consolidated with the financial statements of its subsidiary - Kapiti Plains Estate Limited in accordance with International Accounting Standard 27 on consolidated and separate financial statements.

B) SUBSIDIARY-KAPITI PLAINS ESTATE LIMITED

Kapiti Plains Estate Limited is a wholly owned subsidiary of ILRI purchased in 1981 registered under the Companies Act of Kenya. The company operates a ranch that was acquired primarily to support the research needs of International Livestock Research Institute and sells surplus livestock to third parties.

The financial statements of ILRI reflect the activities of two multi-stakeholder initiatives for which ILRI assumes legal and managerial responsibility:

C) BIOSCIENCES EASTERN AND CENTRAL AFRICA ("BECA")

Biosciences eastern and central Africa ("BecA") is a network under NEPAD's Comprehensive African Agricultural Development Program and Centers of Excellence for Science and Technology. BecA consists of a hub, secretariat, regional nodes and other participating laboratories and organizations which are mobilizing biosciences for Africa's development. It seeks to strengthen the capacity of scientists in Eastern and Central Africa to conduct bioscience research leading to products that can improve livelihoods of farmers in the region. The BecA Secretariat and the hub, a research platform that includes state-of-the-art facilities and research support, are hosted at ILRI's Nairobi campus. ILRI is a member of the Steering Committee of BecA whose accounts are included in ILRI's accounts. The BecA initiative is funded through a grant by the Canadian International Development Agency (CIDA) to ILRI as well as by ILRI's unrestricted funds.

D) SYSTEM WIDE LIVESTOCK PROGRAMME (SLP)

The SLP is a multi-centre initiative that adds value to the outputs of individual CGIAR centres and their partners by creating and exploiting synergies in crop-livestock research to reduce poverty in areas where small-scale mixed crop-and-livestock production is widely practiced. Through these partnerships the programme seeks to contribute to the CGIAR and Millennium Development Goals of reducing poverty by enhancing the productivity and sustainability of crop-livestock agriculture through improving feed. The programme activities are mainly funded by Canada, Switzerland and the World Bank.

ILRI hosts and provides logistic and administrative support to the Program Coordination office, chairs the Livestock Programme Group and ensures that the required expertise in livestock is available for projects led by centres other than ILRI.

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	Un- designated Consolidated US\$ '000	Designated reserve Consolidated US\$ '000	Reserves in experimental farm (Kapiti) US\$ '000	Total Consolidated US\$ '000
At 1 January 2007		13,641	11,064	468	25,173
Net change in investment in fixed assets		(1,316)	1,316	-	-
Exchange translation	i	-	-	31	31
(Deficit)/surplus for the year		(1,604)	-	4	(1,600)
Balance as at 31 December 2007		10,721	12,380	503	23,604
At 1 January 2008		10,721	12,380	503	23,604
Net change in investment in fixed assets	25	(3,340)	3,340	-	-
Exchange translation	i	-	-	(103)	(103)
Surplus for the year		1,354	-	119	1,473
Balance as at 31 December 2008		8,735	15,720	519	24,974

i. Exchange translation on opening reserves in subsidiary and opening balance on assets

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 DECEMBER 2008

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The accounting policies applied in the preparation of these financial statements are consistent with the Consultative Group on International Agricultural Research (CGIAR) financial guideline series No. 2 - Accounting Policies & Reporting Practices Manual (Revised February 2006) and complemented by International Financial Reporting Standards (IFRS) as required.

Basis of accounting

These policies are summarised below.

(a) Accounting convention

The financial statements are prepared under the historical cost convention and on accruals basis, modified to include the carrying of certain assets belonging to the subsidiary at fair value.

(b) Revenue recognition

- i) Grants represent support with donor-imposed conditions and could be restricted or unrestricted. Unrestricted grants are grants received which the institute may freely use for its mandated activities. Restricted grants are received in support of specified projects or activities mutually agreed upon between the centre and the donors
- ii) Restricted grants are recognised as revenue upon the fulfilment of donor-imposed conditions.
- iii) Unrestricted grants are recognised upon receipt of confirmed commitment.
- iv) Program funds are funds provided by donors that need to be used on a certain research theme, activity or region. They are treated as restricted grants.
- v) Other revenues and gains are recognised as they are earned.

(c) Currency translation

The Institute's financial statements are presented in United States Dollars (US\$). Transactions and balances expressed in currencies other than the US dollar are treated as follows:

- (i) Non US dollar grants and donations received in the year are converted to US dollars at the rates of exchange being used on the dates of receipt. Non US dollar grants and donations pledged for the year but not received by the year-end are recognised in the financial statements at the rates of exchange prevailing at the year-end.
- (ii) Non US dollar denominated expenditures are recorded at the prevailing rates of exchange for the month in which they are incurred and are accumulated in US dollars.
- (iii) Assets and liabilities that are denominated in currencies other than the US dollar are restated into US dollars at the rates of exchange prevailing at the year-end.
- (iv) Gains and losses arising from changes in exchange rates are charged or credited to the statement of activities in the year in which they arise.

(d) Cash and Cash equivalents

Cash equivalents are short term, highly liquid investments that are both readily convertible to known amounts of cash and so near maturity date that they present insignificant risk of changes in value

(e) Accounts receivable

Accounts receivable from donors, employees and other entities are carried at anticipated realisable value. An allowance is made for doubtful receivables based on a review of all outstanding amounts at the year-end. Bad debts are written off during the year in which they are identified as irrecoverable. The write off of receivables is done after all efforts to collect have been exhausted.

Donor receivables are funds expended on behalf of a donor but not yet reimbursed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Property and equipment

Property and equipment whose full cost exceed US\$1,000 and which ILRI can use in the production or supply of goods or services or for administrative services for more than one year are capitalised and stated at acquisition cost less accumulated depreciation and accumulated impairment losses. Acquisition cost includes the direct purchase price and incidental costs such as freight, insurance, installation and handling charges. Subsequent material expenditure that extends the useful life or enhances the operating efficiency of an item of property and equipment is capitalised. The cost of normal repairs and maintenance of existing property and equipment is treated as operating expenses.

Construction work-in-progress is capitalised as work progresses but depreciation starts only when the work is completed and the facility is put into use.

All immovable assets constructed or carried on leasehold land donated by host countries have been capitalised as assets of the Institute. ILRI has the right to negotiate for extension of leases under the host country agreements upon the expiry of the current leases. In accordance with the host country agreements, in the event that the host country agreement is terminated or the host country does not renew a lease upon expiry, all immovable assets will be disposed off by the CGIAR (in consultation with Government of Ethiopia and Government of Kenya).

Gains and losses on disposal of property and equipment are determined by reference to their carrying amount and are accounted for in the Statement of Activities.

(g) Depreciation & Amortisation

Depreciation is calculated on the straight-line basis at annual rates estimated to write off the cost of each item of property and equipment over the estimated term of its useful life. The annual rates used are:

Farm works	5%
Buildings and land improvements	3% (33 years)
Laboratory and scientific equipment	10% - 15% (7 - 10 years) on an item by item basis
Computers	33.33% (3 years)
Office and household furniture and equipment	20% (5 years)
Farm equipment	10% (10 years)
Motor vehicles	20% (5 years)
Software	33.33% (3 years)

Depreciation of acquired assets start in the month the assets are placed in operation and continue until the assets has been fully depreciated or their use discontinued.

Property and equipment acquired using project-restricted funds are fully depreciated when they are placed in operation under the specific benefiting projects.

Depreciation charge is time-apportioned in the year of disposal of items of property and equipment.

For the subsidiary company, excess depreciation on the revaluation surplus is transferred from the capital reserve to revenue reserve.

Operating lease rentals relating to leased land are amortised over the term of lease.

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Intangible assets

Intangible assets of the Institute comprise acquired computer software. The cost of acquisition and installation of computer software is capitalised and amortised over the estimated useful life of the software, usually three years.

(i) Asset impairment losses

The carrying values of property and equipment, including intangible assets, are reviewed annually and adjusted for impairment losses where it is considered necessary.

(j) Inventories and livestock

Cost is calculated on the weighted average basis and includes purchase price, freight and other incidental costs.

The determination of obsolescence or expiration is based on the lower of the manufacturer's recommendations and documented experience and knowledge of management. Excess inventory is written down wholly as soon as it is identified and the exact level of excess is determined.

Livestock is stated at fair value less point of sale costs. The fair value of livestock is determined based on market prices for livestock of similar age, breed and genetic merit. Changes in fair value are recognised in the statement of activities.

(k) Staff retirement benefits

The Institute's contributions are maintained as a defined contribution plan for all categories of staff. Full provision is made for severance benefits payable to employees at the end of their contracts. Provisions are also made in respect of outstanding leave days accruing to all staff and all repatriation costs. (See note 22).

(l) Net assets

Net assets represent the residual interest in the Institute's assets remaining after liabilities have been deducted. All the Institute's net assets are unrestricted.

(m) Accruals

Accruals represent liabilities to pay for goods or services that have been received/supplied but not yet invoiced or formally agreed with suppliers.

(n) Accounts payable

These represent amounts due to donors, employees and others for support, services and /or materials received prior to year-end but not paid for as at balance sheet date

Donor payables are unexpended funds received in advance for restricted grants.

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Provisions

Provisions are recognised when the Institute has: (a) a present legal or constructive obligation as a result of past events, (b) it is more likely than not that an outflow of resources will be required to settle the obligation and (c) a reliable estimate of the amount can be made. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the statement of financial position date.

(p) Tax

ILRI - The governments of Kenya and Ethiopia have undertaken to exempt the Centre from all local taxes including customs duty on goods and services received by the Centre. Consequently, the centre does not account for tax in its financial statements.

Kapiti Plains Estate Limited - Current taxation is provided for on the basis of the results for the year as shown in the financial statements, adjusted in accordance with the tax legislation. Deferred taxation is provided using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and the unused tax credits can be utilised.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Managing financial risk is one aspect of the risk management practice of ILRI which considers all its operations. The organisation's activities expose it to a variety of financial risks, including funding risks, variation of foreign exchange risk, interest risk, credit risk, banking risk and inflation.

Risk management is carried out by the management of the institute supported by the internal audit unit under policies approved by the Board of Directors. A key element of the institute's risk management programme is minimising potential adverse effects on its financial performance. The Finance function identifies, evaluates and hedges financial risks.

(i) Risk from foreign exchange risk and interest rate variations

The organisation is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Kenya shilling, Ethiopian Birr, British pound and the Euro. Foreign exchange risk arises from future transactions and recognised assets and liabilities.

The organisation manages foreign exchange risk through natural hedging and purchase of forward exchange contracts.

Investment decisions are also guided by the foreseeable conditions of foreign exchange markets and a conservative investment policy.

(ii) Funding risk

ILRI manages funding risk through financial planning systems, a conservative investment policy and its resource mobilisation strategy.

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(iii) Banking risk

This risk is managed through stringent due diligence process for bank selection and regular tenders for local banks.

(iv) Inflation risk

Inflation risk is managed through conservative budgeting and a conservative investment policy.

(v) Credit risk

This risk is managed in three ways:

- Avoiding contract with donors on a reimbursable basis
- Minimizing advances to suppliers
- Strict management of employee advances

Receivables	Fully performing US\$'000	Past due US\$'000	Impaired US\$'000
2008			
Accounts receivable - donors	6,128	-	-
Accounts receivable - other CG Centres	332	-	-
Accounts receivable - others	575	-	-
	<u>7,035</u>	<u>-</u>	<u>-</u>
	=====	=====	=====
2007			
Accounts receivable - donors	3,545	-	-
Accounts receivable - other CG Centres	444	-	-
Accounts receivable - others	438	37	-
	<u>4,427</u>	<u>37</u>	<u>-</u>
	=====	=====	=====

The donor receivables under the fully performing category are honouring their obligations as they continue supporting the institute while other debtors in this category continue honouring their obligations in the normal course of ILRI's business. The default rate is low.

(vi) Liquidity risk

Effective cash flow and working capital management is carried out to ensure there is a balance between operational and investment requirements.

	Fully performing US\$'000	Past due US\$'000	Impaired US\$'000
Cash and cash equivalents			
As at December 2008	<u>24,188</u>	<u>-</u>	<u>-</u>
	=====	=====	=====
As at December 2007	<u>26,542</u>	<u>-</u>	<u>-</u>
	=====	=====	=====

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(vi) Liquidity risk (continued)

Cash and cash equivalents are fully performing.

The table below analyses the institute's financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table below are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Most of the donor payables amounting to \$ 20,182 represent funds received in advance to be spent within the next year.

	Less than 1 month	Between 1 – 3 months	Over 3 months
	US\$'000	US\$'000	US\$'000
At 31 December 2008:			
Accounts payable - other CG Centres	-	399	-
Accounts payable - employees	-	1,602	-
Accounts payable - others	-	1,273	-
Accruals	-	2,069	-
	-	5,343	-
At 31 December 2007:			
Accounts payable - other CG Centres	-	424	-
Accounts payable - employees	-	1,481	-
Accounts payable - others	-	2,408	-
Accruals	-	2,315	-
	-	6,628	-

(vii) Other financial risks are addressed through internal control systems and regular market surveys.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the process of applying the institute's and its subsidiary's accounting policies, management has made estimates and assumptions that affect the reported amounts of assets and liabilities within current and future financial years. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The critical areas of accounting estimates and judgements in relation to the preparation of these financial statements are as set out below:

(a) Critical judgements in applying accounting policies

There are no critical judgements, apart from those involving estimations (see below), that the trustees have made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

(a) Key sources of estimation uncertainty

Impairment of assets

At each balance sheet date, the organisation reviews the carrying amount of its assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment.

Property, plant and equipment

Critical estimates are made in determining the useful lives and residual values to property, plant and equipment based on the intended use of the assets and the economic lives of those assets. Subsequent changes in circumstances or prospective utilisation of the assets concerned could result in the actual useful lives or residual values differing from initial estimates.

Although management believes the estimates and assumptions used in preparation of these combined financial statements were appropriate in the circumstances, actual results could differ from those estimates and assumptions.

5. (a) GRANT REVENUE (EXHIBITS 1, 2 AND 3) – CONSOLIDATED AND ILRI

	Advance donations 1/1/08 US\$ '000	Donor receivables 1/1/08 US\$ '000	Total receipts 2008 US\$ '000	Donor receivables 31/12/08 US\$ '000	Adjustments 2008 US\$ '000	Advance donations 31/12/08 US\$ '000	Revenue for 2008 US\$ '000	Revenue for 2007 US\$ '000
Unrestricted	599	(1,218)	13,400	1,039	-	(50)	13,770	13,229
Restricted temporary Challenge program	13,016	(2,320)	29,291	5,501	-	(19,964)	25,524	21,249
	219	(7)	278	-	-	(168)	322	225
	<u>13,834</u>	<u>(3,545)</u>	<u>42,969</u>	<u>6,540</u>	<u>-</u>	<u>(20,182)</u>	<u>39,616</u>	<u>34,703</u>

5. (b) GRANT REVENUE – BECA, SLP- CONSOLIDATED AND ILRI

The above revenue include BecA and SLP.

	Advance donations 1/1/08 US\$ '000	Donor receivable s 1/1/08 US\$ '000	Total receipts 2008 US\$ '000	Donor receivables 31/12/08 US\$ '000	Adjustments 2008 US\$ '000	Advance donations 31/12/08 US\$ '000	Revenue for 2008 US\$ '000	Revenue for 2007 US\$ '000
BecA	1,963	-	5,244	-	1,173	(5,307)	3,073	3,827
SLP	2,574	-	(845)	-	359	(1,140)	948	284
	<u>4,537</u>	<u>-</u>	<u>4,399</u>	<u>-</u>	<u>1,532</u>	<u>(6,447)</u>	<u>4,021</u>	<u>4,111</u>

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

	CONSOLIDATED AND ILRI	
	2008 US\$'000	2007 US\$'000
6. OTHER REVENUE AND SUPPORT		
Interest income	779	863
Rent income	761	774
Catering income	389	357
Gain on disposal of equipment	285	369
Service income	1,355	1,196
Foreign exchange variations -- net:		
-Realised	498	(47)
-Unrealised	(184)	212
	<u>3,883</u>	<u>3,724</u>

Service income is from services rendered by the laboratory and administrative units to external entities, other than rental of facilities and catering income.

7. INVESTMENT IN SUBSIDIARY - EXPERIMENTAL FARM

This represents the cost of investment in Kapiti Plains Estate Limited (Kapiti), a ranch that was acquired for the purposes of securing adequate supplies of disease-free livestock to the Institute. Kapiti is a wholly owned subsidiary of ILRI and operates an experimental farm.

The subsidiary's net assets as at 31 December 2008 amounted to US\$ 540,617 (2007: US\$ 515,376). The financial statements of Kapiti Plains Estate Limited are prepared in Kenyan Shillings. The US dollar appreciated against the Kenya shilling in 2008 by approximately 22%. The consolidated statement of activities includes the subsidiary's results for the year as summarised below:

	2008 US\$'000	2007 US\$'000
Total revenue from sale of livestock	163	164
Less: Sales to ILRI, eliminated on consolidation	-	(11)
Sales to third parties	<u>163</u>	<u>153</u>
Cost of sales to third parties	(73)	(52)
Fair value gains on biological assets	192	16
Gross profit	<u>282</u>	<u>117</u>
Expenses and overheads	(163)	(113)
Net income/loss	<u>119</u>	<u>4</u>

The difference between sales and cost of sales to ILRI has not been taken into account as it is not material

KAPITI PLAINS ESTATE LIMITED EXPENSES

	2008 US\$'000	2007 US\$'000
Personnel costs	32	33
Supplies and services	117	65
Depreciation	14	15
	<u>163</u>	<u>113</u>

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

CONSOLIDATED AND ILRI

8 (a) PROGRAM RELATED EXPENSES	2008 US\$'000	2007 US\$'000
Personnel costs (note 11)	13,237	13,041
Collaborators/Partnership costs	2,872	3,959
Supplies and services	12,169	12,364
Operational Travel	2,277	1,970
Depreciation and amortisation	-	603
	<u>30,555</u>	<u>31,937</u>

(b) EXPENDITURE -BecA, SLP

Included in the above expenses are the following BecA and SLP expenses.

	Personnel US\$ '000	Supplies & services US\$ '000	Collaborators US\$ '000	Operational travel US\$ '000	Depreciation US\$ '000	2007 Total US\$ '000	2006 Total US\$ '000
BecA	752	1,115	-	187	1,019	3,073	3,827
SLP	166	109	634	39	-	948	284
	<u>918</u>	<u>1,224</u>	<u>634</u>	<u>226</u>	<u>1,019</u>	<u>4,021</u>	<u>4,111</u>

CONSOLIDATED AND ILRI

	2008 US\$'000	2007 US\$'000
9 MANAGEMENT AND GENERAL EXPENSES		
Personnel costs (note 11)	6,583	4,785
Collaborators/Partnership costs	140	-
Suppliers and services	4,546	2,470
Operational travel	746	388
Depreciation and amortisation	1,616	1,033
	<u>13,631</u>	<u>8,676</u>

10 INDIRECT COSTS RECOVERY

Indirect costs recovery represents the portion of project restricted income allocated by donors through the grant agreements to support general institutional overhead costs. The recoveries supplement the Institute's unrestricted funding.

<u>Overhead</u>	2008 US\$'000	2007 US\$'000
BecA	350	182
Others	1,691	1,578
	<u>2,041</u>	<u>1,760</u>

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

	CONSOLIDATED		ILRI	
11. PERSONNEL COSTS	2008 US\$'000	2007 US\$'000	2008 US\$'000	2007 US\$'000
Management and general operations				
Salaries and allowances	4,893	3,742	4,893	3,742
Pension contributions	584	530	584	530
Medical and life insurance	663	340	663	340
Relocation and leave expenses	161	143	161	143
Other personnel costs	282	30	282	30
	<u>6,583</u>	<u>4,785</u>	<u>6,583</u>	<u>4,785</u>
Program related activities				
Salaries and allowances	9,961	9,959	9,929	9,926
Pension contributions	1,092	1,176	1,092	1,176
Medical and life insurance	892	716	892	716
Relocation and leave expenses	772	1,175	772	1,175
Other personnel costs	552	48	552	48
	<u>13,269</u>	<u>13,074</u>	<u>13,237</u>	<u>13,041</u>
	<u>19,852</u>	<u>17,859</u>	<u>19,820</u>	<u>17,826</u>
12. CASH AND CASH EQUIVALENTS				
Unrestricted cash and cash equivalents	3,994	13,060	3,961	12,965
Restricted donor advances	20,132	13,458	20,132	13,458
Interest receivable	62	24	62	24
	<u>24,188</u>	<u>26,542</u>	<u>24,155</u>	<u>26,447</u>
Total cash and cash equivalents	<u>24,188</u>	<u>26,542</u>	<u>24,155</u>	<u>26,447</u>
Comprising:				
Certificates of deposit	18,093	14,660	18,093	15,572
Bank balances	6,076	11,858	6,043	10,851
Cash in hand and cash in transit	19	24	19	24
	<u>24,188</u>	<u>26,542</u>	<u>24,155</u>	<u>26,447</u>

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

CONSOLIDATED AND ILRI

	2008 US\$'000	2007 US\$'000
13. ACCOUNTS RECEIVABLE – DONORS		
Unrestricted	1,039	1,218
Program restricted	2,220	352
Project restricted	3,281	2,430
	<u>6,540</u>	<u>4,000</u>
Less: Allowance for doubtful accounts	(412)	(455)
	<u>6,128</u>	<u>3,545</u>

14. ACCOUNTS RECEIVABLE –OTHER CG CENTRES

CIAT - International Centre For Tropical Agriculture	-	1
CIFOR – Center for International Forestry Research	8	-
CIMMYT - International Maize & Wheat Improvement Centre	12	8
ICRAF - World Agroforestry Center	229	265
ICRISAT - International Crop Research Institute For The Semi-Arid Tropics	16	34
IFPRI - International Food Policy Research Institute	29	25
IITA - International Institute Of Tropical Agriculture	33	74
IWMI - International Water Management Institute	3	34
IPGRI - Bioversity International	-	2
Secretariat	2	1
	<u>332</u>	<u>444</u>

15. ACCOUNTS RECEIVABLE-OTHERS

	CONSOLIDATED		ILRI	
	2008 US\$'000	2007 US\$'000	2008 US\$'000	2007 US\$'000
Due from subsidiary	-	-	457	420
AIARC	5	8	5	8
Field offices	47	66	47	66
Loan to staff association	96	94	96	94
Consultants and trainees	99	87	99	87
Others	416	308	413	304
	<u>663</u>	<u>563</u>	<u>1,117</u>	<u>979</u>
Less: Allowance for doubtful accounts	(88)	(88)	(88)	(88)
	<u>575</u>	<u>475</u>	<u>1,029</u>	<u>891</u>

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

16. INVENTORIES

CONSOLIDATED AND ILRI

	2008 US\$'000	2007 US\$'000
Engineering and maintenance parts	576	559
Laboratory and chemical supplies	310	234
Office and other supplies	147	237
Research Livestock and feedstuff	50	-
	<u>1,083</u>	<u>1,030</u>
Less: Allowance for obsolescence	(388)	(386)
	<u>695</u>	<u>644</u>

CONSOLIDATED

17. LIVESTOCK

	2008 US\$'000	2007 US\$'000
Fair value at the beginning of the year	840	751
Exchange loss on translation of opening balance	(151)	(151)
Gain arising from changes in fair value attributable to physical changes	51	47
Gain arising from changes in fair value attributable to price changes	142	193
	<u>882</u>	<u>840</u>
Fair value at the end of the year		

18. PREPAID OPERATING LEASE

CONSOLIDATED

	2008 US\$'000	2007 US\$'000
Cost	13	16

This represents the cost of leasehold land used as an experimental farm under the ownership of the subsidiary, Kapiti Plains Estate Limited. The annual amortisation of the lease rentals is negligible.

The decrease in value of prepaid operating lease arises in part from a translation loss on the cost of Kapiti Plains Estate Limited leasehold land.

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

19. PROPERTY & EQUIPMENT - CONSOLIDATED

2008

	Balance at 1/1/2008 US\$ '000	Unrestricted additions US\$ '000	Restricted additions US\$ '000	Disposals US\$ '000	Other movements US\$ '000	Balance at 31/12/2008 US\$ '000
COST						
Physical facilities, infrastructure and leasehold improvements	25,510	261	7	(98)	(81)	25,599
Furnishings and equipment	20,678	594	2,230	(258)	(340)	22,904
Intangible assets	462	-	-	-	(24)	438
Construction work in progress	3,263	4,319	-	-	-	7,582
	<u>49,913</u>	<u>5,174</u>	<u>2,237</u>	<u>(356)</u>	<u>(445)</u>	<u>56,523</u>
ACCUMULATED DEPRECIATION						
Physical facilities, infrastructure and leasehold improvements	(19,048)	(832)	(7)	60	-	(19,827)
Furnishings and equipment	(18,561)	(793)	(2,230)	257	274	(21,053)
Intangible assets	(433)	(5)	-	-	-	(438)
	<u>(38,042)</u>	<u>(1,630)</u>	<u>(2,237)</u>	<u>317</u>	<u>274</u>	<u>41,318</u>
NET BOOK VALUE						
Physical facilities, infrastructure and leasehold improvements	6,462	(571)	-	(38)	(81)	5,772
Furnishings and equipment	2,117	(199)	-	(1)	(66)	1,851
Intangible assets	29	(5)	-	-	(24)	-
Construction work in progress	3263	4,319	-	-	-	7,582
Exchange Translation on opening balance	-	-	-	-	-	(12)
	<u>11,871</u>	<u>3,544</u>	<u>-</u>	<u>(39)</u>	<u>(171)</u>	<u>15,193</u>

Fully depreciated assets

At 31 December 2008, equipment with a cost of US\$ 31,973,181 (2007 – US\$ 28,005,233) were fully depreciated.

Assets in custody

In December 2008, property and equipment with a cost of US\$ 2,237,910 (2007 - US\$ 1,113,558), which were acquired using project-restricted funds, have been fully depreciated upon purchase in conformity with the CGIAR Financial Guidelines. These assets were still in the Institute's use as at 31 December 2008.

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

19. PROPERTY & EQUIPMENT - CONSOLIDATED

2007

	Balance at 1/1/2007 US\$ '000	Unrestricted additions US\$ '000	Restricted additions US\$ '000	Disposals US\$ '000	Other movements US\$ '000	Balance at 31/12/2007 US\$ '000
COST						
Physical facilities, infrastructure and leasehold improvements	27,869	283	97	(2,739)	-	25,510
Furnishings and equipment	21,639	1,042	1,016	(3,017)	(2)	20,678
Intangible assets	438	24	-	-	-	462
Construction work in progress	322	3,214	-	-	(273)	3,263
	<u>50,268</u>	<u>4,563</u>	<u>1,113</u>	<u>(5,756)</u>	<u>(275)</u>	<u>49,913</u>
ACCUMULATED DEPRECIATION						
Physical facilities, infrastructure and leasehold improvements	19,630	857	97	(1,536)	-	19,048
Furnishings and equipment	19,666	785	1,016	(2,982)	76	18,561
Intangible assets	427	6	-	-	-	433
	<u>39,723</u>	<u>1,648</u>	<u>1,113</u>	<u>(4,518)</u>	<u>76</u>	<u>38,042</u>
NET BOOK VALUE						
Physical facilities, infrastructure and leasehold improvements	8,239	(574)	-	(1,203)	-	6,462
Furnishings and equipment	1,973	257	-	(35)	(78)	2,117
Intangible assets	11	18	-	-	-	29
Construction work in progress	322	3,214	-	-	(273)	3,263
	<u>10,545</u>	<u>2,915</u>	<u>-</u>	<u>(1,238)</u>	<u>(351)</u>	<u>11,871</u>

Debre-Zeit disposal

On 31 December 2007, ILRI handed over a range of assets at the Debre-Zeit station back to the Ethiopian government. Debre-Zeit has over the years operated as a research station for ILRI under an agreement that provided for handover of the station to the Government of Ethiopia at the conclusion of the research term.

The net book value of assets written off upon hand over was US\$ 1,178,385, made up of costs totalling US\$ 2,192,847 and accumulated depreciation of US\$ 1,014,462.

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

19. PROPERTY & EQUIPMENT - ILRI (Continued)

2008

	Balance at 1/1/2008 US\$ '000	Unrestricted additions US\$ '000	Restricted additions US\$ '000	Disposals US\$ '000	Other movements US\$ '000	Balance at 31/12/2008 US\$ '000
COST						
Physical facilities, infrastructure and leasehold improvements	25,510	261	7	(98)	(81)	25,599
Furnishings and equipment	20,374	586	2,230	(258)	(340)	22,592
Intangible assets	462	-	-	-	(24)	438
Construction work in progress	3,263	4,319	-	-	-	7,582
	<u>49,609</u>	<u>5,166</u>	<u>2,237</u>	<u>(356)</u>	<u>(445)</u>	<u>56,211</u>
ACCUMULATED DEPRECIATION						
Physical facilities, infrastructure and leasehold improvements	(19,048)	(832)	(7)	60	-	(19,827)
Furnishings and equipment	(18,330)	(779)	(2,230)	257	274	(20,808)
Intangible assets	(433)	(5)	-	-	-	(438)
	<u>(37,811)</u>	<u>(1,616)</u>	<u>(2,237)</u>	<u>317</u>	<u>274</u>	<u>(41,073)</u>
NET BOOK VALUE						
Physical facilities, infrastructure and leasehold improvements	6,462	(571)	-	(38)	(81)	5,772
Furnishings and equipment	2,044	(193)	-	(1)	(66)	1,784
Intangible assets	29	(5)	-	-	(24)	-
Construction work in progress	3,263	4,319	-	-	-	7,582
	<u>11,798</u>	<u>3,550</u>	<u>-</u>	<u>(39)</u>	<u>(171)</u>	<u>15,138</u>

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

19. PROPERTY & EQUIPMENT - ILRI (Continued)

2007

	Balance at 1/1/2007 US\$ '000	Unrestricted additions US\$ '000	Restricted additions US\$ '000	Disposals US\$ '000	Other movements US\$ '000	Balance at 31/12/2007 US\$ '000
COST						
Physical facilities, infrastructure and leasehold improvements	27,869	283	97	(2,739)	-	25,510
Furnishings and equipment (Exhibit 3)	21,332	1,020	1,016	(2,992)	(2)	20,374
Intangible assets	438	24	-	-	-	462
Construction work in progress	322	3,214	-	-	(273)	3,263
	<u>49,961</u>	<u>4,541</u>	<u>1,113</u>	<u>(5,731)</u>	<u>(275)</u>	<u>49,609</u>
ACCUMULATED DEPRECIATION						
Physical facilities, infrastructure and leasehold improvements	19,630	857	97	(1,536)	-	19,048
Furnishings and equipment (Exhibit 3)	19,422	772	1,016	(2,956)	76	18,330
Intangible assets	427	6	-	-	-	433
	<u>39,479</u>	<u>1,635</u>	<u>1,113</u>	<u>(4,492)</u>	<u>76</u>	<u>37,811</u>
NET BOOK VALUE						
Physical facilities, infrastructure and leasehold improvements	8,239	(574)	-	(1,203)	-	6,462
Furnishings and equipment (Exhibit 3)	1,910	248	-	(36)	(78)	2,044
Intangible assets	11	18	-	-	-	29
Construction work in progress	322	3,214	-	-	(273)	3,263
	<u>10,482</u>	<u>2,906</u>	<u>-</u>	<u>(1,239)</u>	<u>(351)</u>	<u>11,798</u>

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

		CONSOLIDATED AND ILRI	
		2008	2007
		US\$'000	US\$'000
20.	ACCOUNTS PAYABLE – DONORS		
	Unrestricted	50	599
	Programme Restricted	688	3,082
	Project restricted - BecA	5,307	2,185
	- SLP	1,140	2,574
	- Others	12,997	5,393
		<u>20,182</u>	<u>13,833</u>
21	ACCOUNTS PAYABLE –OTHER CG CENTRES		
	CIP – International Potato Centre	15	20
	CIAT - International Centre For Tropical Agriculture	81	36
	CIMMYT - International Maize & Wheat Improvement Centre	-	2
	ICRAF - World Agroforestry Center	19	61
	ICRISAT - International Crop Research Institute For The Semi-Arid Tropics	22	22
	IFPRI - International Food Policy Research Institute	-	53
	IITA - International Institute Of Tropical Agriculture	98	150
	IWMI - International Water Management Institute Secretariat	103	53
		61	27
		<u>399</u>	<u>424</u>
22.	ACCOUNTS PAYABLE – EMPLOYEES		
	Balance at beginning of the year	4,693	4,521
	Provision during the year	31	302
	Disbursements during the year	54	(130)
		<u>4,778</u>	<u>4,693</u>
	Comprising:		
	Staff personal accounts	547	493
	Provision for severance benefits	1,674	1,847
	Provision for repatriation costs	1,501	1,182
	Provision for accrued leave	1,056	1,171
		<u>4,778</u>	<u>4,693</u>
	Balance at end of the year	4,778	4,693
	Less: amount payable within one year	(1,602)	(1,481)
		<u>3,176</u>	<u>3,212</u>
	Amount payable after one year		

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

23.	ACCOUNTS PAYABLE - OTHERS	CONSOLIDATED		ILRI	
		2008 US\$'000	2007 US\$'000	2008 US\$'000	2007 US\$'000
	Due to suppliers	352	681	352	681
	Vehicle purchase	-	186	-	186
	BecA-related construction payments	-	902	-	902
	Field offices	263	140	263	140
	Consultants and trainees	75	67	75	67
	Sundry payables	583	432	573	327
		<u>1,273</u>	<u>2,408</u>	<u>1,263</u>	<u>2,303</u>

CONSOLIDATED AND ILRI

24.	ACCRUALS	2008 US\$'000	2007 US\$'000
	BecA –architectural works	214	339
	Johnsons Controls	24	97
	Emergency Programme Management Review (EPMR)	200	100
	Staff development	296	247
	Project expenses	463	585
	General supplies and services	872	947
		<u>2,069</u>	<u>2,315</u>

25. NET ASSETS- ILRI

	Undesignated US\$ '000	Designated US\$ '000	Total US\$ '000
Balance at 1 January 2008	10,721	14,196	24,917
Depreciation charge for the year	1,616	(1,616)	-
Acquisition of property equipment	(5,166)	5,166	-
Other Movements	210	(210)	-
Total	<u>(3,340)</u>	<u>3,340</u>	<u>-</u>
Changes in net asset during the year	1,354	-	1,354
Balance as 31 December 2008	<u>8,735</u>	<u>17,536</u>	<u>26,271</u>

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

26. CONTINGENT LIABILITY

Following a tax audit by the Kenya Revenue Authority in December 2006, the Institute received a notification requiring payment of a total of US\$ 848,918 (KShs 66,003,354) relating to income tax assessed on overseas pension contribution for Nationally Recruited Staff (NRS) and stipends for Research Fellows. The Institute's view is that the assessment contradicts the Host Country Agreement (HCA) signed between the Institute and the Government of Kenya represented by the Ministry of Foreign Affairs. This agreement explicitly exempts the Nationally Recruited Staff or the Institute from paying income tax on overseas pension plans. The Institute is working closely with the Ministry of Foreign Affairs and is of the opinion that this matter will be resolved in accordance with the provisions of the Host Country Agreement and as a result, no provision has been made in the financial statements with regard to the potential liability notified by Kenya Revenue Authority. The case has also been presented to the Kenya Revenue Authority articulating the institute management's position that stipends are not taxable and a positive outcome is expected.

27. COMPARATIVES

Where necessary, the comparative figures have been adjusted to conform to changes in presentation in the current year.

28. CURRENCY

These financial statements are presented in United States Dollar Thousands (US\$ '000).

Schedule of Unrestricted Grant Revenue for the year ended 31 December 2008 - Currency - US dollar

Donor	Total Funds Available	Accounts Receivable 1/1/08	Advance Payment 1/1/08	Accounts Receivable 31/12/08	Advance Payment 31/12/08	Revenue for 2008	Revenue for 2007
Australia	245,050	-	-	-	-	245,050	220,975
Belgium	75,446	-	-	-	-	75,446	-
Canada	305,410	-	-	736,615	-	1,042,025	1,005,556
China	89,560	-	-	90,000	-	179,560	-
Denmark	869,072	-	-	-	-	869,072	758,653
Finland	1,333,482	513,320	-	-	-	820,162	513,320
France	108,567	108,567	-	-	-	-	108,567
Germany	574,194	-	-	-	-	574,194	389,639
Ireland ¹	1,249,024	-	-	-	-	1,249,024	976,281
India	37,500	-	-	-	-	37,500	37,500
Italy	311,694	-	-	-	-	311,694	268,619
Korea	100,000	-	-	-	50,000	50,000	50,000
Netherlands	0	-	-	-	-	-	-
Norway	2,095,677	-	-	-	-	2,095,677	1,882,116
Portugal	224,606	149,738	-	-	-	74,868	149,738
South Africa	149,738	-	-	-	-	149,738	-
Sweden	475,419	-	599,394	-	-	1,059,638	1,125,002
Switzerland	970,014	-	-	-	-	970,014	885,111
United Kingdom	1,398,040	-	-	-	-	1,398,040	1,614,213
USAID ¹	1,083,101	446,717	-	212,128	-	848,512	1,643,908
World Bank	1,720,000	-	-	-	-	1,720,000	1,600,000
TOTAL	13,415,594	1,218,342	599,394	1,038,743	50,000	13,770,214	13,229,198

Note

1. USD 100,00 of the contribution from Ireland has been allocated to Program shown in Exhibit2.

Donor and Project	Start Date	End Date	Grant Pledge	Cumulative to 2007	Expenditure 2008	Total
A: Restricted - Temporary - Attributed (Program)						
Aid for Africa	Jan-08	Dec-08	7,000		7,000	7,000
			7,000	-	7,000	7,000
Canada						
Systemwide Livestock Program	Jan-03	Dec-08	1,713,681	184,408	48,250	232,658
			1,713,681	184,408	48,250	232,658
EUROPEAN COMMUNITY/IFAD						
Biotechnology	Jan-08	Dec-10	2,107,566	-	710,167	710,167
Improving Markets Opportunities	Jan-08	Dec-08	702,522	-	675,991	675,991
Regional Plan for Collective Action in Eastern and Southern Africa	Jan-08	Dec-10	677,432	-	315,311	315,311
			3,487,520	-	1,701,469	1,701,469
INDIA						
Greenhouse	Jan-06	Dec-08	70,000	19,321	46,449	65,770
Genetic Disease	Jan-06	Dec-08	50,000	3,665	22,135	25,800
Epidemiology	Jan-06	Dec-08	80,000	56,692	21,081	77,773
			200,000	79,678	89,665	169,343
IRELAND						
To support the Biotechnology Theme (Animal Genetic Resources)	Jan-02	Dec-08	949,684	749,012	208,791	957,803
			949,684	749,012	208,791	957,803
Italy						
Improving Markets Opportunities	Jan-08	Dec-08	467,540		468,610	468,610
			467,540		468,610	468,610
Norway						
PARA sub- sahara Africa Program	Jan-05	Dec-07	921,884	550,974	222,719	773,693
			921,884	550,974	222,719	773,693
Switzerland						
Systemwide Livestock Program	Jan-99	Dec-07	3,390,555	2,152,384	830,973	2,983,357
			3,390,555	2,152,384	830,973	2,983,357
WORLD BANK						
Systemwide Livestock Program	Jan-02	Dec-08	1,600,000	739,391	294,037	1,033,428
			1,600,000	739,391	294,037	1,033,428

Schedule of program restricted grant revenue for the year ended 31 December 2006 - Currency - US dollars
SCHEDULE OF PROGRAM RESTRICTED GRANT REVENUE FOR THE YEAR ENDED 31 DECEMBER 2008 - CURRENCY - US DOLLARS

Donor and Project	Start Date	End Date	Grant Pledge	Cumulative to 2007	Expenditure 2008	Total
A: Restricted - Temporary - Attributed (Program)						
Aid for Africa	Jan-08	Dec-08	7,000		7,000	7,000
Aid for Africa Sub-total			7,000	-	7,000	7,000
Canada						
Sytemwide Livestock Program	Jan-03	Dec-08	1,713,681	184,408	48,250	232,658
Canada Sub-total			1,713,681	184,408	48,250	232,658
EUROPEAN COMMUNITY/IFAD						
Biotechnology	Jan-08	Dec-10	2,107,566	-	710,167	710,167
Improving Markets Opportunities	Jan-08	Dec-08	702,522	-	675,991	675,991
Regional Plan for Collective Action in Eastern and Southern Africa	Jan-08	Dec-10	677,432	-	315,311	315,311
EC/IFAD Sub-total			3,487,520	-	1,701,469	1,701,469
INDIA						
Greenhouse	Jan-06	Dec-08	70,000	19,321	46,449	65,770
Genetic Disease	Jan-06	Dec-08	50,000	3,665	22,135	25,800
Epidemiology	Jan-06	Dec-08	80,000	56,692	21,081	77,773
France Sub-total			200,000	79,678	89,665	169,343
IRELAND						
To support the Biotechnology Theme (Animal Genetic Resources)	Jan-02	Dec-08	949,684	749,012	208,791	957,803
Ireland Sub-total			949,684	749,012	208,791	957,803
Italy						
Improving Markets Opportunities	Jan-08	Dec-08	467,540		468,610	468,610
Italy Sub-total			467,540		468,610	468,610
Norway						
FAKA sub- sahara Africa Program	Jan-05	Dec-07	921,884	550,974	222,719	773,693
Norway Sub-total			921,884	550,974	222,719	773,693
Switzerland						
Sytemwide Livestock Program	Jan-99	Dec-07	3,390,555	2,152,384	830,973	2,983,357
Switzerland Sub-total			3,390,555	2,152,384	830,973	2,983,357
WOLRD BANK						
Sytemwide Livestock Program	Jan-02	Dec-08	1,600,000	739,391	294,037	1,033,428
World Bank Sub-total			1,600,000	739,391	294,037	1,033,428

SCHEDULE OF PROGRAM RESTRICTED GRANT REVENUE FOR THE YEAR ENDED 31 DECEMBER 2008 - CURRENCY - US DOLLARS

[illegible]

SCHEDULE OF PROGRAM RESTRICTED GRANT REVENUE FOR THE YEAR ENDED 31 DECEMBER 2008 - CURRENCY - US DOLLARS

AUSTRIA								
Evaluation of ecological and economic sustainability of breeding strategies in pastoral systems: the case of Ankole cattle	Jan-07	Dec-09	638,099	217,313	229,707		447,020	
Designing community based breeding strategies for indigenous sheep breeds of Smalholders in Ethiopia	Jan-07	Dec-09	536,974	38,382	105,241		143,623	
Study on genetic differentiation and metabolic adaptation on different cattle				-	6,005		6,005	
AUSTRIA Sub-total			1,175,073	255,695	340,953		596,648	
AFRICAN WILDLIFE FOUNDATION								
The Kitengeta Conservation Program	Nov-08	Dec-10	447,981	-	232		232	
AWF Sub-total			447,981	-	232		232	
ALLIANCE FOR A GREEN REVOLUTION IN AFRICA								
African Agricultural Markets Conference - towards priority actions for market development for African Farmers	Nov-08	Oct-10	449,545	-	30,369		30,369	
AGRA Sub-total			449,545	-	30,369		30,369	
BELGIUM								
Dr Jan Naessens Secondment costs (Extension)	Jan-06	Dec-08	460,000	233,397	134,163		367,560	
BELGIUM Sub-total			460,000	233,397	134,163		367,560	
BILL & MELINDA GATES FOUNDATION								
Livestock Knowledge generation for strategic development	Apr-08	May-09	190,038	-	185,909		185,909	
BMG Sub-total			190,038	-	185,909		185,909	
BIOVERSITY INTERNATIONAL (IPGRI)								
Collective Action for the Rehabilitation of Global Public Goods in the CGIAR Genetic Resources System: Phase 2	Jan-07	Dec-09	389,435	45,095	190,825		235,920	
Part of the World Bank funded project 'Collective Action for Rehabilitation of Global Public Goods in the CGIAR Genetic Resources System: Phase 2'	Jan-07	Dec-08	40,000	8,878	29,618		38,496	
Joint appointment of Associate Scientist, Genebank Management	Aug-07	Aug-08	19,580	3,669	24,193		27,862	
BIOVERSITY Sub-total			449,015	57,642	244,635		302,278	
COMMON FUND FOR COMMODITIES (CFC)								
Enhancing Beef Productivity, Quality, Safety and Trade in Central America	Jan-02	Mar-08	3,690,577	2,713,137	294,988		3,008,125	
CFC Sub-total			3,690,577	2,713,137	294,988		3,008,125	
CONSULTATIVE GROUP ON INTERNATIONAL AGRICULTURAL RESEARCH (CGIAR)								
Improving food security through community-based selection and development	Jul-03	Dec-08	10,000	6,903	13		6,917	
Enterprise Security and Business Continuity (ESBC) - workshop	Dec-05	Dec-08	75,334	67,411	7,923		75,334	
ILRI/ICRAF Alignment Support	Dec-06	Dec-09	944,500	134,291	144,342		278,632	
Competitive Awards	Dec-06	Dec-08	10,100	7,035	5,647		12,682	
Policy change in dairy marketing in Kenya and East Africa: Economic impact and pathways to influence from research								
Eastern and Central Africa Medium Term Plan	Mar-07	Dec-08	15,000	8,967	1,852		10,819	
Characterisation of indigenous Kenyan sheep populations of Northern Kenya	Jun-05	Dec-08	270,306	270,306	8		270,314	
using DNA molecular markers	Jun-06	Jun-08	11,000	969	9,570		10,539	

SCHEDULE OF PROGRAM RESTRICTED GRANT REVENUE FOR THE YEAR ENDED 31 DECEMBER 2008 - CURRENCY - US DOLLARS

Identification of best anthelmintic type for strategic control of helminthes and evaluation of the economic advantage of strategic deworming of sheep owned by smallholders in Ethiopia's central highlands	May-07	Dec-08	11,000	2,935	5,134	8,070
A study on traction-Ghibe Valley	Jan '08	Dec '08	11,000	-	9,431	9,431
Drivers of Crop - Sytemwide Livestock Program	Oct-07	Jan-09	166,000	-	66,328	66,328
CGIAR Sub-total			1,524,240	498,816	250,249	749,065
CHINA						
CAAS-TLRI Joint labEFGR -	Jan-08	Dec-08	40,000	-	50,754	50,754
CAAS-TLRI Joint labEFGR -	Jan-08	Dec-08	20,000	-	20,000	20,000
CHN Sub-total			60,000	-	70,754	70,754
CANADA (CIDA)						
Improvement of productivity and market success of Ethiopian farmers (IPMS)	Apr-04	Mar-10	15,853,659	5,967,667	3,710,181	9,677,848
Centre for excellence in biosciences for Africa (BeCA)	Jan-07	Mar-09	21,675,000	6,815,606	3,073,197	9,888,803
Development of Strategic Partnership to Improve Smallholder Access to Feed and Fodder in South Asia and Sub-Saharan Africa	Mar-07	Feb-09	39,998	1,800	22,285	24,085
Identifying Livestock-based risk management and copying options to reduce vulnerability to droughts in agro-pastoral and pastoral systems in East and West Africa	Mar-07	Jan-09	300,000	79,628	170,577	250,205
CIDA Sub-total			37,868,657	12,864,701	6,976,240	19,840,940
CIRAD						
Livestock marketing and Export Strategy	Dec-07	Dec-10	35,847	-	688	688
CIR Sub-total			35,847	-	688	688
COMART FOUNDATION (CMF)						
Strengthening capacities for community based livestock health service delivery in the Ghibe Valley	Apr-07	Mar-10	356,122	29,981	104,467	134,447
COMART Sub-total			356,122	29,981	104,467	134,447
CORNELL UNIVERSITY						
PHD Fellowship-Sommarat Chantararat	Apr-08	Aug-08	9,950	-	5,000	5,000
COR Sub-total			9,950	-	5,000	5,000
GERMAN ACADEMIC EXCHANGE SERVICE (DAAD)						
DAAD In-Region scholarships for the academic year 2008-2009	Sep-08	Sep-09	61,500	-	13,791	13,791
DAAD Sub-total			61,500	-	13,791	13,791
DEPARTMENT FOR INTERNATIONAL DEVELOPMENT (DFID), UK						
Evaluation of effects of plant diseases on the yield and nutritive value of crop residues dairy production on the Deccan Plateau in India	Apr-04	Jan-08	46,395	21,205	1,600	22,805
Global Alliance for Livestock Vaccines (GALV) - Phase 1	Nov-04	Mar-09	572,328	445,035	-	445,035
Process and Partnership for pro-poor policy change	Dec-04	Jul-06	259,183	246,017	5,068	251,085
Development of a rapid and simple serological test for surveys of human infective trypanosome in the livestock and animal reservoir	Jan-07	Dec-10	2,821,017	496,877	1,143,495	1,640,372
DFID Sub-total			3,898,322	1,209,135	1,150,163	2,359,298

SCHEDULE OF PROGRAM RESTRICTED GRANT REVENUE FOR THE YEAR ENDED 31 DECEMBER 2008 - CURRENCY - US DOLLARS

EUROPEAN DEVELOPMENT FUND (EDF)									
Epidemiology and Disease Control	Apr-00	Apr-09	482,404	252,601	32	252,633			
EDF Sub-total			482,404	252,601	32	252,633			
EMPRESA BRASILEIRA DE PESQUISA AGROPECUARIA (EMBRAPA)									
Funding for specialized consultancy services and training for technicians from Brazil Agricultural Research System	Jan-04	Jan-09	39,036	6,547	14,640	21,187			
EMBRAPA Sub-total			39,036	6,547	14,640	21,187			
INIA, SPAIN									
Development of new diagnostic assays and epidemiological surveillance of viral pathogens of livestock in Sub-saharan Africa	Jan-04	Mar-08	600,000	591,024	8,975	600,000			
Development of new diagnostic assays and epidemiological surveillance of viral pathogens of livestock in Africa	Jul-07	Jun-10	600,000	-	271,821	271,821			
INIA-SPAIN Sub-total			1,200,000	591,024	280,796	871,820			
FOOD AND AGRICULTURAL ORGANISATION OF THE UNITED NATIONS (FAO)									
Contract farming in pig production in Northern Vietnam to promote the equitable intensification of smallholder market-oriented livestock production	Jul-05	Jan-08	99,856	74,525	18,300	92,826			
GEF Medium sized project " Novel form of livestock and wildlife integration adjacent to protected areas in Africa - Tanzania"	Sep-05	Sep-09	110,000	69,213	23,625	92,838			
Developing global, one Kilometer resolution GIS maps of livestock production systems	Nov-06	Feb '08	40,000	16,677	6,430	23,107			
Service support to animal health constraints in the IGAD region: a focus on the demands of reducing vulnerability to shocks, and of promoting market access for livestock products	Jul-07	Jan-08	80,900	56,386	14,751	71,137			
Market Study: Livestock Component of the Crop Diversification and Marketing Development Project	Aug-07	Jul-08	27,840	236	29,607	29,843			
Capacity Building Activities on Dairy	Sep-07	Jan-09	16,000	87	17	104			
Molecular characterization study of local poultry populations in Cambodia, Egypt, Laos, Uganda and Vietnam	Dec '07	Dec '08	49,500	-	0	0			
Production of guidelines for the prevention and control of RVF in Kenya and Tanzania	Feb '08	May '08	99,650	-	87,813	87,813			
Strengthening Avian Influenza Detection and Response(SAIDR)	Jun '08	Jun '09	61,580	-	28,820	28,820			
FAO Sub-total			598,526	217,123	209,364	426,487			
GATSBY FOUNDATION									
Gatsby Bioscience Wkshop	Nov-03	Dec-08	54,064	11,598	-	11,598			
GATSBY Sub-total			54,064	11,598	-	11,598			
GLOBAL ENVIRONMENT FACILITY (GEF)									

SCHEDULE OF PROGRAM RESTRICTED GRANT REVENUE FOR THE YEAR ENDED 31 DECEMBER 2008 - CURRENCY - US DOLLARS

Land Use Change Analysis as an approach for investigating Biodiversity Loss and Land Degradation	Dec-00	Mar-08	771,000	650,126	763	650,888
Development & application of decision support tools to conserve & sustainable use of Genetic diversity in Indegeneous livestock & wild relatives	Oct-03 Dec-07	Jun-08 Nov '13	450,000 3,699,000	415,460 -	34,541 346,225	450,000 346,225
GEF W/A						
GEF Sub-total			4,920,000	1,065,586	381,529	1,447,114
GLOBAL CROP DIVERSITY TRUST						
Long term funding of ex situ collections of germplasm	Dec-07	Dec-08	162,000	-	104,990	104,990
LTG Sub-total			162,000	-	104,990	104,990
GOOGLE.ORG						
Climate and Health Initiative	Jul-08	Dec-08	195,800	-	195,800	195,800
GOG Sub-total			195,800	-	195,800	195,800
GLOBAL RESEARCH & DEVELOPMENT (GRD)						
Setting up a Feeding assay for Rhinipcephalus sanguineus	Nov-02	Apr-08	63,152	1,148	20,049	21,197
GRD Sub-total			63,152	1,148	20,049	21,197

SCHEDULE OF PROGRAM RESTRICTED GRANT REVENUE FOR THE YEAR ENDED 31 DECEMBER 2008 - CURRENCY - US DOLLARS

GESELLSCHAFT FÜR TECHNISCHE ZUSAMMENARBEIT (GTZ), GERMANY									
Post Doc- Enhancing Beef Productivity, Quality, Safety and Trade in Central America - Euro 320525	Jan-04	Dec-08	780,640	729,854	2,692	732,547			
Improving the livelihoods of poor livestock keepers in Africa through community based management of indigenous farm genetic resources	Mar-04	Jun-08	1,025,765	816,156	181,804	997,960			
Improving the value of maize as a livestock feed and to enhance the livelihoods of maize-livestock farmers in East Africa	Mar-05	Feb-09	1,396,826	666,338	282,390	948,729			
Development of new diagnostic tools for contagious bovine pleuro-pneumonia	Jul-06	Jun-08	24,890	16,151	11,024	27,175			
Preventing and Containing Trypanocide Resistance in the Cotton Zone of West Africa	Sep-06	Aug-09	1,347,536	131,780	331,769	463,549			
Training course on rapid detection of avian influenza virus for veterinary and medical laboratory staff from African countries	Oct-06	Jan-08	666,029	665,493	536	666,029			
Application of genomics and proteomics to camel Streptococcus agalactiae: Development of vaccines and diagnostics to support camel milk marketing through improved control of mastitis	Jul-07	Sep-08	90,138	65,428	24,710	90,138			
Safe food, fair food : Building capacity to improve the safety of animal - source foods and ensure continued markets access for poor farmers in Sub Sahara Africa	Jan-08	Dec-10	1,559,595	-	125,937	125,937			
Investigating the pathogenicity mechanisms of contagious bovine pleuropneumonia(CBPP)-the most devastating cattle disease in Africa	Apr-08	Mar-09	73,260	-	46,917	46,917			
Supporting the vulnerable:Increasing the adaptive capacity of Agro pastoralists to Climatic change in West and Southern Africa using a Transdisciplinary research approach	May-08	Apr-11	1,353,033	-	104,231	104,231			
GTZ Sub-total			8,317,712	3,091,200	1,112,010	4,203,210			
GSDI ASSOCIATION									
Enhancing Capacity of Mapping Services within the International Livestock Research Institute	Aug-07	Sep-08	2,450	1,225	409	1,634			
GSD Sub-total			2,450	1,225	409	1,634			
UNIVERSITY OF GUELPH									
Improved pig production and Health in western Kenya	May-07	Jul-09	55,030	-	81,078	81,078			
GUE Sub-total			55,030	-	81,078	81,078			

SCHEDULE OF PROGRAM RESTRICTED GRANT REVENUE FOR THE YEAR ENDED 31 DECEMBER 2008 - CURRENCY - US DOLLARS

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SCHEDULE OF PROGRAM RESTRICTED GRANT REVENUE FOR THE YEAR ENDED 31 DECEMBER 2008 - CURRENCY - US DOLLARS

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT (IFAD)									
Programme for small ruminant health improved livelihood and market opportunities for poor farmers in near East and North Africa region (NENA)	Jan-04	Mar-08	1,100,000	1,038,197	61,704	1,099,901			
Addressing Key Constraints to the Sustainable delivery & Adoption of immunization against each coast fever for poor livestock keepers in East Africa	Jan-02	Dec-06	94,400	93,328	706	94,034			
Enhancing Livelihoods of Poor Livestock Keepers through Increased Use of Fodder	Feb-07	Dec-10	1,600,000	182,566	286,726	469,292			
IFAD Sub-total			2,794,400	1,314,091	349,136	1,663,227			
INTERNATIONAL FERTILIZER DEVELOPMENT CENTER (IFDC)									
Multi-stakeholder Approach to Linking Technical Options, policy and Market Access for Improved Land Productivity in the Northern Guinea Savanna Zone	Apr-08	Mar-09	52,000	-	10,316	10,316			
IFDC Sub-total			52,000	-	10,316	10,316			
INTERNATIONAL FOOD POLICY RESEARCH INSTITUTE (IFPRI)									
ILRI-IFPRI collaboration : Agricultural growth and investment strategies in Ethiopia	Jun-04	Jan-08	17,889	14,639	1,800	16,439			
Contract farming as a market institution for broiler and eggs production in Bangladesh	Nov-05	Sep-06	30,000	2,609	24,572	27,181			
Getting more from livestock: the potential of collective action to improve the quality of animal source foods informally marketed by women	Jun-07	Feb-10	123,000	5,648	62,572	68,220			
The Establishment of the Regional Strategic Analysis And Knowledge Support System in Eastern and Central Africa	Jan-07	Jan-10	995,433	131,761	324,964	456,725			
Avian Influenza in East and West Africa " Modeling the Spatial spread, evaluating the cost effectiveness of alternative control strategies and assessing the impact of the poor	Aug-07	Mar-10	1,840,826	-	332,133	332,133			
IFPRI Sub-total			3,007,148	154,656	746,041	900,697			
INTERNATIONAL INSTITUTE OF TROPICAL AGRICULTURE (IITA)									
Research for development, especially in the mutually interesting area of crop-livestock interactions and integration of farming systems in sub-sahara Africa	Oct-03	Sep-08	204,365	178,548	63,628	242,176			
FARA -KRM Pilot learning sites	Jul-08	Dec-08	35,800	-	29,477	29,477			
IITA Sub-total			240,165	178,548	93,105	271,653			

INTERNATIONAL RICE RESEARCH INSTITUTE									
Better livelihoods through improvement of livestock production and marketing in North East India									
	Mar-08	Jun-10				110,000	-	18,860	18,860
IRRI Sub-total						110,000	-	18,860	18,860
THE WORLD CONSERVATION UNION (IUCN)									
Building capacities for enhanced policy dialogue based on sound knowledge management in the economic valuation of pastoralism									
	Jan-07	Jan-08				19,500	1,962	13,080	15,042
IUCN Sub-total						19,500	1,962	13,080	15,042
INTERNATIONAL WATER MANAGEMENT INSTITUTE (IWMI)									
Ensuring Health and Food Safety from Rapidly Expanding Wastewater Irrigation in South Asia.									
	Jun-05	Dec-08				121,661	54,391	50,478	104,870
Improving water productivity of crop-livestock systems of the Sub-saharan Africa.									
	Apr-07	Feb-10				378,844	5,848	117,676	123,523
IWMI Sub-total						500,505	60,239	168,154	228,393
JAPAN									
Funds to support Yoshihara Kazuhiro									
	Jan-05	Jan-08				13,273	9,081	-	9,081
Visiting Scientists : Miyuki									
	Jan-06	Mar-08				3,000	457	-	457
JAPAN Sub-total						16,273	9,539	-	9,539
KENYA AGRICULTURAL RESEARCH INSTITUTE (KARI)									
KARI/ILRI Biotechnology Support Project									
	May-04	Mar-08				100,000	84,076	-	84,076
KARI Sub-total						100,000	84,076	-	84,076
KENYA									
Study of Marketing, Processing and value adding of camel milk and meat products in the ASAL region of Kenya									
	Feb-06	Dec-09				120,000	55,218	14,357	69,575
Evaluation and commercialization of medicinal plant extracts for improved livelihoods									
	Aug-07	Jul-10				30,090	-	-	-
KENYA Sub-total						150,090	55,218	14,357	69,575
KOREA									
Comparison of genetic characters among indigenous livestock									
	Jan-02	Jun-08				140,000	119,087	16,556	135,643
Activity of RDA Seconded Scientist									
	Jan-06	Dec-09				20,000	9,716	-	9,716
Funds to support									
	Jan-06	Dec-08				60,000	51,397	4,273	55,671
RDA Seconded Scientist Dr. Sung-Jong									
	Jan-07	Jun-08				80,000	22,732	46,988	69,721
Functional gene diversity for disease resistance in chicken									
	Jul-07	Jun-08				40,000	-	2,352	2,352
Utilization of tropical feed resources for pigs and ruminant									
	Jul-07	Jun-08				20,000	-	2,673	2,673

SCHEDULE OF PROGRAM RESTRICTED GRANT REVENUE FOR THE YEAR ENDED 31 DECEMBER 2008 - CURRENCY - US DOLLARS

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SCHEDULE OF PROGRAM RESTRICTED GRANT REVENUE FOR THE YEAR ENDED 31 DECEMBER 2008 - CURRENCY - US DOLLARS

OPEC FUND FOR INTERNATIONAL DEVELOPMENT (OFID), AUSTRIA									
Improvement of Fodder Markets and identification of crop varieties with improved fodder characteristics in selected disadvantaged areas of India	Jul-07	Jun-09	100,000	1,343	64,077	65,419			
OPEC Sub-total			100,000	1,343	64,077	65,419			
PURDUE UNIVERSITY									
PhD Fellowship-Camille Washington	Jul-08	Mar-09	11,325	-	46	46			
PDU Sub-total			11,325	-	46	46			
ROCKEFELLER FOUNDATION									
Developing Opportunities for Poverty Reduction through Spatial Analysis of Poverty: Making the Linkages for better Implementation of National Strategies and Plans in East Africa	Dec-06	Nov-08	220,000	74,888	105,476	180,364			
One medicine approaches to participatory epidemiology: achieving early disease detection by orienting public health goods to stakeholder priorities	Aug-08	Jul-09	297,100	-	19,619	19,619			
ROC Sub-total			517,100	74,888	125,095	199,983			
SWISS AGENCY FOR DEVELOPMENT AND COOPERATION									
Reducing the risk to the poor of zoonotic diseases	Feb-06	Dec-08	304,530	157,401	14,934	172,335			
SDC Sub-total			304,530	157,401	14,934	172,335			
SWISS COLLEGE OF AGRICULTURE (SHL)									
Marker based estimation of effective population size: Application to the conservation of indigenous African cattle populations - Post Doc research for Dr. Christine Flury	Jan-07	Dec-08	40,532	495	873	495			
SHL Sub-total			40,532	495	873	495			
STRENGTHENING INFORMATION SECTOR TRAINING ENTERPRISE (SITE)									
Improving efficiency in Milk Production & Marketing	Feb-05	Jan-08	48,944	26,264	-	26,264			
SIT Sub-total			48,944	26,264	-	26,264			
SASAKAWA GLOBAL 2000									
Integration of Water Harvesting Technologies and Small Scale Dairy Production	Jul-04	Dec-08	88,000	70,536	5,939	76,475			
SSG Sub-total			88,000	70,536	5,939	76,475			

SCHEDULE OF PROGRAM RESTRICTED GRANT REVENUE FOR THE YEAR ENDED 31 DECEMBER 2008 - CURRENCY - US DOLLARS

SWEDEN Harnessing genetic variation in trypanotolerance of Ethiopian cattle breeds to improve household welfare in tsetse infested areas of Ghibe (PHD student)	Apr-04	Dec-08	29,883	20,182	2,313	22,495
	Jun-05	Dec-08	49,154	18,684	30,470	49,154
	Jan-08	Dec-09	60,698	-	18,678	18,678
			139,735	38,866	51,461	90,327
SWEDEN Sub-total						
SYNGENTA FOUNDATION Research Technicians support	Apr-08	Sep-08	267,922	-	25,516	25,516
			267,922	-	25,516	25,516
SWITZERLAND Animal source foods and nutrition during early life; an evolution of the possible link between livestock keeping and nutritional status of young children in resource poor areas Exploration of the effects of anti-tick vaccines on transmission of Theileria parva, the causative agent of ECF Exploring opportunities for developing the use of cassava-based diets to mitigate feed scarcity in West and Southern Africa	Jul-04	Jun-08	135,768	109,482	185	109,667
	Oct-08	Sep-11	37,500	-	6,748	6,748
	Mar-07	Feb-09	40,000	36,546	2,738	39,284
			213,268	146,028	9,671	155,699
ZIL Sub-total						
SIR RATAN TATA TRUST The livestock sector in Jarkhand -Pilot study on the potential contribution to SRT Sub-total	Aug-08	Nov-08	5,939	-	6,926	6,926
			5,939	-	6,926	6,926
TERRA NUOVA Improvement and diversification of Somalia Livestock Trade and Marketing TEN Sub-total	Feb-05	Jan-08	206,707	163,566	40,543	204,109
			206,707	163,566	40,543	204,109
TEXAS A & M UNIVERSITY (TAMU) Analysis of Supply Constraints for Enhancing Meat and Livestock Exports from Ethiopia Enabling livestock product exports from Ethiopia: understanding the costs, sustainability and poverty reduction implications of SPS compliance Improving feed analytical capacity and feed information systems to support ruminant fattening for meat export in Ethiopia Enabling livestock product exports from Ethiopia: understanding the costs, sustainability and poverty reduction implications of SPS compliance Delivering systematic information on the spatial distribution and production environment descriptors of poultry farms in Ethiopia aimed at potential Avian Flu response and pandemic preparedness	Jun-06	Jan-08	85,200	60,952	6,383	67,335
	Nov-06	Jan-08	101,620	69,539	13,559	83,098
	Feb-07	Jan-08	47,520	16,973	4,349	21,322
	Nov-07	Jul-08	38,394	-	27,113	27,113
	Sep-08	Feb-09	52,530	-	-	-
TAMU Sub-total			325,264	147,464	51,404	198,868

SCHEDULE OF PROGRAM RESTRICTED GRANT REVENUE FOR THE YEAR ENDED 31 DECEMBER 2008 - CURRENCY - US DOLLARS

THE NATIONAL VETERINARY INSTITUTE (SVA), SWEDEN Novel approach and technologies to reduce the impact of nematode parasitism	Jul-05	Jun-08	329,958	268,625	87,260	355,885
			329,958	268,625	87,260	355,885
SVA Sub-total						
TRAINING						
Training Unit	Jan-06	Dec-08	58,043	48,233	9,810	5,000
			58,043	48,233	9,810	5,000
TRA Sub-total						
UNIVERSITY OF FLORIDA Carbon-Household Model	Jul-02	Sep-08	135,000	60,485	44,924	105,409
			135,000	60,485	44,924	105,409
UNIVERSITY OF GLASGOW University of Glasgow	Apr-03	Dec-08	11,629	5,375	6,389	5,375
			11,629	5,375	6,389	5,375
UNIVERSITY OF EDINBURGH AfricaNuanets	Jan-07	Nov-08	77,891	55,924	21,967	77,891
			77,891	55,924	21,967	77,891
UNIVERSITY OF NAIROBI Univ. of Nairobi - ARF funds	Sep-01	Dec-08	8,978	3,498	1,094	4,592
	Jun-04	Mar-08	4,687	2,715	2,102	4,817
			13,665	6,213	3,196	9,409
UON Sub-total						
UNIVERSITY OF SYRACUSE Hunger Safety Net Program	Apr-08	Sep-08	59,796	-	27,861	27,861
			59,796	-	27,861	27,861
SYR Sub-total						
US NATIONAL SCIENCE FOUNDATION Sources of heterogeneity in grasslands: Responses of wildlife to people on savannah landscape	Aug-04	Jul-09	394,718	307,151	43,982	351,133
Decision Making in Rangelands Systems: An Integrated Ecosystem -Agent -Based Modeling Approach to Resilience and Changes (DREAMAR)	Sep-05	Aug-08	49,269	41,119	8,150	49,269
	Sep-05	Jun-09	2,400	1,229	287	1,516
			446,387	349,499	52,419	401,918
US NSF Sub-total						
UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT (USAID) TARGET/TAF Funds: Improving livelihoods of smallholder livestock producers through peri-urban production in West Africa	Jul-02	Oct-08	600,000	495,610	106,542	602,152
	Jan-05	Dec-08	245,106	234,470	10,636	245,106
Operational Research in Indonesia for More Effective Control of Highly Pathogenic Avian Influenza	Aug-07	Aug-08	866,114	157,910	695,317	853,227
Strategic analysis knowledge support systems (SAKSS) node in Eastern & Central Africa (Phase 2)	Jan-07	Dec-09	1,200,00	143,088	362,088	505,176

Participatory approaches to disease surveillance in Africa - (Avian Influenza)	Oct-07	Sep-08	4,934,065	47,425	715,624	763,049
Participatory approaches to disease surveillance in Africa-Africa Animal Health	Oct-07	Sep-08	990,000	2,295	342,515	344,810
USA Sub-total			7,635,285	1,080,798	2,232,722	3,313,520
UNITED STATES DEPARTMENT OF AGRICULTURE						
Tick vaccines	Nov-04	Dec-08	120,000	120,000	3,438	123,438
Improving vaccine efficacy by directed priming of CD4 and CD8 T Lymphocytes	Sep-06	Aug-08	50,000	35,076	37,280	72,356
"Identify and test additional tick antigens for use in transaction based /and or subunit vaccines"	Jan-06	Jan-11	300,000	94,152	191	94,343
Evaluation of the induction of bovine cytotoxic T cell responses by recombinant live attenuated <i>Listeria monocytogenes</i>	Oct-06	Oct-08	18,256	18,061	195	18,256
Rift Valley Fever (RVF) Impact Assessment Project						
Assessing the Impact of protein supplementation and Anthelmintic potential of Workshop on Participatory Epidemiology for USDA Decision - makers	Apr-07	Jan-08	104,328	87,861	14,055	101,916
USDA Sub-total						
VETERINAIRES SANS FRONTIERES						
Vaccine Stabilate Diluent Preparation for ECF Immunizations in Tanzania	Jan-06	Dec-08	628,479	260,202	368,277	628,479
East Coast Fever component of the food security and livelihood improvement program, Equatorial West of the Nile	Aug-05	Jul-08	24,690	24,562	11,314	35,876
Development of monitoring and evaluation tools for Livestock development	Nov-05	Oct-08	191,160	168,698	17,440	186,138
VSF-B Sub-total			844,329	453,462	397,031	850,493
WORLD AGROFORESTRY CENTRE (ICRAF)						
ICT ILRI/ICRAF	Jan-08	Dec-08	524,183	-	524,183	524,183
ICRAF Sub-total			524,183	-	524,183	524,183
WORLD BANK						
Rehabilitating CGIAR Global Public Goods Assets (Genebank)	Mar-04	Dec-08	1,191,500	1,129,551	61,950	1,191,501
Information and communication Technology / Global Public Goods (ICT/GPG)	Nov-04	Dec-08	725,400	341,104	108,606	449,710
ILRI/FARA ALIVE project	Sep-05	Dec-08	200,000	182,541	17,464	200,005
ILRI-World Bank Workshop on World Development Report 2008, Agriculture for Development.	Nov-06	Dec-08	50,000	33,176	13,692	46,868
Consultancy K. Elumalai	Jul'07	Jan'08	19,888	1,285	12,344	13,629
Kenya - Adaptation to Climate Change in Arid Lands	Jun'07	Dec'08	68,708	61,853	6,856	68,709
Paper on WDR2010 - Climate Change and Livestock	Aug'08	Jun'09	15,000	-	29	29
WB Sub-total			2,270,496	1,749,510	220,941	1,970,451

WELLCOME TRUST						
Functional genomics	Sep-02	Nov-08	1,560,000	1,095,595	287,057	1,382,652
An integrated approach for the development of sustainable methods to control theileriosis	Apr-05	Mar-10	133,840	88,553	19,654	108,207
Bovine Tuberculosis in the developing world	Apr-05	Apr-10	473,102	250,302	92,699	343,001
A genomics approach to understanding the immunopathology of contagious bovine pleuropneumonia (CBPP)	Jun-05	May-10	1,274,290	506,115	366,195	872,310
	Oct-06	Jan-12	1,496,111	338,711	460,772	799,483
WEL Sub-total			4,937,343	2,279,276	1,226,377	3,505,653
W.KELLOGG FOUNDATION						
Develop sustainable capacity to support the research and development systems in the developing world-Southern African Development Community						
	Feb-08	Jan-09	46,500	-	46,500	46,500
WKF Sub-total			46,500	-	46,500	46,500
Sub-Total : A			112,499,181	44,098,891	21,600,502	58,487,621
Restricted - Temporary Total : (A + B)			125,588,005	48,866,536	25,523,181	67,037,341
C: Restricted - Temporary - Challenge Programs (CP)						
INTERNATIONAL WATER MANAGEMENT INSTITUTE (IWMI)						
Increasing water use efficiency for food production through better livestock management: The Nile Basin	Jun-04	Jun-08	964,454	423,023	241,231	664,254
Improved water and land management in the Ethiopian highlands and its impact on downstream stakeholders dependent on the Blue Nile Short title: Upstream downstream	May-07	Sep-09	97,919	1,940	51,798	53,738
Nile Basin Focal Project	Jan-08	Dec-09	83,168	-	15,317	15,317
Enhancing Livelihoods of Poor Livestock Keepers through Increased Use of Fodder	Mar-08	Mar-09	111,447	-	14,001	14,001
IWMI Sub-total			1,256,988	424,963	322,347	747,310
Sub-Total :C			1,256,988	424,963	322,347	747,310

SCHEDULE OF FURNISHINGS AND EQUIPMENT FOR THE YEAR ENDED 31 DECEMBER 2008 - CURRENCY - US DOLLARS - ILRI

	Balance at 01.01.08	Unrestricted additions	Restricted additions	BecA Additions	Adjustments	Disposals	Balance at 31-Dec-08
COST							
Laboratory and scientific equipment	9,013	53	40	-	1	(24)	9,083
Computers	3,824	324	386	-	(20)	(65)	4,449
Office, furniture and other equipment	1,507	75	330	-	(14)	(39)	1,859
Motor Vehicles	2,886	124	63	-	(14)	(119)	2,940
Operating/Heavy Duty equipment	2,496	10	208	-	-	(11)	2,703
Laboratory and scientific equipment-Beca	593	-	-	760	(271)	-	1,082
Computer Equipment - Beca	32	-	-	35	(22)	-	45
Office & Furniture Eqmpt - Beca	23	-	-	21	-	-	44
Motor Vehicles	-	-	-	46	-	-	46
Operating/Heavy Duty equipment-Beca	-	-	-	341	-	-	341
TOTAL COST OF FIXED ASSETS	20,374	586	1,027	1,203	(340)	(258)	22,592

ACCUMULATED DEPRECIATION							
Laboratory and scientific equipment	(8,581)	(106)	(40)	-	-	24	(8,703)
Computers	(3,343)	(339)	(386)	-	7	64	(3,997)
Office, furniture and other equipment	(1,110)	(116)	(330)	-	-	39	(1,517)
Motor Vehicles	(2,230)	(206)	(63)	-	-	119	(2,380)
Operating/Heavy duty equipment	(2,443)	(12)	(208)	-	-	11	(2,652)
Laboratory and scientific equipment-Beca	(568)	-	-	(760)	247	-	(1,081)
Computer Equipment - Beca	(32)	-	-	(35)	20	-	(47)
Office & Furniture Eqmpt - Beca	(23)	-	-	(21)	-	-	(44)
Motor Vehicles	-	-	-	(46)	-	-	(46)
Operating/Heavy Duty equipment-Beca	-	-	-	(341)	-	-	(341)
TOTAL ACC. DEPRC	(18,330)	(779)	(1,027)	(1,203)	274	257	(20,808)

NET BOOK VALUE							
Laboratory and scientific equipment	432	(53)	-	-	1	-	380
Computers	481	(15)	-	-	(13)	(1)	452
Office and housing furniture and equipment	397	(41)	-	-	(14)	-	342
Motor Vehicles	656	(82)	-	-	(14)	-	560
Operating/Heavy duty equipment	53	(2)	-	-	-	-	51
Laboratory and scientific equipment	25	-	-	-	(24)	-	1
Computer Equipment - Beca	-	-	-	-	(2)	-	(2)
Office & Furniture Eqmpt - Beca	-	-	-	-	-	-	-
TOTAL NET BOOK VALUE	2,044	(193)	-	-	(66)	(1)	1,784

**SCHEDULE OF DIRECT AND INDIRECT COST RATES
FOR THE YEAR ENDED 31 DECEMBER 2008
Currency - US Dollar (thousands)**

**STATEMENT OF OPERATING EXPENSES
FOR THE YEAR ENDED 31 DECEMBER 2008**

	2008 '000	2007 '000
Direct Operating Expenses		
Research	28,141	25,733
Research Support	3,338	5,929
sub-total	31,478	31,662
less: Overhead recovery ¹	(2,041)	(1,760)
Total	29,437	29,902
Indirect Operating Expenses		
Management	2,176	1,863
Operations	1,814	1,580
Common Sustenance Services	1,614	1,784
Total	5,604	5,227
Total Operating Expenses	35,041	35,129
 Cost Ratios		
Direct/Total	84%	85%
Indirect/Total	16%	15%
Indirect/Direct	19%	17%

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 always the amount shown as recovery in the Statement of Activity (SOA).

External Revenue has been deducted from the relevant cost centres that generated the income except Debre Zeit