Financial Statements

2004

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

About ILRI

The International Livestock Research Institute (ILRI) (www.ilri.org) has a mandate to enhance the well-being of present and future generations in developing countries through research to improve sustainable livestock production. It works in partnerships and alliances with other organisations, national and international, in the fields of livestock research, training and information exchange. ILRI was formed in 1994. Its headquarters are in Nairobi, Kenya, with offices in seven more countries around the world.

ILRI is one of 15 Future Harvest centres (www.futureharvest.org), which conduct food and environmental research to help alleviate poverty and increase food security while protecting the natural resource base. The centres are funded through countries, private foundations, regional and international organisations, and are supported by the Consultative Group on International Agricultural Research (CGIAR).

The CGIAR (www.cgiar.org) is an informal association of public- and private-sector members. The CGIAR's mission is to contribute to food security and poverty eradication in developing countries through research, partnership, capacity building and policy support. It promotes sustainable agricultural development based on the environmentally sound management of natural resources. The CGIAR is co-sponsored by the Food and Agriculture Organization of the United Nations (FAO), the International Fund for Agricultural Development (IFAD), the United Nations Development Programme (UNDP) and the World Bank.

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Board of Trustees

R. Bruce Scott
Secretary
Nairobi
05 April 2005

Top, Left to Right:
Prof Jan Philipsson Dr Romano Kiwome Dr Uwe Werblow Dr Agnes Casiple Rola Dr Carlos Seré Dr Teruhide Fujita
Bottom, Left to Right:
Ato Belay Ejigu Dr Fee Chon Low Dr John Vercoe Dr Nthoana Tau-Mzamane Dr Paul-Pierre Pastoret Dr Jo Luck

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. ILRI works in the tropical developing regions of Africa, Asia and Latin America and the Caribbean, with offices in East and West Africa, South and South-East Asia, China and Central America, and projects in Southern Africa, North Africa and the Near East.

Why livestock research for the poor?

Farm animals are a vital natural resource throughout the developing world and a means for hundreds of millions of people to escape absolute poverty. Livestock in developing countries contribute up to 80 percent of agricultural GDP; 600 million rural poor people rely on livestock for their livelihoods. Globally, livestock are becoming agriculture's most economically important subsector, with demand in developing countries for animal foods projected to double over the next 20 years. Livestock not only provide poor people with food, income, traction and fertiliser but also act as catalysts that transform subsistence farming into income-generating enterprises, allowing poor households to join the market economy.

Holding back livestock development in poor countries are inappropriate policies, scarce livestock feeds, devastating diseases, degraded lands and water resources, and poor access to markets. Research by ILRI and its partners is helping to alleviate these problems by developing with partners new technological and policy options.

Research themes

ILRI's strategy places poverty at the centre of an output-oriented agenda. The strategy focuses on three livestock-mediated pathways out of poverty: (1) maintaining assets, (2) increasing productivity and (3) enhancing market access. ILRI's research portfolio comprises the following five themes.

ILRI's agenda comprises five strategic research themes:

Theme 1: Targeting opportunities

Anticipating how livestock systems will evolve and where, when and how livestock-related policy and technological interventions can best alleviate poverty, sustain rural livelihoods and protect the environment.

Theme 2: Enabling innovation

Understanding mechanisms that make research more effective and efficient, knowledge more contagious, processes more inclusive and outcomes more in favour of livestock-dependent poor people.

Theme 3: Market opportunities

Bringing together their policy and technical capacities from macro- to micro-levels, ILRI and IFPRI have developed a joint programme to improve the market success of poor livestock keepers.

Theme 4: Biotechnology

Developing and applying technologies that allow poor livestock keepers to secure their livestock assets through the development and application of biotechnology.

Theme 5: People, livestock and the environment

Enhancing the role livestock play in the sustainable livelihoods of poor households, in particular the natural resource and human health assets.

Statement of purpose *continued*

Campuses and staff

ILRI's headquarters are located in Nairobi, Kenya, with a second principal campus in Addis Ababa, Ethiopia. We employ over 720 staff from about 40 countries. Seventy-five staff were recruited through international competitions and represent some 30 disciplines. Around 600 staff are nationally recruited, largely from Kenya and Ethiopia. Out of ILRI's 720 staff, 180 are women.

Governance

A Board of Trustees comprising 12 leading livestock-related research specialists from countries of the North and South provides guidance. ILRI belongs to the Consultative Group on International Agricultural Research (CGIAR). This association of 62 governments and public- and private-sector institutions supports a network of 15 Future Harvest agricultural research centres 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 (UNDP), the Food and Agriculture Organization of the United Nations (FAO) and the International Fund for Agricultural Development (IFAD).

Funding

ILRI is funded by more than 50 private, public and government organisations 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, such as those in Kenya, Ethiopia and The Philippines, 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 collaborates with several hundred institutions in developed and developing countries. All ILRI work is conducted in extensive and strategic partnerships that facilitate and add value to the contribution of many other players in livestock for development work. ILRI is adopting an innovative systems approach as a powerful tool to enhance the effectiveness of its research in contributing to actual innovations reaching the poor.

The investors

ILRI gratefully acknowledges and thanks all the investor countries and organisations that supported it as detailed in Exhibits 1 to 4.

Signed on behalf of the Board of Trustees by:

Dr Carlos Seré
Director General
April 2005

Statement of the Board Chair

For the year ended 31 December 2004

The year ending 31 December 2004 was again a very exciting one. We celebrated the 10th anniversary of the establishment of ILRI, we made significant progress on the Bio-science initiative for Eastern and Central Africa (BECA) as well as the Global Alliance for Livestock Vaccine (GALV) and we increased the pace in implementing ILRI's new strategy.

Two Board meetings and retreats held in Addis and Nairobi and the Annual Programme Meeting provided the BoT with ample opportunities to monitor ongoing work and progress and to reflect on strategic issues related to the Institute and the CGIAR as a whole, e.g. relating ILRI's research priorities to the evolving CG system priorities, adapting the Institute's MTPs and looking at performance measurement and performance indicators. The Board also spent considerable time discussing risk mitigation strategies for the Institute.

In 2004, the Board welcomed a new member, Dr Romano Kiome, who is the Government of Kenya representative to the Board. Dr Kiome is the Director of the Kenya Agricultural Research Institute (KARI). The Board also recognised the contribution of the outgoing Kenyan representative, Dr Wilfred Mwangi.

The former ILRI Board Chair, Dr John Vercoe retired from service to the Board in November 2004. Dr Vercoe served on the Board for the last six years, five of which as Chair. The Board, management and staff paid recognition to Dr Vercoe's contribution. He was able to provide leadership during some major changes in ILRI at a time when the Institute continued to grow and mature, when it was required to appoint a new Director General, Carlos Seré and when it needed to develop a new strategy.

We are pleased to note the continued financial stability and the sound fiscal management of the Institute. Revenue in 2004 amounted to US$ 34.937 million against expenditure of US$ 31.711 million resulting in a small surplus of the year. The Institute's assets at the end of 2004 amounted to US$ 30.322 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.

Let me say that I was honoured to have been elected the new ILRI Board Chair by my fellow colleagues on the Board. I wish to assure you that I will serve the Institute and all of our partners to the best of my ability. I am very optimistic about ILRI's future as we respond to new global and regional challenges and as we continue to strengthen and broaden our partnerships as the main tool for operation.

Finally, on behalf of the members of the Board I wish to thank our investors and partners. It is only with their support and commitment that we can achieve impact to improve the lives of the poor of which the large majority depends on livestock as the key asset.

Uwe Werblow
Board Chair

Board statement on risk management

On the financial statements for the year ended 31 December 2004

ILRI's Board of Trustees has responsibility for ensuring an appropriate risk management system to identify and manage high and significant risks to the achievement of the Institute's business objectives, and to ensure alignment with CGIAR principles and guidelines that have been adopted by all CGIAR centres and institutes. These risks include financial, operational and reputational risks that are inherent in the nature, modus operandi and location of the Institute's activities and are as dynamic as the environment in which the Institute operates. They represent the potential for loss resulting from inadequate or failed internal processes or systems, human factors or external events. They include business disruption and information system failure, liquidity problems, transaction processing failures, loss of assets including information assets and germplasm held in trust, failures to recruit, retain and effectively utilise qualified and experienced staff, failures in staff health and safety systems and failures in the execution of legal, fiduciary and agency responsibilities.

Risk mitigation strategies have been ongoing at the Institute and include the implementation of systems of internal control, which, by their nature, are designed to manage rather than eliminate the risk. The Institute also endeavours to manage risk by ensuring that the appropriate infrastructure, controls, systems and people are in place throughout the organisation. Existing key practices employed and being developed in managing risks include environmental scans, clear policies and accountabilities, transaction approval frameworks, financial and management reporting and the monitoring of metrics which are designed to highlight positive or negative performance of individuals and business processes across a broad range of key performance areas. The design and effectiveness of the risk management system and internal controls has been subject to ongoing support by the CGIAR's Internal Audit Unit, which is independent of ILRI's business units.

The Board has adopted a risk management policy that was communicated to all staff. The policy includes a framework by which the Institute's management identifies, evaluates and prioritises risks and opportunities across the organisation; develops risk mitigation strategies that balance benefits with costs; monitors the implementation of these strategies; and periodically reports to the Board on results.

In 2004, the Institute carried out a Centre-wide risk analysis with input from all man agers. The Institute also appointed a risk management team to co-ordinate the implementation of the policy. The team has begun reviewing the results of the initial Centre-wide risk analysis with a view of developing action plans to put in place mitigation measures for the major risks that have been identified.

In 2005, the Institute intends to implement the mitigation measures for key risks identified and to continuously monitor the changes impacting on the initial risk analysis. The Board is satisfied that ILRI has begun to implement its risk management policy effectively during 2004.

Statement of management's responsibilities

On the financial statements for the year ended 31 December 2004

The Institute's 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 as at the end of the financial year and of the results of its activities for that year. The management is also required to ensure that the Institute keeps proper accounting records, which disclose, with reasonable accuracy, the financial position of the Institute. They are also responsible for safeguarding the assets of the Institute and for maintaining adequate systems of internal control.

The 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 the requirements of the CGIAR financial guideline series 2—Accounting policies and reporting practices manual (March 2004). 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 of its results of activities.

Nothing has come to the attention of the management to indicate that the Institute will not remain a going concern for at least the next 12 months from the date of this statement.

Signed on behalf of Management by:

Dr Carlos Seré
Director General

Brigitte Laude, CPA
Director of Human Resources,
Finance and Administration

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Report of the Auditors

to the Board of Trustees of International Livestock Research Institute

We have audited the financial statements on pages 10 to 23 for the year ended 31 December 2004 and have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

Respective responsibilities of management and the independent auditors

As stated on page 8, the management are responsible for the preparation of financial statements which give a true and fair view of the state of affairs of the institute and of the results of its activities for the year. Our responsibility is to express an independent opinion on the financial statements based on our audit and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. It also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall accounts presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, proper books of account have been kept and the financial statements, which are in agreement therewith, give a true and fair view of the state of the financial affairs of the institute as at 31 December 2004 and of the results of its activities for the year then ended in conformity with the requirements of the CGIAR Financial Guideline Series No 2 - Accounting Policies & Reporting Practices Manual (March 2004).

Ernst & Young
Certified Public Accountants

Nairobi
6 April 2005

Statement of financial position

as at 31 December 2004

ASSETS	Note	2004 US$ '000	2003 US$ '000
Current assets			
Cash and cash equivalents	3	24,620	16,713
Accounts receivable			
Donors—net	4	5,821	7,683
Employees		200	292
Others	5	1,274	935
Inventories—net	6	740	821
Prepaid expenses		281	231
Total Current Assets		32,936	26,675
Non-current assets			
Intangible assets—net	7	43	51
Property and equipment—net	8	12,154	13,628
Investment in subsidiary	9	1,816	1,816
Total Non-Current Assets		14,013	15,495
TOTAL ASSETS		46,949	42,170
LIABILITIES AND NET ASSETS			
Current Liabilities			
Accounts payable			
Donors	10	11,204	10,257
Employees	11	1,023	1,018
Others	12	1,799	1,499
Accruals	13	1,905	1,682
Total current liabilities		15,931	14,456
Non-Current Liabilities			
Accounts payable—Employees	11	696	618
Total Liabilities		16,627	15,074
Net assets			
Unrestricted—Undesignated	14	15,723	11,017
—Designated		14,599	16,079
Total Net Assets		30,322	27,096
TOTAL LIABILITIES AND NET ASSETS		46,949	42,170

The financial statements were approved by the Board of Trustees on 5 April 2005 and were signed on its behalf by:

Dr Carlos Seré
Director General

Brigitte Laude, CPA
Director of Human Resources, Finance and Administration

Statement of activities

for the year ended 31 December 2004

REVENUE AND GAINS	Note	Unrestricted	Restricted Temporary	2004 US$ '000	2003 US$ '000
Grant Revenue (Exhibits I, II & III)	15	15,111	17,753	32,864	28,675
Other revenue and gains	16	2,073	–	2,073	2,127
Total revenue and gains		17,184	17,753	34,937	30,802
EXPENSES AND LOSSES					
Programme related expenses	17	6,890	17,753	24,643	22,721
Management and general expenses*	18	8,113	–	8,113	8,866
Other losses and expenses	19	39	–	39	34
Sub-total expenses and losses		15,042	17,753	32,795	31,621
Indirect cost recovery	20	(1,084)	–	(1,084)	(925)
Total expenses and losses		13,958	17,753	31,711	30,696
NET SURPLUS		3,226	–	3,226	106
EXPENSES BY NATURAL CLASSIFICATION					
Personnel costs	21	7,434	6,055	13,489	13,802
Collaborators/partnership costs		–	3,885	3,885	2,652
Supplies and services		4,276	5,372	9,649	10,731
Operational travel		562	1,190	1,752	1,287
Depreciation		1,686	1,250	2,936	2,224
Total		13,958	17,753	31,711	30,696

* Management and general expenses are stated after deduction of non-third party income from the canteen, hostel and other income generating activities operated by the Institute.

Statement of changes in net assets

for the year ended 31 December 2004

	Notes	Undesignated US$ '000	Designated US$ '000	Total US$ '000
Balance at 1 January 2003		9,547	17,443	26,990
Net changes in investment in Fixed Assets		1,364	(1,364)	–
Net Surplus for 2003		106	–	106
Balance as at 31 December 2003		11,017	16,079	27,096
Net changes in investment in Fixed Assets		1,480	(1,480)	–
Net Surplus for 2004		3,226	–	3,226
Balance as at 31 December 2004	14	15,723	14,599	30,322

The designated net assets represent that part of net assets that has been set aside by the Board of Trustees for specific purposes, such as a reserve for the future acquisition and replacement of property and equipments, while undesignated net assets represent that part of net assets that is not set aside for any specific purpose.

Statement of cash flow

for the year ended 31 December 2004

	Note	2004 US$ '000	2003 US$ '000
Change in net assets		3,226	106
Adjustments to reconcile change in net assets to net cash generated from operating activities:			
Depreciation of property and equipment		2,909	2,098
Amortisation of intangible assets		27	126
Loss/(Gain) on disposal of property and equipment		135	(101)
Decrease/(increase) in assets:			
Accounts receivable			
Donors		1,862	(784)
Employees		92	6
Others		(339)	(140)
Inventories		81	136
Prepaid expenses		(50)	58
Increase/(decrease) in liabilities:			
Accounts payable			
Donors		948	5,847
Employees		83	40
Others		300	(2)
Accruals		223	252
Net cash generated from operating activities		9,497	7,642
CASH FLOWS GENERATED FROM/USED IN INVESTING ACTIVITIES			
Acquisition of property and equipment		(1,595)	(824)
Acquisition of intangible assets		(12)	(36)
Proceeds of disposal of property and equipment		17	122
Net cash used in investing activities		(1,590)	(738)
NET INCREASE IN CASH AND CASH EQUIVALENTS			
CASH AND CASH EQUIVALENTS		7,907	6,904
At the beginning of the year		16,713	9,809
At the end of the year	3	24,620	16,713

Notes to the financial statements

for the year ended 31 December 2004

1 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). Under these agreements, ILRI and its assets are not subject to any direct or indirect taxation.

2 SIGNIFICANT ACCOUNTING POLICIES

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 and reporting practices manual (March 2004). These policies are summarised below.

(a) *Accounting convention*

The financial statements are prepared under the historical cost convention and on accrual basis.

(b) *Revenue recognition*

- 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.
- Restricted grants are recognised as revenue upon the fulfilment of donor-imposed conditions.
- 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:

- 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.
- Non US dollar denominated expenditures are recorded at the average rates of exchange for the month in which they are incurred and are accumulated in US dollars.

- 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.
- 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 includes cash on hand and in banks. Cash equivalents are short term, highly liquid investments that are both (a) readily convertible to known amounts of cash and (b) 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. The write off of receivables is done after all efforts to collect have been exhausted.

(f) *Property and equipment*

Property and equipment are 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.

Items of lasting value with an initial acquisition cost of less than US$ 1000 are treated as operating expenses in the year of purchase.

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 carried on leasehold land donated by host countries were constructed using unrestricted funding and have, therefore, 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 of by the CGIAR (in consultation with Government of Ethiopia in Ethiopia).

Property and equipment acquired using project-restricted funds are fully depreciated on purchase under the specific benefiting projects. Such assets are not reflected as part of the Institute's property and equipment but are presented in the financial statements as assets in custody.

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.

Notes to the financial statements *continued*

for the year ended 31 December 2004

(g) *Depreciation and 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:

Buildings and land improvements	2.5%–3%	(33–40 years)
Laboratory and scientific equipment	10%–15%	(7–10 years)
Computers	20%–33.33%	(3–5 years)
Office and household furniture and equipment	12.5%–20%	(5–8 years)
Farm equipment	10%	(10 years)
Motor vehicles	20%–25%	(4–5 years)
Purchases software costs	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 its use discontinued.

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

(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) *Investment in subsidiary*

The investment in Kapiti Plains Estate Limited, a wholly owned subsidiary, is stated at cost. Consolidated financial statements are not prepared as, in the opinion of the Institute's management, consolidated financial statements would be of no real value to the Board of Trustees in view of the insignificance of the subsidiary's income and expenses.

(k) *Funds in trust*

Funds in trust represent funds received from donors on behalf of other collaborating centres (usually centres operating under the National Agricultural Research Systems) and are, in accordance with CGIAR guidelines, recognised as liabilities until disbursed. The Institute manages these funds on behalf of the donors and has no entitlement to direct use of the funds for its programmes.

Notes to the financial statements *continued*

for the year ended 31 December 2004

(l) *Inventories*

Inventories are stated at the lower of cost and net realisable value. Cost is calculated on the weighted average basis and includes purchase price, freight and other incidental costs.

Provisions are made against inventories considered by management to be obsolete or excessive in relation to the Institute's requirements.

(m) *Staff provisions*

Provision is made for unutilised leave entitlements of all staff and a proportion of the repatriation cost for international staff, based on the percentage of each individual staff member's contracts covered up to the date of the statement of financial position.

(n) *Staff retirement benefits*

The Institute's contributions are maintained as a defined contribution plan for all categories of staff.

(o) *Net assets*

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

		2004	2003
3	CASH AND CASH EQUIVALENTS	US$ '000	US$ '000
	Institute's cash and cash equivalents	14,446	7,197
	Restricted donor advances	9,817	9,159
	Funds in trust	357	357
	Total cash and cash equivalents	24,620	16,713
	Comprising:		
	Short-term investments	17,090	10,337
	Bank balance	7,511	6,355
	Cash in hand	19	21
		24,620	16,713
4	ACCOUNTS RECEIVABLE—DONORS		
	Unrestricted	2,424	3,343
	Programme restricted	100	283
	Project restricted	3,974	4,254
		6,498	7,880
	Less: Allowance for doubtful accounts	(677)	(197)
		5,821	7,683

Notes to the financial statements *continued*

for the year ended 31 December 2004

		2004	2003
5	ACCOUNTS RECEIVABLE—OTHERS	US$ '000	US$ '000
	Due from subsidiary	192	234
	Interest receivable	15	2
	AIARC for IRS salaries	43	97
	Current accounts	393	60
	CG Centres	64	139
	Consultants and trainees	35	55
	Others	672	420
		1,414	1,007
	Less: Allowance for doubtful accounts	(140)	(72)
		1,274	935
6	INVENTORIES		
	Engineering and maintenance parts	516	522
	Laboratory and chemical supplies	405	402
	Printing supplies	15	40
	Office and other supplies	242	252
	Livestock and feedstuff	18	20
		1,196	1,236
	Less: Allowance for obsolescence	(456)	(415)
		740	821
7	INTANGIBLE ASSETS—COMPUTER SOFTWARE		
	Cost		
	At 1 January	451	415
	Additions	12	36
	Transfers	7	–
	At 31 December	470	451
	Accumulated Amortisation		
	At 1 January	400	274
	Charge for the year	27	126
	At 31 December	427	400
	Net book value		
	At 31 December	43	51

Notes to the financial statements *continued*

for the year ended 31 December 2004

8 PROPERTY AND EQUIPMENT

	Balance at 01/01/04 US$ '000	Additions US$ '000	Adjustments US$ '000	Transfers US$ '000	Other movements US$ '000	Balance at 31/12/2004 US$ '000
Cost						
Physical facilities, infrastructure and leasehold improvements	27,323	81	–	19	–	27,423
Furnishings and equipment (Exhibit 5)	24,937	1,462	–	–	(4,771)	21,628
Construction work in progress	28	52	–	(28)	–	52
	52,288	1,595	–	(9)	(4,771)	49,103
Accumulated depreciation						
Physical facilities, infrastructure and leasehold improvements	16,065	794	–	–	–	16,859
Furnishings and equipment (Exhibit 5)	22,595	2,115	–	–	(4,620)	20,090
	38,660	2,909	–	–	(4,620)	36,949
Net book value						
Physical facilities, infrastructure and leasehold improvements	11,258	(713)	–	20	–	10,565
Furnishings and equipment (Exhibit 5)	2,342	(653)	–	–	(157)	1,538
Construction work in progress	28	52	–	(27)	–	53
	13,628	(1,314)	–	(9)	(151)	12,154

Fully depreciated assets

At 31 December 2004, equipment with a cost of US$ 17,415,511 (2003: US$ 19,721,934) were fully depreciated. The additional depreciation charge in 2004 on these items would have been US$ 2,478,011 (2003: US$ 2,044,000).

Assets in custody

At 31 December 2004, property and equipment with a cumulative cost of US$ 1,783,127 (2003: US$ 540,409), 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 that date.

Notes to the financial statements *continued*

for the year ended 31 December 2004

9 INVESTMENT IN SUBSIDIARY

This represents the cost of investment in Kapiti Plains Estate Limited, a ranch that was acquired for the purposes of securing adequate supplies of disease-free livestock to the Institute.

The subsidiary's loss before taxation for the year ended 31 December 2004 amounted to US$ 47,720 (2003: Profit of US$ 526,627) while its net assets amounted to US$ 2,712,146 (2003: US$ 1,898,040). The carrying value of the investment in ILRI's financial statements has, however, not been adjusted to the subsidiary's net assets value as, in the opinion of management, the realisable value of the investment approximates the value reflected in the statements of financial position.

Consolidated financial statements are not prepared as, in the opinion of the Institute's management, consolidated financial statements would be of no real value to the Board of Trustees in view of the insignificance of the subsidiary's income and expenses.

		2004	2003
10	ACCOUNTS PAYABLE—DONORS	US$ '000	US$ '000
	Unrestricted	1,387	1,098
	Programme restricted	1,235	1,245
	Project restricted	8,582	7,914
		11,204	10,257
11	ACCOUNTS PAYABLE—EMPLOYEES		
	Staff personal accounts	347	386
	Provision for repatriation costs	940	885
	Provision for accrued leave	432	365
		1,719	1,636
	Less: Amount payable within one year	(1,023)	(1,018)
	Amount payable after one year	696	618

The entire amount payable after one year represents provision for repatriation costs for internationally recruited staff.

12	ACCOUNTS PAYABLE—OTHERS		
	Due to suppliers	878	446
	Outposted offices	248	222
	Other CG Centres	66	37
	Sundry payables	250	437
	Funds in-trust	357	357
		1,799	1,499
13	ACCRUALS		
	Project expenses and commitments	1,126	805
	General supplies and services	765	823
	Outposted offices	13	54
		1,905	1,682

14 NET ASSETS	Undesignated US$ '000	Designated US$ '000	Total US$ '000
Balance at 1 January 2004	11,017	16,079	27,096
Depreciation charge for the year	2,909	(2,909)	–
Amortisation for the year	27	(27)	–
Acquisition of property equipment	(1,595)	1,595	–
Acquisition of intangible assets	(12)	12	–
Other movements	151	(151)	–
Total	1,480	(1,480)	–
Changes in net asset during the year	3,226	–	3,226
Balance as 31 December 2004	15,723	14,599	30,322

15 GRANT REVENUE (Exhibits 1, 2 and 3)

	Advance donations 1/1/04 US$ '000	Donor receivables 1/1/04 US$ '000	Total receipts 2004 US$ '000	Donor receivables 31/12/04 US$ '000	Adjustments 2004 US$ '000	Advance donations 31/12/04 US$ '000	Revenue for 2004 US$ '000	Revenue for 2003 US$ '000
Un-restricted	1,098	(3,342)	16,318	2,424	–	(1,387)	15,111	12,726
Programme restricted	1,245	(283)	1,407	100	(116)	(1,235)	1,118	2,839
Project restricted	7,914	(4,254)	17,802	3,974	(219)	(8,582)	16,635	13,110
	10,257	(7,879)	35,527	6,498	(335)	(11,204)	32,864	28,675

16 OTHER REVENUE AND SUPPORT	2004 US$ '000	2003 US$ '000
Interest income	192	96
Rent income	586	422
Catering income	239	209
Gain on disposal of equipment	–	101
Service income	712	1,040
Foreign exchange gains—net	344	259
	2,073	2,127

17 PROGRAMME RELATED EXPENSES		
Personnel costs (note 21)	9,852	10,017
Collaborators/partnership costs	3,885	2,652
Supplies and services	7,552	7,784
Operational travel	1,467	1,091
Depreciation and Amortisation	1,887	1,177
	24,643	22,721

Notes to the financial statements *continued*

for the year ended 31 December 2004

		2004	2003
18	MANAGEMENT AND GENERAL EXPENSES	US$ '000	US$ '000
	Personnel costs (note 21)	3,637	3,785
	Collaborators/partnership costs	–	–
	Supplies and services	3,109	3,838
	Operational travel	285	196
	Depreciation and Amortisation	1,082	1,047
		8,113	8,866

19	OTHER EXPENSES AND LOSSES		
	Bank charges	39	34

20 INDIRECT COSTS RECOVERY

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

		2004	2003
21	PERSONNEL COSTS	US$ '000	US$ '000
	Management and general operations		
	Salaries and allowances	2,903	3,012
	Pension contributions	370	355
	Medical and life insurance	279	291
	Relocation and leave expenses	35	118
	Other personnel costs	50	9
		3,637	3,785
	Programme related activities		
	Salaries and allowances	7,270	7,656
	Pension contributions	888	945
	Medical and life insurance	554	612
	Relocation and leave expenses	577	722
	Other personnel costs	563	82
		9,852	10,017
	Total personnel costs	13,489	13,802

The average number of staff during the year was 702 (2003: 726).

Notes to the financial statements *continued*

for the year ended 31 December 2004

22 COMPARATIVES

Where necessary, the comparative figures have been adjusted to conform to changes in presentation in the current year. In particular, the comparative figures for account receivables, account payables—donors, other revenue and support, indirect cost recovery, programme related expenses and expenses by natural classification have been adjusted to conform to changes in presentation in the current year.

23 CURRENCY

These financial statements are presented in United States dollar thousands (US$ '000).

24 CONTINGENCIES

The Institute has only a few and minor legal lawsuits and disputes. Management believes that the outcome of those disputes will not materially affect the Institute's financial position and the results of its activities.

Unrestricted core funding *for the year ended 31 December 2004 — Currency – US dollars*

Donor	Donations in advance as at 1/1/04	Receivable as at 1/1/04	Total receipts 2004	Receivable 31/12/04	(Advance) 31/12/04	Revenue for 2004	Revenue for 2003
Australia	–	–	216,840	–	–	216,840	196,800
Belgium	–	–	166,070		–	166,070	182,306
Canada	935,711	(60,151)	1,823,544	311,442	(1,007,852)	2,002,694	1,600,158
China	–	(50,000)	50,000	50,000	–	50,000	50,000
Denmark	–	–	457,609	–	–	457,609	603,911
Finland	–	–	–	447,828	–	447,828	415,798
Germany	–	–	365,365	–	–	365,365	297,675
Ireland	–	–	735,745	–	–	735,745	704,820
India	–	(37,500)	75,000	–	–	37,500	37,500
Italy	–	(395,076)	395,076	558,819	–	558,819	395,076
Japan	–	–	177,622	–	–	177,622	198,043
Korea	–	–	50,000	–	–	50,000	50,000
Netherlands	161,909	–	544,432	–	(378,889)	327,452	296,510
Norway	–	–	1,323,820	–	–	1,323,820	1,247,624
Philippines	–	–	3,281	–	–	3,281	–
Sweden	–	–	521,709	576,850	–	1,098,559	947,564
Switzerland	–	–	1,028,481	–	–	1,028,481	952,381
United Kingdom	–	–	1,288,197	–	–	1,288,197	–
USAID	–	(2,800,000)	5,195,824	479,176	–	2,875,000	2,800,000
World Bank	–	–	1,900,000	–	–	1,900,000	1,750,000
	1,097,620	(3,342,727)	16,318,615	2,424,115	(1,386,741)	15,110,882	12,726,166

Programme restricted funding *for the year ended 31 December 2004 — Currency - US dollars*

Donor	Programme	Donations in advance as at 1/1/04	Receivable as at 1/1/04	Total receipts 2004	Receivable as at 31/12/04	Donations in advance as at 31/12/04	Adjustment	Revenue for 2004	Revenue for 2003
Canada	Systemwide Livestock Programme	648,081	–	367,060	–	(1,015,141)		–	–
France	Livestock Policy Analysis	–	(57,038)	133,550	–	–		76,512	424,999
	Livestock Health	–	(57,038)	133,550	–	–		76,512	736,824
	Livestock Genetics & Genomics	–	–	–	–	–		–	311,825
	Sub-total, France	–	(114,076)	267,100	–	–		153,024	1,473,648
Japan	Livestock Genetics & Genomics	–	–	115,000	–	–		115,000	115,000
South Africa	Systems Analysis & Impact Assessment	–	(25,000)	–	50,000	–		25,000	25,000
	Market Oriented Smallholder Dairy	–	(25,000)	–	50,000	–		25,000	25,000
	Sub-total, RSA	–	(50,000)	–	100,000	–		50,000	50,000
Switzerland	Systemwide Livestock Programme	147,071	(118,972)	590,923	–	(101,082)		517,940	188,320
United Kingdom	Livestock Health (East Coast fever)	–	–	67,496	–	–		67,496	1,012,098
World Bank	Systemwide Livestock Programme	450,000	–	–	–	(119,123)	(115,940)	214,938	–
	TOTAL	1,245,152	(283,048)	1,407,579	100,000	(1,235,345)	(115,940)	1,118,397	2,839,066

Exhibit III

Schedule of project restricted grant revenue *for the year ended 31 December 2004 — Currency – US dollars*

Grant Title	Start Date	End Date	Grant amount US$	Expenditure/ Revenue for 2004	Expenditure/ Revenue for 2003
AUSTRALIAN CENTRE FOR INTERNATIONAL AGRICULTURAL RESEARCH (ACIAR)					
Sustainable endoparasite control for small ruminants in SE Asia	Jul-98	Dec-04	575,909	3,093	–
Sustainable endoparasite control for small ruminants in SE Asia	Jul-98	Dec-04	273,193	7,326	102,029
Managing the rumen ecosystem to improve utilisation of thornless acacias	Jan-99	Dec-01	539,333	23,096	2,616
South to South workshop (NDDB)	Jan-01	Dec-01	16,480	-	160
Trade liberalisation workshop	May-02	Sep-02	17,857	70	1,911
Development of a knowledge systems for selection of forage for farming systems in the tropics	Jul-02	Jul-05	56,851	13,884	18,914
Review of ACIAR projects in Eastern Indonesia	Jun-04	Jul-04	15,233	-	682
Improving the quality of pearl millet residues for livestock	Apr-04	Dec-08	478,134	-	–
Sub-total, ACIAR			1,972,990	47,469	126,312
ACADEMY OF EDUCATIONAL DEVELOPMENT (AED)					
Start capacity elaboration workshop	Jun-02	Dec-02	23,782	-	4,701
Sub-total, AED			23,782	-	4,701
AFRICA UNION/INTER-AFRICAN BUREU OF ANIMAL RESOURCES (AU/IBAR)					
Promoting sustainable delivery of trypanosomiasis control technologies in EA under the FITCA project	Jan-01	Dec-02	64,276	-	35,073
Environment monitoring and management component	Jan-01	Dec-04	673,624	145,674	240,619
Training workshops on GIS databases	Mar-01	Dec-01	40,452	1,666	17,590
CBPP–PACE Contagious Bovine PleuroPnemonia	Oct-01	Oct-04	89,734	28,728	72,012
Services for farmer field school project	May-04	Dec-04	85,163	69,395	0
Sub-total, AU/IBAR			953,249	245,463	365,294

Schedule of project restricted grant revenue *for the year ended 31 December 2004 — Currency – US dollars*

Grant Title	Start Date	End Date	Grant amount US$	Expenditure/ Revenue for 2004	Expenditure/ Revenue for 2003
AGIP					
Integration of small ruminants into smallholder farming systems of oil producing areas of SE Nigeria	Jan-01	Dec-03	325,097	–	16,360
Sub-total, AGIP			325,097	–	16,360
Rationalisation and harmonisation of dairy policies, regulations and standards	Aug-04	Dec-04	11,600	860	–
Sub-total			11,600	860	0
ASIAN DEVELOPMENT BANK (AsDB)					
Increasing productivity of crop–livestock in Asia—Phase 11	Jan-02	Dec-04	1,000,000	266,629	423,185
Lao Livestock sector review	May02	Jun-02	26,500	–	3,000
AsDB collaborative project	Jan-04	Dec-04	–	716	8,898
Disease control — Mekong	Apr-03	Dec-03	–	–	6,747
Sub-total, AsDB			1,026,500	267,345	441,830
AUSTRIA					
Conservation and utilisation of livestock genetic resources to benefit poor farmers	Oct-03	Dec-05	421,324	145,195	3,007
Sub-total, Austria			421,324	145,195	3,007
BELGIUM					
Control of vector borne diseases in livestock through development of improved vaccines and diagnostic tools	yearly		111,297	92,022	0
Dr Jan Naessens secondment costs	Sep-01	Dec-04	450,000	122,824	136,507
Tradeoffs between poverty alleviation and wildlife conservation	Oct-02	Dec-04	1,292,997	684,993	264,207
Nematode diversity			–	–	830
Sub-total, Belgium			1,854,294	899,839	401,544

Schedule of project restricted grant revenue *for the year ended 31 December 2004 — Currency – US dollars*

Grant Title	Start Date	End Date	Grant amount US$	Expenditure/ Revenue for 2004	Expenditure/ Revenue for 2003
BHUTAN					
Bhutanese sheep genotyping	Jan-03	Dec-03	6,000	1,080	1,881
Sub-total, Bhutan			6,000	1,080	1,881
BRAZIL					
Funding for specialised consultancy services and training for technicians from Brazil agricultural research system	Jan-04	Dec-04	9,036	–	0
Sub-total, Brazil			9,036	–	0
CAB INTERNATIONAL					
CABI workshop	May-04	May-04	3,000	7,139	2,320
Sub-total, CABI			3,000	7,139	2,320
COLLECTIVE ACTION AND PROPERTY RIGHTS (CAPRi)					
Enhancing the role of community actions in disease control and natural resource management	Oct-00	Sep-04	125,000	–	38,006
Sub-total, CAPRi			125,000	–	38,006
CARE					
Economic analysis of data set SPO	Jan-02	Feb-02	8,000	0	4,760
Sub-total, CARE			8,000	0	4,760
COMMON FUND FOR COMMODITIES (CFC)					
Markets and regional trade in livestock in West Africa	Jun-98	Dec-02	367,460	9,578	79,130
Enhancing beef productivity, quality, safety and trade in Central Africa	Jan-02	Dec-06	2,916,667	474,029	291,172
Essential Action to meet quality requirement of hides, skins, semi-processed leather for Africa	Apr-02	Jun-02	27,671	–	4,035
Sub-total, CFC			3,311,798	483,607	374,337

Schedule of project restricted grant revenue *for the year ended 31 December 2004 — Currency – US dollars*

Grant Title	Start Date	End Date	Grant amount US$	Expenditure/ Revenue for 2004	Expenditure/ Revenue for 2003
CONSULTATIVE GROUP ON INTERNATIONAL AGRICULTURAL RESEARCH (CGIAR)					
IFAR capacity building fellowship	Jul-03	Dec-04	30,000	14,101	0
Sub-total, CGIAR			30,000	14,101	0
CORNEL UNIVERSITY FUND					
Collaborative research	Jan-02	Dec-04	10,000	7,829	0
Sub-total, CHF			10,000	7,829	0
CANADA (CIDA)					
Dr J. Smith's engagement to policy branch of CIDA's as Lead Agriculture Advisor	Jan-04	Dec-05	371,445	124,404	123,815
Centre for excellence in biosciences for Africa	Apr-04	Jun-05	3,688,525	1,616,647	–
Improvement of Productivity and Market Success of Ethiopian farmers	Apr-04	Dec-05	15,853,659	370,333	–
Sub-total, CIDA			19,913,629	2,111,384	123,815
CENTRO INTERNATIONAL DE LA PAPA (CIP)					
Virtual Systemwide Livestock Programme	yearly		7,500	2,751	12,249
Sub-total, CIP			7,500	2,751	12,249
COMART FOUNDATION (CMF)					
Ghibe valley community-managed sustainable credit options animal health impact	Jan-04	Dec-04	243,195	79,842	37,596
Sub-total, CMF			243,195	79,842	37,596
COLORADO STATE UNIVERSITY (CSU)					
NREL consultancy	Mar-00	Dec-01	73,000	6,048	324
CRSP funds for integrated modelling and assessment of balancing food security, conservation and ecosystem integrity	Jan-01	Sep-04	72,000	12,080	58,303
Sub-total, CSU			145,000	18,128	58,627

Schedule of project restricted grant revenue *for the year ended 31 December 2004 — Currency – US dollars*

Grant Title	Start Date	End Date	Grant amount US$	Expenditure/ Revenue for 2004	Expenditure/ Revenue for 2003
CENTRE TECHNIQUE DE COOPERATION AGRICOL ET RURALE (CTA)					
Sustainable crop–livestock production for improved livelihoods and natural resources management in WA (Co Seminar)	Jul-01	Dec-01	38,095	5,534	1,608
Sub-total, CTA			38,095	5,534	1,608
DENMARK (DANIDA)					
Examining efficiency production under intensification of SHD in Uganda	Jan-01	Dec-04	478,500	150,078	54,424
Integrated crop–livestock production in West Africa	Jan-01	Dec-03	378,313	75,336	196,169
Poultry workshop	Oct-04	Oct-04	–	–	743
DANIDA seconded scientist (Dr Lee Willingham)	Jan-04	Dec-05	274,856	122,306	–
Sub-total, DANIDA			1,131,669	347,720	251,336
UNITED KINGDOM (DFID)					
Assessment of diversity of the genetic resources in goat & sheep in SSA	Apr-98	Mar-01	159,731	–	0
Genetic enhancement of feed quality and quantity of sorghum and millet	Feb-99	Dec-02	288,000	–	38,716
Market mechanisms and public health risks in developing peri-urban markets — Ghana TZ project	Mar-99	Mar-02	426,506	–	6,871
R & D support to SHD sector in Kenya	Jun-97	Apr-05	2,750,718	309,037	256,503
Development of seasonal nutritional & resource management strategies for SD systems	Apr-00	Mar--04	64,021	3,986	11,169
CPP — Maize and fodder	Apr-01	Mar-04	118,993	17,400	68,880
Talking pictures	Oct-99	Dec-02	35,268	–	0
Feed strategies	1-Jan-01	Dec-03	–	(0)	25,178
Manure management — Collection storage and composting strategies to enhance organic fertiliser quality	Jan-99	Dec-00	263,004	916	101
Mapping poverty and livestock	Jan-01	May-01	98,673	8,538	3,013

Schedule of project restricted grant revenue *for the year ended 31 December 2004 — Currency – US dollars*

Grant Title	Start Date	End Date	Grant amount US$	Expenditure/ Revenue for 2004	Expenditure/ Revenue for 2003
Forage demand and adoption by smallholder livestock keepers	Jan-01	Dec-02	96,429	6,685	0
Development of FFS methodology for smallholder dairy	Apr-01	Mar-04	428,768	119,069	191,869
Cowndria in tick cell lines — Heartwater	Apr-01	Dec-01	32,189	-	3,268
ECF vaccine development	Jul-01	Apr-05	4,849,273	1,591,609	1,947,210
Diagnostic of endoparasitic diseases	yearly		-	12,682	77,939
Sleeping sickness — Uganda	Apr-00	Dec-02	13,433	17,591	9,442
Farmers perceptions	yearly		-	8,086	20,923
Epidemiological and economic evaluation of cross border disease control in Southern Africa (FMD)	Sep-01	Apr-02	70,813	(0)	3,457
Animal health research for poverty alleviation	Apr-01	Mar-04	118,080	-	7,038
Pastoral studies	yearly		-	-	9,421
Integrated resource management in crop–livestock systems of smallholder farmers in sub-Saharan Africa	Jan-01	Dec-04	629,284	-	59,685
Mapping sleeping sickness — Uganda	Apr-00	Dec-03	-	-	13,789
ECF immunisation — Tanzania	Mar-02	Apr-04	113,433	-	13,019
Design of vaccination programme	Jan-02	Oct-05	15,326	5,585	2,569
Demand and supply side changes in the livestock sector	Jan-02	Dec-02	18,785	9,624	2,556
Vector genomics — Welburn	Jan-02	Dec-02	14,412	9,411	21,120
LPP priority country poverty mapping	Sep-02	Mar-04	90,000	30,692	28,419
Enhancing livelihood of poor livestock keepers through increasing use of fodder	Oct-02	Sep-05	2,122,347	664,291	360,850
DFID –LPP urban livestock experts meeting	Mar-03	Dec-03	20,000	-	3,771
Support for Theme 2 workshop	Jan-04	Mar-04	30,000	-	23,460
Evaluation of costs and benefits of foot and mouth diseases in Southern Africa	Jan-04	Feb-04	25,379	(0)	21,718

Schedule of project restricted grant revenue *for the year ended 31 December 2004 — Currency – US dollars*

Grant Title	Start Date	End Date	Grant amount US$	Expenditure/ Revenue for 2004	Expenditure/ Revenue for 2003
Improving food security through community based management of typanotolerant cattle in Ghibe valley	Aug-04	Aug-04	14,324	12,074	1,833
Graduate fellow — Collaborative	Jan-04	Dec-05	–	25,162	0
Development of a Dairy Toolbox	Nov-04	Dec-04	116,151	59,115	0
Global Alliance for Livestock Vaccines (GALV) — Phase 1	Nov-04	Mar-05	572,328	32,540	0
Influences of the foliage multipurpose forage trees on rumen micro-organisms and rumen fermentation	Oct-98	Dec-01	–	–	0
Sub-total, DFID			13,595,668	2,944,093	3,233,787
DESERT MARGIN PROGRAMME/ETF (DMP)					
Desertification project in West Africa	Feb-02	Dec-05	50,000	2,348	2,130
Sub-total, DMP			50,000	2,348	2,130
ETHIOPIA					
FITCA — Ethiopia training	May-02	Jun-02	30,943	7,650	627
Graduate fellows support — Tesfaye Alemu	Jul-02	Dec-03	24,460	3,418	10,795
Evaluation of meat production potential of Ethiopian goat breeds	Sep-04	Aug-04	10,186	3,377	3,260
Agricultural biotechnology workshop	Jul-04	Jul-04	14,357	13,992	-
Graduate fellows support — Abebe Mekoya	Nov-03	Oct-05	43,975	25,862	-
Sub-total, ETH			123,921	54,299	14,682
EUROPEAN COMMISSION (EC)					
Epidemiology and disease control	Apr-00	Apr-04	482,404	114,511	113,613
ICPTV	yearly		–	1,114	32,077
Characterisation and conservation of forage genetic resources — ACP	yearly		–	221,439	389,031
Characterisation, conservation and use of animal genetic resources in Asia	yearly		–	221,439	503,600

Schedule of project restricted grant revenue *for the year ended 31 December 2004 — Currency - US dollars*

Grant Title	Start Date	End Date	Grant amount US$	Expenditure/ Revenue for 2004	Expenditure/ Revenue for 2003
Development and disease resistant livestock — ACP	yearly		–	623,698	390,290
Development of disease resistant livestock in Asia	yearly		–	623,698	503,600
AARNET — Regional programme to support agricultural research in East Africa	May-04	Dec-04	1,214,286	118,816	64,348
Sub-total, EC			1,696,690	1,924,715	1,996,559
FARM AFRIÇA					
Assessment of the genetic diversity in Ethiopian goat populations	Feb-04	Mar-04	12,427	5,817	0
Sub-total, FAA			12,427	5,817	0
FOOD AND AGRICULTURAL ORGANIZATION (FAO)					
Food safety	Aug-01	Oct-02	20,000	2,654	7,582
Barriers to access markets	Apr-02	Dec-02	30,000	-	10,677
Livestock mapping — Kenya	May-02	Jul-04	99,500	-	89,482
ESAE collaboration	Jan-02	Dec-02	20,000	-	17,618
PAAT meeting			–	-	7,911
FAO MZB biodiversity	Jun-02	Dec-02	–	655	2,152
Post harvest milk and dairy products losses	Mar-04	Apr-04	10,000	7,202	1,418
Pathways out of poverty	Jun-03	Dec-03	50,000	-	48,767
Study of effects and influence of international and national dairy sector development and livelihood opportunities	Apr-04	Mar-04	57,694	46,689	10,455
Development of a decision support methodology for assessment of impact of policies on livestock-dependent poor people	Jun-04	Dec-04	27,600	5,750	8,535
Development of East African and Andean modules for the PPLP initiative	Apr-04	Oct-04	33,900	25,365	–
Support of an evaluation on the impact of WTO rules and SPS regulations on different strata of livestock producers and poor consumers	Oct-04	Oct-04	95,800	95,604	–

Schedule of project restricted grant revenue *for the year ended 31 December 2004 — Currency – US dollars*

Grant Title	Start Date	End Date	Grant amount US$	Expenditure/ Revenue for 2004	Expenditure/ Revenue for 2003
Development of a common methodology and guidelines to be applied in application of a rapid assessment by the five Post Harvest Food Losses National consultants	Feb-04	May-04	9,792	79	–
Pathways into and out of poverty in Peru	Aug-04	Jun-05	40,000	16,750	–
Regional training of trainers in loss reduction and milk processing	Oct-04	Oct-04	17,500	16,912	–
Sub-total, FAO			511,786	217,660	204,597
FOUNDATION FOR ADVANCE STUDIES ON INTERNATIONAL DEVELOPMENT (FASID)					
Research on Poverty, Environment and Agricultural Technologies (REPEAT)	Mar-04	Mar-04	61,682	74,329	45,396
Sub-total, FASID			61,682	74,329	45,396
FINLAND					
Associate Expert GIS	Aug-00	Jul-03	225,800	–	21,555
Sub-total, Finland			225,800	–	21,555
UNIVERSITY OF FLORIDA					
Measuring and assessing soil carbon sequestration by agricultural systems in developing countries	Jul-02	Sep-07	135,000	24,646	9,939
Sub-total, Florida			135,000	24,646	9,939
FRANCE					
Congo Pain	yearly	Dec-04	–	30,436	17,679
Research on Paludism & other associated transmissible diseases in the developing countries	Jul-01	Jun-04	56,420	3,461	20,189
Sub-total, France			56,420	33,897	37,868
GATSBY FOUNDATION					
Gatsby Bioscience Workshop	Nov-03	Apr-04	54,064	14,245	0
Sub-total, Gatsby			54,064	14,245	0

Schedule of project restricted grant revenue *for the year ended 31 December 2004 — Currency – US dollars*

Grant Title	Start Date	End Date	Grant amount US$	Expenditure/ Revenue for 2004	Expenditure/ Revenue for 2003
GERMANY (GTZ)					
Post Doc — Animal Genetic program: AnGR Project No. 2000 - 7860	May-01	May-04	170,430	10,624	63,182
ILRI — BMZ project on trypanocide resistance in West Africa	Mar-02	Feb-05	1,128,000	362,235	408,578
Post Doc — Integration of multipurpose trees in mixed crop–livestock watershed systems for feed production and soil conservation (Kai Sander)	Jan-04	Jul-05	217,217	72,420	77,625
Post Doc — Enhancing beef productivity, quality, safety and trade in Central America	Jun-04	May-05	305,262	159,769	72,263
Support for CMC project	Jun-04	Dec-04	28,841	-	30,283
Trans-regional analysis	Jan-01	Dec-01	183,000	4,032	49,894
Framework for feed resources assessment	Jan-04	Dec-04	40,000	10,519	–
Trans-regional analysis of crop–livestock systems	Jan-04	Dec-04	20,000	8,000	–
Impact assessment of maize as food, feed and fertiliser	Jan-04	Dec-04	5,000	1,100	–
Impact assessment of dual purposes cowpea	Jan-04	Dec-04	–	–	–
Interaction of policy and Scale	Jan-04	Dec-04	20,000	10,111	–
Improving the livelihoods of poor livestock keepers in Africa through community based management of indigenous farm genetic resources	Mar-04	Feb-07	952,000	234,599	0
Sub-total, GTZ			3,069,750	873,409	701,825
GLOBAL ENVIRONMENT FACILITY (GEF)					
Land use change analysis as an approach for investigating biodiversity loss and land degradation	Dec-00	Dec-04	771,000	110,954	114,301
In-situ conservation of endemic ruminant livestock	Jun-02	May-04	470,000	3,800	297,991
Development and application of decision support tools to conserve and sustainable use of genetic diversity in indigenous livestock and wild relatives	Oct-03	Mar-05	640,000	189,929	38,905
Sub-total, GEF			1,881,000	304,683	451,197

Schedule of project restricted grant revenue *for the year ended 31 December 2004 — Currency – US dollars*

Grant Title	Start Date	End Date	Grant amount US$	Expenditure/ Revenue for 2004	Expenditure/ Revenue for 2003
HEIFER INTERNATIONAL					
Support for School Milk	Jun-04	Dec-04	4,000	929	3,071
Collaborative proposal writing Workshop	Nov-04	Nov-04	3,000	2,263	0
Sub-total, HEI			7,000	3,192	3,071
INTERNATIONAL ATOMIC ENERGY AGENCY (IAEA)					
Environmental impact assessment of control of tsetse fly using SIT in the South Rift Valley of Ethiopia	Mar-01	Dec-02	82,016	681	4,980
IAEA student training	Jun-02	Dec-04	–	2,502	17,074
Training course and planning meeting on molecular genetics of small ruminants in Asia	Dec-04	Dec-04	58,540	58,124	0
Sub-total, IAEA			140,556	61,307	22,054
WORLD AGROFORESTRY CENTRE (ICRAF)					
Gender and diversity	Jan-01	Dec-02	35,000	1,034	2,442
Regional Internation Audit Unit (RIAU)	Jan-01	Dec-04	15,000	15,000	0
Sub-total, ICRAF			50,000	16,034	2,442
INTERNATIONAL CROP RESEARCH INSTITUTE FOR THE SEMI-ARID TROPICS (ICRISAT)					
World ICRISAT Mozambique Project	Jan-03	Dec-03	4,790	–	4,790
ICRISAT workshop	Jan-03	Dec-03	8,500	227	0
Crop diversity and molecular breeding	Jan-03	Dec-03	–	–	5,392
Desert Margins Programme with GEF focal areas on biological diversity with relevance to climate change and reduction of land degradation in the desert margins area	Feb-02	Dec-06	285,000	149,894	51,678
Disease resistance	Jan-04	Dec-04	–	1,350	5,044
Improved livelihoods in the Sahel through development of household level of bioeconomic decision support systems	Jan-04	Dec-04	112,500	7,443	0

Schedule of project restricted grant revenue *for the year ended 31 December 2004 — Currency – US dollars*

Grant Title	Start Date	End Date	Grant amount US$	Expenditure/ Revenue for 2004	Expenditure/ Revenue for 2003
Improved livelihoods in the Sahel through development of household level of bioeconomic decision support systems			–	2,405	0
Pigeon pea diversity	Apr-04	May-04	–	80	0
Collaboration research	Apr-04	Dec-04	–	13,336	0
Development of options for donors, and NGOs in relief and recovery programmes designed to strengthen crop–livestock systems in the context of drought	Apr-04	May-04	7,500	12,763	0
Sub-total, ICRISAT			418,290	187,498	66,904
INTERNATIONAL DEVELOPMENT RESEARCH CENTRE (IDRC)					
Epidemiology and disease control — Sleeping sickness (Uganda)	Apr-00	Mar-04	98,934	–	20,477
Improving benefits of urban and peri-urban livestock production through management of associated human and environmental risks in Nigeria	Jan-04	Jan-06	449,600	100,119	4,516
Workshop on integrated water and land management research	Nov-02	Nov-04	9,625	353	0
Crop–livestock integration for sustainable natural resources management in sub-humid and highland zones of West and Central Africa	Jan-04	Jan-06	318,060	73,606	99,517
Characterising and assessing the risks and benefits of urban and peri-urban (UPA) livestock in Kampala City, Uganda	Mar-04	Mar-05	12,763	768	7,037
Gender roles in urban dairy production in Ethiopia: Enhancing market-oriented production systems	May-04	May	15,417	60	–
Sub-total, IDRC			904,399	174,906	131,547
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT (IFAD)					
Development and testing of an integrated approach to the control of gastro-intestinal parasites in small ruminants in South and South-East Asia	Jun-99	Jun-04	875,000	–	131,985
An integrated approach to the assessment of trypanosomiasis control technologies and their impact on agricultural production, human welfare and natural resources in tsetse affected areas of Africa	Apr-01	Dec-04	44,000	2,534	0
Programme for small ruminant health improved livelihood and market opportunities for poor farmers in near East and North Africa region (NENA)	Jan-04	Jan-08	1,100,000	235,075	25,100

Schedule of project restricted grant revenue *for the year ended 31 December 2004 — Currency – US dollars*

Grant Title	Start Date	End Date	Grant amount US$	Expenditure/ Revenue for 2004	Expenditure/ Revenue for 2003
Addressing Key constraints to the sustainable delivery and adoption of immunisation against East Coast fever for poor livestock keepers in East Africa	Jan-02	Dec-02	94,400	1,994	78,179
Diffusion of new tsetse control technologies for improved livestock health and productivity in smallholder indigenous communities in sub-Saharan Africa	Oct-02	Nov-05	1,258,000	435,353	409,859
Decision support for trypanosomiasis control in Uganda	Dec-02	Dec-05	97,041	13,532	40,729
Sustainable endoparasite control for small ruminants in South-East Asia	Sep-04	Aug-04	98,000	34,890	6,771
Sub-total, IFAD			3,566,441	723,378	692,623
INTERNATIONAL FOOD POLICY RESEARCH INSTITUTE (IFPRI)					
Interaction of policy and scale	Apr-02	Oct-02	31,565	–	17,372
ILRI–IFPRI Post Doc — East Africa agricultural research impact assessment	May-02	Dec-04	67,670	–	59,726
Ethiopian dairy experience case study	May-02	Jun-02	7,806	–	6,600
Poverty mapping workshop	May-02	Dec-02	36,890	0	2,447
IFPRI Post Doc: Policies for sustainable land management in East African highlands	Sep-02	Aug-04	25,000	2,296	19,727
Uganda dairy analysis	Nov-02	Dec-02	21,169	2,024	9,356
Marketing group	Jul-04	Dec-04	20,400	12,886	7,514
Land management project workshop	Jul-04	Dec-04	17,000	17,000	–
ILRI–IFPRI collaboration: Agricultural growth and investment strategies in Ethiopia	Jun-04	Aug-04	17,889	77	–
IFPRI–ILRI alive project	Apr-04	Dec-04	10,399	4,105	–
Sub-total, IFPRI			255,788	38,388	122,742
INTERNATIONAL INSTITUTE OF TROPICAL AGRICULTURE (IITA)			–		
IITA Project A (Biotechnology theme)	yearly		–	1,411	10,519
EARRNET workshop	yearly		–	–	5,213
SACD — Livelihood project	yearly		–	33,255	2,884
Unlocking genetic diversity	yearly		–	80,025	–

Schedule of project restricted grant revenue *for the year ended 31 December 2004 — Currency – US dollars*

Grant Title	Start Date	End Date	Grant amount US$	Expenditure/ Revenue for 2004	Expenditure/ Revenue for 2003
Applying marker assisted selection and farmer participatory methods to production of new disease and insect resistant cassava varieties — Tanzania	yearly		146,682	2,701	–
Sub-total, IITA			146,682	117,392	18,616
IMPERIAL COLLEGE, LONDON					
Teaching Material Writer			–	6,111	14,234
Sub-total, IMC			–	6,111	14,234
IARC NARS TRAINING GROUP (INTG)					
INTG workshop	Apr-02	Apr-02	19,006	–	1,493
Sub-total, INTG			19,006	–	1,493
INTERNATIONAL PLANT GENETIC RESOURCES INSTITUTE (IPGRI)					
Joint appointment of Dr J. Hanson	Jan-02	Dec-04	312,654	25,238	18,960
Interregional networking for PGR: Exchanging experiences and views on the implementation of new international agreements on plant genetics	Jan-03	Dec-04	32,500	6,014	23,986
Sub-total, IPGRI			345,154	31,252	42,946
IRELAND					
Special project funds	Jan-02	Dec-05	250,000	94,831	75,755
Sub-total, Ireland			250,000	94,831	75,755
INTERNATIONAL RICE RESEARCH INSTITUTE (IRRI)					
Increasing water use efficiency for food production through better livestock management: The Nile Basin	May-04	Aug-04	5,400	–	–
Sub-total, IRRI			5,400	–	0
ISAC workshop			–	–	295
Sub-total			–	–	295

Schedule of project restricted grant revenue *for the year ended 31 December 2004 — Currency – US dollars*

Grant Title	Start Date	End Date	Grant amount US$	Expenditure/ Revenue for 2004	Expenditure/ Revenue for 2003
ITALY					
Sustainability of smallholder diary systems in Ethiopia	yearly		–	225,388	66,748
Sub-total, Italy			–	225,388	66,748
INTERNATIONAL WATER MANAGEMENT INSTITUTE (IWMI)					
Community-based irrigation management in Ethiopia: Strategies to enhance human health, livestock	Feb-04	Jan-05	185,700	70,848	51,196
Investment in agricultural water management in sub-Saharan Africa: Diagnosis of trends and opportunities	Jan-04	Oct-04	80,000	49,156	–
Increasing water use efficiency for food production through better livestock management — Nile River Basin	Jun-04	Jun-08	969,454	230	–
Consortium for spatial information: Meta data inventory and on-line meta-data server	Jun-04	May-05	5,000	578	–
Sub-total, IWMI			1,240,154	120,812	51,196
JAPAN					
Trypansoma evansi infection — Dr Honda's Research	yearly		45,000	–	90,000
Development of the guidelines for producing a rural assessment and monitoring tool	yearly		–	16,804	5,422
JIRCAS account	yearly		–	9,191	
Rural assessment through a baseline survey and community of Southern Kenya	Nov-04	Mar-05	50,000	1,610	–
Sub-total, Japan			95,000	27,605	95,422
KENYA					
ARF — KARI/WB project	yearly		–	–	26,282
ARF — KARI/WB project	yearly		–	–	736
Genotyping of camel infective bacteria that are also potential human pathogens	Jun-04	Dec-04	2,338	2,414	0
EU/KARI backstopping and services funds				5,643	0
EU/KARI backstopping and Services funds	Jan-00	Dec-01	–	–	60,436
EU/KARI backstopping and Services funds			–	–	14,832

Schedule of project restricted grant revenue *for the year ended 31 December 2004 — Currency – US dollars*

Grant Title	Start Date	End Date	Grant amount US$	Expenditure/ Revenue for 2004	Expenditure/ Revenue for 2003
KARI/ILRI workplan for PhD training support	Jul-02	Dec-04	33,654	10,519	5,618
Research Fellow — Harun Maina	Jul-02	Dec-04	15,324	8,793	6,800
KARI/ILRI Workplan for PhD training support	Jul-02	Dec-04	–	40,854	13,555
Research Fellow — Nyamori	yearly		–	7,415	1,571
KARI/ILRI biotechnology support project	May-04	Dec-04	4,257	20,015	5,062
A genomic approach to improved trypanotolerance in cattle	Aug-03	Jul-06	100,828	21,773	22,086
University of Nairobi — ARF funds	Sep-01	Dec-02	8,978	991	7,565
Nairobi health risks and benefits of urban/peri-urban livestock	Jun-04	Dec-04	429	34	–
Kenya Diary Development Program	Nov-02	Dec-06	500,000	134,723	56,316
Sub-total, Kenya			665,808	253,174	220,859
KOREA					
Visiting scientists	Jan-02	Dec-05	60,000	34,274	31,054
Sub-total, Korea			60,000	34,274	31,054
LIMBURGS UNIVERSITAIR CENTRUM (LUC)					
Current trends and recent advances in applied biometry	Jun-04	Dec-04	27,000	18,619	0
Sub-total, LUC			27,000	18,619	0
MAKERERE UNIVERSITY					
Visiting scientist	May-04	Dec-04	15,000	4,527	22,140
Sub-total, MAK			15,000	4,527	22,140
MONTANA STATE UNIVERSITY					
Land use change around protected areas in LCLUC sites: Synthesis on consequences for biodiversity & monitoring strategies	Jan-02	Dec-02	7,000	8,355	6,316
Sub-total, MON			7,000	8,355	6,316

Schedule of project restricted grant revenue *for the year ended 31 December 2004 — Currency – US dollars*

Grant Title		Start Date	End Date	Grant amount US$	Expenditure/ Revenue for 2004	Expenditure/ Revenue for 2003
MPALA RESEARCH CENTRE						
Visiting scientist		Jan-02	Dec-04	9,000	446	8,554
	Sub-total, MPA			9,000	446	8,554
An integrated analysis of regional land climate interactions		Sep-03	Feb-07	155,735	24,404	28,228
	Sub-total, MSU			155,735	24,404	28,228
UNIVERSITY OF NAGOYA						
Trial of the efficacy of Ascofuranone in the treatment of trypanosomosis in goats		yearly		10,000	18,903	18,195
	Sub-total, NAG			10,000	18,903	18,195
Evaluation of recombinant tick vaccines for control of tick infestation and pathogen transmission blocking		Jul-04	Nov-04	7,400	141	0
	Sub-total, NER			7,400	141	0
NETHERLANDS						
Systems prototyping and impact assessment for sustainable alternatives in mixed farming systems in high potential areas of East Africa		Jan-00	Dec-04	370,850	131,381	86,977
Policies for sustainable land management in the East African Highlands — Phase II (ILRI–IFPRI)		Oct-00	Sep-04	42,196	320	0
Map trait loci red Masai		Jan-02	Dec-02	–	–	2,051
Policies for sustainable land management in the East African Highlands — Phase II (ILRI–IFPRI)		Oct-00	Sep-04	51,756	–	11,602
Dutch APO: Spatial modelling — Jeannette van de Steeg		Apr-04	Apr-06	234,116	72,088	58,724

Schedule of project restricted grant revenue *for the year ended 31 December 2004 — Currency – US dollars*

Grant Title	Start Date	End Date	Grant amount US$	Expenditure/ Revenue for 2004	Expenditure/ Revenue for 2003
Dutch APO: Ecology — Sandra van Dijk	Apr-04	Apr06	231,686	64,362	43,867
Dutch APO: Crop–livestock systems — Esther van Hoeve	Apr-04	Apr-06	219,821	67,219	68,859
Dutch APO: Epidemiology — Stella Clara Massawe	Mar-04	Mar-06	204,001	72,872	43,448
Dutch APO: Social, economic and policy research — Joep van Binsbergen	Jan-04	Dec-06	133,009	60,332	1,979
Transregional analysis of crop–livestock systems — Under intensification and evolution across three continents	Jan-04	Dec-04	636,400	94,702	14,632
Sub-total, Netherlands			2,123,835	563,276	332,139
NORWAY					
Chicken finances	Jan-01	Dec-01	–	1,370	1,057
SSA Challenge Program	Jan-04	Dec-04	277,250	277,250	–
Sub-total, Norway			277,250	278,620	1,057
NATURAL RESEARCH INSTITUTE (NRI)					
Primas extrapolate: A prototype policy screening technology targeting for livestock keepers in the tropics	Jun-04	Nov-04	13,463	6,350	–
Sub-total, NRI			13,463	6,350	0
OROMIYA AGRICULTURE DEVELOPMENT BUREAU (OADB)					
Characterisation of indigenous ruminant livestock population in Oromiya Regional State of Ethiopia	Aug-00	Dec-01	77,558	370	4,636
Sub-total, OADB			77,558	370	4,636
ORGANIZATION OF PETROLEUM EXPORTING COUNTRIES (OPEC)					
Sustainability of smallholder diary systems on the tropics through increased feed supply	Jan-01	May-06	350,000	9,402	16,637
Sub-total, OPEC			350,000	9,402	16,637

Exhibit III

Schedule of project restricted grant revenue *for the year ended 31 December 2004 — Currency – US dollars*

Grant Title	Start Date	End Date	Grant amount US$	Expenditure/ Revenue for 2004	Expenditure/ Revenue for 2003
PHILIPPINES					
Rural Enterprise Development	Feb-04	Jan-05	73,800	43,800	–
Sub-total, Philippines			73,800	43,800	0
ROCKEFELLER					
Intellectual property management unit — Grant	Mar-00	Apr-04	706,750	186,313	197,738
A spatial database on poverty for East Africa (Poverty mapping)	Jun-00	May-02	160,000	8,926	37,778
Utilisation of the Kenyan poverty mapping results to explore interactions between poverty and natural resource management	Sep-03	Oct-05	252,000	87,625	16,136
Biometrics training course	Nov-02	Oct-04	149,000	104,265	45,715
Plant biodiversity	yearly		–	5,690	12,283
Bioscience initiative	Nov-03	Apr-04	45,000	45,000	0
Producing a technical report with results of the Uganda high resolution poverty mapping analysis	Mar-04	May-05	61,000	30,428	0
Sub-total, Rockefeller			1,373,750	468,247	309,650
SASAKAWA GLOBAL 2000					
Evaluation of quality protein maize (QPM) plants as feed for ruminant livestock	May-01	Dec-02	27,000	3,818	155
Integration of water harvesting technologies and small-scale dairy production to improve the livelihoods of crop–livestock producers in Ethiopia	Jul-04	Dec-06	88,000	11,526	
Sub-total, Sasakawa			115,000	15,344	155
SCANAGRI					
Collaborative support	Apr-04	May-04	–	521	0
Sub-total, SCA			–	521	0

Schedule of project restricted grant revenue *for the year ended 31 December 2004 — Currency – US dollars*

Grant Title	Start Date	End Date	Grant amount US$	Expenditure/ Revenue for 2004	Expenditure/ Revenue for 2003
SPAIN (INIA)					
Support of CFC project	Jan-01	Dec-01	75,000	–	129,731
Viral diagnostic	Jan-04	Dec-05	300,000	43,024	0
Sub-total, Spain			375,000	43,024	129,731
SUDAN					
Training of Dr Enaam EL Sanousi	Oct-04	Jan-05	4,500	–	–
Sub-total, SUD			4,500	–	0
SUIPA					
Dairy activities — SUIPA/CIP	Jul-04	Dec-06	27,000	2,474	11,156
Characterising and assessing the risks and benefits of urban and peri-urban (UPA) livestock in Kampala City, Uganda	Mar-04	Mar-04	20,000	1,136	18,864
Sub-total, SUIPA			47,000	3,610	30,020
SWEDEN					
Anthelmintic properties of ethnovetrinary preparations used by smallholder farmers to treat internal parasites of their livestock	Aug-00	Dec-04	80,000	9,132	25,157
Graduate fellow: Ms Jennie Stein	Apr-04	Dec-06	29,883	5,251	–
Sub-total, Sweden			109,883	14,383	25,157
SWITZERLAND					
Associate Experts — SHD	Sep-98	Mar-02	290,228	–	19,324
Developing optimised cattle breeding schemes, with a special focus on trypanotolerance based on the demands and opportunities of poor livestock keepers	Nov-04	Oct-05	30,000	33,724	4,260
Nutrition study	Jul-04	Jun-07	135,768	6,437	–
Developing optimised cattle breeding schemes with a special focus on trypanotolerance based on the demands and opportunities of poor livestock keepers	Sep-04	Aug-06	87,820	12,917	–
Sub-total, Switzerland			543,816	53,078	23,584

Schedule of project restricted grant revenue *for the year ended 31 December 2004 — Currency – US dollars*

Grant Title	Start Date	End Date	Grant amount US$	Expenditure/ Revenue for 2004	Expenditure/ Revenue for 2003
SYNGENTA FOUNDATION					
Syngenta contribution — Bioscience facility for East Africa	Oct-03	Sep-04	10,000	9,980	0
Sub-total, SYN			10,000	9,980	0
SYRACUSE UNIVERSITY					
Determinants of cattle prices in pastoral cattle markets of Southern Kenya	Sep-04	Dec-04	8,336	12	0
Improving livestock marketing in Kenya's pastoral areas	Jun-04	Dec-04	9,195	–	0
Sub-total, SYR			17,531	12	0
TEXAS A&M UNIVERSITY (TAMU)					
Smallholder dairy impact — TAMU project	Jan-00	Dec-07	–	47,471	87,499
Activities associated with the execution of Livestock Early Warning Systems and associated LINKS Program	Dec-03	Dec-04	33,500	49,368	0
Sub-total, TAMU			33,500	96,839	87,499
UNIVERSITY OF HOHENHEIM (HOH)					
Sustainable land use and rural development in mountainous regions of South-East Asia: Efficiency of smallholder animal husbandry	Jan-04	Dec-05	17,860	3,380	0
Sub-total, HOH			17,860	3,380	0
UNIVERSITY OF MARYLAND (MAR)					
Genetic diversity of human and cattle populations from E Africa	Jun-04	Dec-04	20,000	0	505
Sub-total, MAR			20,000	0	505
UNIVERSITY OF PRINCETON (UOP)					
Collaborative research with Princeton University	Dec-00		3,000	–	151
Sub-total, UOP			3,000	–	151

Schedule of project restricted grant revenue *for the year ended 31 December 2004 — Currency – US dollars*

Grant Title	Start Date	End Date	Grant amount US$	Expenditure/ Revenue for 2004	Expenditure/ Revenue for 2003
UNITED NATIONS CONVECTION TO COMBAT DESERTIFICATION (UNNCD)					
Workshop on integrated land and water management research and capacity building priorities for Ethiopia	Dec-02	Mar-04	20,000	–	20,000
Sub-total, UNNCD			20,000	–	20,000
US NATIONAL SCIENCE FOUNDATION					
Strengthening Africa–US linkages for conservation biology	Sep-01	Sep-01	10,278	–	24,691
Scale biocomplexity	Oct-01	Sep-04	72,000	31,371	0
Sources of heterogeneity in grasslands: Responses of wildlife to people on savannah landscape	Aug-04	Jul-07	219,430	4,742	0
Sub-total, USNSF			301,708	36,113	24,691
UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT (USAID)					
Pastoral study	yearly		–	7,988	11,715
Improving livelihoods of smallholder livestock producers through peri-urban dairy production in West Africa	Jul-02	Oct-04	625,000	257,251	114,879
Animal disease (the activity)	Jul-02	Dec-04	200,000	132,194	6,844
Strategic analysis knowledge support systems node in Eastern & Central Africa	May-04	Oct-04	104,160	73,542	–
Livestock crisis mitigation	yearly		100,000	–	33,057
Farming systems	Mar-01	Dec-04	45,000	2,578	5,364
Strengthened teaching and research on sheep and goat	Nov-01	Nov-04	84,454	1,843	27,972
Tick vaccines	Nov-04	Dec-04	22,125	–	–
Sub-total, USAID			1,180,739	475,396	199,831
US ENVIRONMENTAL PROTECTION AGENCY					
Managing greenhouse gas emissions from ruminant livestock systems in the developing world	Jul-02	Jul-04	105,000	28,311	22,361
Sub-total, USE			105,000	28,311	22,361

Schedule of project restricted grant revenue *for the year ended 31 December 2004 — Currency – US dollars*

Grant Title	Start Date	End Date	Grant amount US$	Expenditure/ Revenue for 2004	Expenditure/ Revenue for 2003
UTAH STATE UNIVERSITY					
Small Ruminants–Global Livestock Collaborative Research Support Program	yearly		–	333,773	226,315
Sub-total, UTAH			–	333,773	226,315
VETERINAIRES SANS FRONTIERES BELGIQUE (VSF)					
Agreement between ILRI & VSF-B for the services of Dr Bruno Minjauw	May-04	May-05	60,000	102	0
Sub-total, VSF			60,000	102	0
WEST AFRICA RICE DEVELOPMENT ASSOCIATION (WARDA)					
WARDA emergency BOT meeting	Nov-04	Dec-04	–	1,649	0
Sub-total, WAD			–	1,649	0
WORLD BANK					
ESARC workshop	Apr-02	Jun-02	55,000	–	24,749
Agriculture science and technology consultation — East and Southern Africa	Apr-04	Dec-04	85,000	15,606	119,394
Rehabilitating CGIAR Global Public Goods Assets (Genebank)	Mar-04	Dec-06	1,191,500	224,456	31,985
Compliance of SPS rules	Apr-04	Sep-04	42,000	–	41,900
CGIAR — AGM 04	Sep-04	Oct-04	425,000	11,065	363,485
Information and Communication Technology/Global Public Goods (ICT/GPG)	Nov-04	Dec-06	725,400	29,471	1,122
GCP–BECA molecular breeding training course	Nov-04	Dec-04	50,000	–	0
Compensation study	2004		100,000	107,159	–
Sub-total, World Bank			2,673,900	387,757	582,635
WELLCOME TRUST (UK UNIVERSITIES)					
Mapping genes for resistance to gastro-intestinal nematodes	Oct-01	Sep-04	372,991	22,715	111,896
Functional genomics	Sep-02	Apr-07	1,560,000	383,259	222,980
Sub-total, Wellcome Trust			1,932,991	405,974	334,876

Schedule of project restricted grant revenue *for the year ended 31 December 2004 — Currency – US dollars*

Grant Title	Start Date	End Date	Grant amount US$	Expenditure/ Revenue for 2004	Expenditure/ Revenue for 2003
WOTRO (WOT)					
Student support	Jan-00	Dec-01	–	1,400	–
Breeding objectives and breeding strategies for small ruminants in the tropics	Jul-03	Jul-05	63,000	3,026	8,790
Characterisation and conservation of indigeneous animal genetic resources	Sep-04	Aug-07	54,980	400	–
Sub-total (WOT)			117,980	4,826	8,790
WORLD WILDLIFE FUND (WWF)					
WWF workshop 2002			–	–	1,191
Sub-total, WWF			–	–	1,191
			73,424,843	16,634,504	13,110,163

Exhibit IV

Schedule of European Community funding

For the year ended 31 December 2004 — Currency – US dollars

Region/Project details	Grant period	Grant pledge for 2004	Funds receivable 1 Jan 2004	Expenditure/ revenue for 2004	Total receipts in 2004	Funds receivable 31 Dec 2004
Asia						
Characterisation and conservation of animal genetic resources	Jan – Dec 31, 2004	623,698	503,600	623,698	503,600	623,698
Production and utilisation of food–feed crops	Jan – Dec 31, 2004	221,439	390,290	221,439	390,290	221,439
Total for Asia region		845,137	893,890	845,137	893,890	845,137
Africa, Carribean and Pacific (ACP)						
Characterisation and conservation of animal genetic resources	Jan – Dec 31, 2004	623,698	503,600	623,698	503,600	623,698
Production and utilisation of food–feed crops	Jan – Dec 31, 2004	221,439	389,031	221,439	389,031	221,439
Total for Africa, Carribean and Pacific region		845,137	892,631	845,137	892,631	845,137
Total European Community fundings		1,690,274	1,786,521	1,690,274	1,786,521	1,690,274

Exchange rate used is 1 Euro = US$ 1.3103

Schedule of furnishings and equipment

For the year ended 31 December 2004 — Currency – US dollars ('000)

	Balance at 01/01/2004	Additions	Adjustments	Transfers	Other movements	Balance at 31/12/2004
COST						
Laboratory and scientific equipment	11,990	946	–	–	(2,735)	10,201
Office and housing furniture and equipment	1,512	66	–	–	(232)	1,346
Computers	4,465	341	–	–	(1,068)	3,738
Motor vehicles	3,143	62	–	–	(32)	3,173
Farm equipment	3,827	47	–	–	(704)	3,170
	24,937	1,462	–	–	(4,771)	21,628
ACCUMULATED DEPRECIATION						
Laboratory and scientific equipment	10,896	1,284	–	–	(2,615)	9,565
Office and housing furniture and equipment	1,275	101	–	–	(214)	1,162
Computers	3,945	484	–	–	(1,040)	3,389
Motor vehicles	2,866	157	–	–	(38)	2,985
Farm equipment	3,613	89	–	–	(713)	2,989
	22,595	2,115	-	–	(4,620)	20,090
NET BOOK VALUE						
Laboratory and scientific equipment	1,094	(338)	–	–	(120)	636
Office and housing furniture and equipment	237	(35)	–	–	(18)	184
Computers	520	(143)	–	–	(28)	349
Motor vehicles	277	(95)	–	–	6	188
Farm equipment	214	(42)	–	–	9	181
	2,342	(653)	–	–	(151)	1,538

Schedule of direct and indirect cost rates

For the year ended 31 December 2004 — Currency – US dollars ('000)

DIRECT AND INDIRECT COSTS	2004			2003		
	Direct cost US$ '000	Indirect costs US$ '000	Total US$ '000	Direct cost US$ '000	Indirect costs US$ '000	Total US$ '000
Research activities	20,908	–	20,908	20,452	–	20,452
Research support activities	1,857	–	1,857	1,094	–	1,094
Institute management	–	2,549	2,549	–	2,787	2,787
Operations/common sustainable services	–	1,388	1,388	–	2,012	2,012
Depreciation	1,878	1,058	2,936	1,175	1,049	2,224
	24,643	4,995	29,638	22,721	5,848	28,569

DIRECT AND INDIRECT COST RATES

	2004	2003
Direct/total expenditure	83%	80%
Indirect/total expenditure	17%	20%
Indirect/direct expenditure	20%	26%

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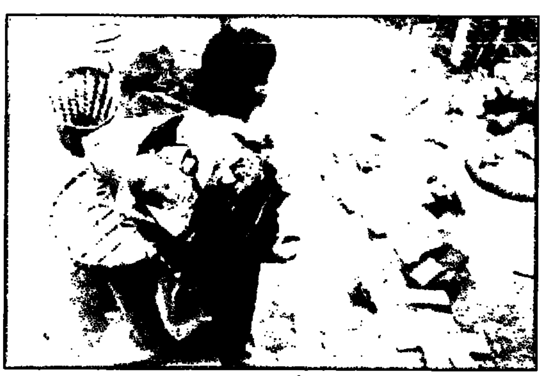

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