



**WORLD VEGETABLE CENTER**

(Legal name: Asian Vegetable Research and Development Center)

**FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED DECEMBER 31, 2017 and 2016**

**WITH**

**REPORT OF INDEPENDENT AUDITORS**

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## **Independent Auditors' Report**

To the Board of Directors  
World Vegetable Center

### **Opinion**

We have audited the financial statements of World Vegetable Center (“the Center”), which comprise the statement of financial position as of December 31, 2017 and 2016, the statements of activities, statement of changes in net assets and cash flows for the years ended December 31, 2017 and 2016, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Center as at December 31, 2017 and 2016, and its financial performance and its cash flows for the years then ended in accordance with the internationally accepted accounting principles for not-for-profit organizations as commonly adopted by international research centers.

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Center in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)*, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the internationally accepted accounting principles for not-for-profit organizations as commonly adopted by international research centers, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Center's financial reporting process.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

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

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

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



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

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

KPMG

CPA: 許振隆

Tainan, Taiwan, R.O.C

22 March, 2018

## Report of Management

The financial statements of the World Vegetable Center are the responsibility of the management. The management is required to prepare annual financial statements which give a true and fair view of the financial position of the Center at the end of the year and of the results of activities and cash flows for that year. Management is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting policies described in Note II.

The World Vegetable Center maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded and transactions are properly executed. The World Vegetable Center's internal audit system provides ongoing evaluations of the adequacy, effectiveness and adherence to management's established policies and procedures. The Board of Directors exercises its responsibility for these financial statements through its Audit Committee.

The Audit Committee is composed of Director Members who are not officers of the Center and meets with the independent auditors, management and internal auditor periodically to discuss internal accounting controls, auditing and financial reporting matters. The Committee reviews, with the independent auditors, the scope and results of the audit effort.

The accompanying report is based on an audit by the independent accounting firm of KPMG.



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Marco Wopereis  
Director General



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Dirk Overweg  
Director of Finance

22 March, 2018

**WORLD VEGETABLE CENTER**  
**STATEMENT OF FINANCIAL POSITION**  
For the years ended December 31, 2017 and 2016  
(Expressed in US Dollars)

ITEMS	NOTES	December 31, 2017		December 31, 2016	
		Amount	%	Amount	%
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	II/ IV.1	\$ 11,914,382	81.9	10,158,733	72.1
Accounts Receivable	II				
- Donors	IV.2	631,793	4.4	1,668,928	11.9
- Regional Center/Offices		172,846	1.2	210,885	1.5
- Employees		151,522	1.0	287,248	2.0
- Others		76,128	0.5	246,823	1.8
Prepaid expenses		1,131,422	7.8	1,025,825	7.3
Inventories	II	<u>1,400</u>	-	<u>1,608</u>	-
Total Current Assets		<u>14,079,493</u>	<u>96.8</u>	<u>13,600,050</u>	<u>96.6</u>
<b>PROPERTY AND EQUIPMENT</b>	II/ IV.3				
Total cost		1,456,987	10.0	1,313,375	9.3
Less: Accumulated depreciation		<u>(992,221)</u>	<u>(6.8)</u>	<u>(827,661)</u>	<u>(5.9)</u>
Property and Equipment-Net		<u>464,766</u>	<u>3.2</u>	<u>485,714</u>	<u>3.4</u>
<b>TOTAL ASSETS</b>		<b><u>\$ 14,544,259</u></b>	<b><u>100.0</u></b>	<b><u>14,085,764</u></b>	<b><u>100.0</u></b>
<b>CURRENT LIABILITIES</b>					
Accounts payable	II				
- Donors	IV.4	\$ 4,938,793	34.0	3,899,096	27.7
- Regional Center/Offices		53,474	0.3	120,659	0.8
- Employees		767,673	5.3	670,573	4.8
- Others		624,220	4.3	1,155,348	8.2
Accruals	IV.5	<u>712,771</u>	<u>4.9</u>	<u>686,170</u>	<u>4.9</u>
Total Current Liabilities		<u>7,096,931</u>	<u>48.8</u>	<u>6,531,846</u>	<u>46.4</u>
<b>NON CURRENT LIABILITIES</b>					
Employee Separation Account	II/ IV.6	<u>1,609,997</u>	<u>11.1</u>	<u>1,804,862</u>	<u>12.8</u>
<b>TOTAL LIABILITIES</b>		<u>8,706,928</u>	<u>59.9</u>	<u>8,336,708</u>	<u>59.2</u>
<b>NET ASSETS</b>					
Accumulated Fund	II	2,019,592	13.9	2,256,771	16.0
Working Capital Fund	II	2,000,000	13.7	2,000,000	14.2
Capital Replacement Fund	II	39,647	0.3	308,552	2.2
Innovations Fund	II	297,462	2.0	487,977	3.5
Fixed Asset Fund	II	465,000	3.2	486,000	3.5
Growth Fund	II	800,000	5.5	-	-
Self-sustaining Operation Fund	II/ IV.8	<u>503,229</u>	<u>3.5</u>	<u>652,760</u>	<u>4.6</u>
<b>TOTAL NET ASSETS</b>		<u>6,124,930</u>	<u>42.1</u>	<u>6,192,060</u>	<u>44.0</u>
Translation adjustment	II	<u>(287,599)</u>	<u>(2.0)</u>	<u>(443,004)</u>	<u>(3.2)</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>		<b><u>\$ 14,544,259</u></b>	<b><u>100.0</u></b>	<b><u>14,085,764</u></b>	<b><u>100.0</u></b>

(The accompanying notes are an integral part of the financial statements)

WORLD VEGETABLE CENTER  
STATEMENT OF ACTIVITY  
For the years ended December 31, 2017 and 2016  
(Expressed in US Dollars)

ITEMS	NOTE S	Jan. 1 ~ Dec. 31, 2017				Jan. 1 ~ Dec. 31, 2016	
		Unrestricted	Restricted	Total	%	Total	%
<b>REVENUE</b>							
Grant revenue	II/ IV.7	\$ 8,324,166	11,625,657	19,949,823	98.6	20,855,659	98.9
Other revenues and support	IV.7	<u>289,625</u>	<u>-</u>	<u>289,625</u>	<u>1.4</u>	<u>235,811</u>	<u>1.1</u>
Total Revenue		<u>8,613,791</u>	<u>11,625,657</u>	<u>20,239,449</u>	<u>100.0</u>	<u>21,091,470</u>	<u>100.0</u>
<b>EXPENDITURES</b>							
Operating expenses	II/ IV.7						
Personnel		7,831,081	3,052,604	10,883,685	54.2	10,968,881	52.0
Operating expenses		<u>1,577,896</u>	<u>8,573,053</u>	<u>10,150,949</u>	<u>49.8</u>	<u>12,000,170</u>	<u>56.9</u>
Total expenditures		<u>9,408,977</u>	<u>11,625,657</u>	<u>21,034,634</u>	<u>104.0</u>	<u>22,969,051</u>	<u>108.9</u>
Indirect cost recovery		<u>(1,487,607)</u>	<u>-</u>	<u>(1,487,607)</u>	<u>(7.4)</u>	<u>(1,608,701)</u>	<u>(7.6)</u>
Net expenditures		<u>7,921,370</u>	<u>11,625,657</u>	<u>19,547,027</u>	<u>96.6</u>	<u>21,360,350</u>	<u>101.3</u>
<b>Net operating surplus (deficit)</b>		<u><b>692,421</b></u>	<u><b>-</b></u>	<u><b>692,421</b></u>	<u><b>3.4</b></u>	<u><b>(268,880)</b></u>	<u><b>(1.3)</b></u>
<b>Expenses extra-ordinary items</b>							
Innovation Fund		175,028	-	175,028	0.9	-	-
Growth Fund		<u>124,576</u>	<u>-</u>	<u>124,576</u>	<u>0.6</u>	<u>-</u>	<u>-</u>
		<u>299,604</u>	<u>-</u>	<u>299,604</u>	<u>1.5</u>	<u>-</u>	<u>-</u>
<b>Net surplus (deficit)</b>		<u><b>\$ 392,817</b></u>	<u><b>-</b></u>	<u><b>392,817</b></u>	<u><b>1.9</b></u>	<u><b>(268,880)</b></u>	<u><b>(1.3)</b></u>

(The accompanying notes are an integral part of the financial statements.)



WORLD VEGETABLE CENTER  
STATEMENT OF CHANGES IN NET ASSETS  
For the years ended December 31, 2017 and 2016  
(Expressed in US Dollars)

Description	Undesignated		Designated					Total
	Accumulated Fund	Working Capital Fund	Capital Replacement Fund	Innovations Fund	Fixed Asset Fund	Growth Fund	Self-sustaining Operation Fund	
Balance as at January 1, 2016	\$ 3,265,651	2,000,000	469,494	820,959	296,000	-	681,638	7,533,742
Allocated to Fixed Asset Fund	(190,000)	-	-	-	190,000	-	-	-
Allocated to Capital Replacement Fund	(450,000)	-	450,000	-	-	-	-	-
Allocated to Innovations Fund	(100,000)	-	-	100,000	-	-	-	-
Year's result	(268,880)	-	-	-	-	-	-	(268,880)
Income (use) of Capital Repl. Fund	-	-	(610,942)	-	-	-	-	(610,942)
Income (use) of Innovation Fund	-	-	-	(432,982)	-	-	-	(432,982)
Income (use) of Self-sustaining Operation	-	-	-	-	-	-	(28,878)	(28,878)
<b>Balance as at December 31, 2016</b>	<b>2,256,771</b>	<b>2,000,000</b>	<b>308,552</b>	<b>487,977</b>	<b>486,000</b>	<b>-</b>	<b>652,760</b>	<b>6,192,060</b>
Net change in Fixed Asset Fund	21,000	-	-	-	(21,000)	-	-	-
Allocated to Capital Replacement Fund	-	-	41,511	(41,511)	-	-	-	-
Allocated to Innovations Fund	(126,024)	-	-	126,024	-	-	-	-
Allocated to Growth Fund	(824,576)	-	-	(100,000)	-	924,576	-	-
Year's result	692,421	-	-	(175,028)	-	(124,576)	-	392,817
Income (use) of Capital Repl. Fund	-	-	(310,416)	-	-	-	-	(310,416)
Income (use) of Self-sustaining Operation	-	-	-	-	-	-	(149,531)	(149,531)
<b>Balance as at December 31, 2017</b>	<b><u>\$ 2,019,592</u></b>	<b><u>2,000,000</u></b>	<b><u>39,647</u></b>	<b><u>297,462</u></b>	<b><u>465,000</u></b>	<b><u>800,000</u></b>	<b><u>503,229</u></b>	<b><u>6,124,930</u></b>

(The accompanying notes are an integral part of the financial statements.)

WORLD VEGETABLE CENTER  
STATEMENT OF CASH FLOWS  
For the years ended December 31, 2017 and 2016  
(Expressed in US Dollars)

ITEMS	Jan. 1 ~ Dec. 31, 2017	Jan. 1 ~ Dec. 31, 2016
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (67,130)	(1,341,682)
Adjustments to reconcile net income to net cash provided:		
Depreciation	164,607	128,726
Loss on disposal of assets	78	-
Change in operating assets and liabilities		
Decrease (increase) in accounts receivable	1,381,595	(515,241)
Decrease (increase) in prepaid expenses	(105,597)	667,129
Decrease in inventories	208	254
Increase (decrease) in accounts payable	538,484	(49,478)
Increase (decrease) in accruals	<u>26,601</u>	<u>(557,735)</u>
Net cash (used in) provided by operating activities	<u>1,938,846</u>	<u>(1,668,027)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of properties	<u>(143,737)</u>	<u>(318,426)</u>
Net cash (used in) investing activities	<u>(143,737)</u>	<u>(318,426)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Decrease in reserves from employee separation account	<u>(194,865)</u>	<u>(40,073)</u>
Net cash (used in) financing activities	<u>(194,865)</u>	<u>(40,073)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	1,600,244	(2,026,526)
<b>TRANSLATION ADJUSTMENT</b>	155,405	(37,606)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<u>10,158,733</u>	<u>12,222,865</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<u><b>\$ 11,914,382</b></u>	<u><b>10,158,733</b></u>

(The accompanying notes are an integral part of the financial statements.)

WORLD VEGETABLE CENTER  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2017 and 2016  
(Expressed in US Dollars unless otherwise specified)

**I. Organization and Operations**

The World Vegetable Center (WorldVeg, the Center) was founded in 1971 as an international, non-profit research and development organization to promote vegetable production and consumption in Asia, with its headquarters in Shanhua, Tainan, Taiwan, based on the agreed Charter of May 22, 1971. The Republic of China as host government has provided WorldVeg with all necessary legal capacities to carry out its activities as an international organization.

WorldVeg's tasks have been globalized and extended to Africa and Asia over the years. WorldVeg wants to achieve lasting positive impact on the nutritional status, income and well-being of the people – particularly in Africa and Asia – based on quality, long-term complementary partnerships in vegetable science and development. The Center strives to find an effective and appropriate balance between research to produces technologies, and development to ensure impact. Its work is based around three global flagships that address the entire vegetable value chain and one supporting, cross-cutting flagship.

- Safe and Sustainable Value Chains
- Healthy Diets
- Vegetable Diversity and Improvement
- Enabling Impact

The Center is governed by a Board of Directors, which consists of representatives of the original signatories to the Center's Charter and individuals elected by the Board who have experience in determining the policies and programs of the Center.

The financial requirements of the Center are funded mainly by contributions and grants or donations from member and non-member countries and organizations.

The Center may terminate its operations by a resolution adopted unanimously by all members of the Board of Directors. In case the Center terminates its operations, all buildings, equipment and other assets belonging to the Center (and/or affiliated sub-Centers) will be transferred, upon the concurrence and approval of the Board of Directors and host country, to organizations in the host country which were formed and are operated exclusively for scientific or educational purposes and which meet certain conditions prescribed in the Center's Charter.

Members of the Board of Directors with tenure in 2017:

- Dr. Junne-Jih Chen, ROC, Chair of the Board  
 Dr. David Sammons, USA, Interim Chair of the 51<sup>st</sup> Board Meeting, (term ended in December 2017)  
 Dr. Jen-Pin Chen, ROC  
 Dr. Myoung Rae Cho, Korea (joined in August 2017)  
 Mr. George Culaste, Philippines (joined in November 2017)  
 Dr. Richard Ellis, UK (joined in April 2017)  
 Mr. Takashi Hamada, Japan (term ended in August 2017)  
 Dr. Julie Howard, USA (joined in April 2017)  
 Dr. Masa Iwanaga, Japan  
 Ms. Sophia Kaduma, Tanzania (term ended in December 2017)  
 Dr. Hsueh-Shih Lin, ROC (joined in April 2017)  
 Dr. Marlis Lindecke, Germany  
 Mr. Gordon MacNeil, Canada  
 Dr. Vivencio Mamaril, Philippines (term ended in August 2017)  
 Dr. Bonnie McClafferty, USA (joined in December 2017)  
 Mr. Shigehiro Nishiumi, Japan (joined in November 2017)  
 Dr. Dae-Geun Oh, Korea (term ended in August 2017)  
 Ms. Cathy Reade, Australia  
 Ms. Emmy Simmons, USA (term ended in April 2017)  
 Dr. Chongrak Wachrinrat, Thailand  
 Dr. Jon Wilkinson, UK (term ended in April 2017)  
 Dr. Marco Wopereis, the Netherlands, Director General, ex-officio member

The number of staff working at the Center as of 31 December, 2017 and 2016:

	<b>31 December, 2017</b>			<b>31 December, 2016</b>		
	HQ	Regions	Total	HQ	Regions	Total
Internationally recruited staff	25	25	50	24	28	52
Nationally recruited staff	177	160	337	188	160	348
<b>Total</b>	<b>202</b>	<b>185</b>	<b>387</b>	<b>212</b>	<b>188</b>	<b>400</b>

## **II. Summary of significant accounting policies**

WorldVeg's accounting policies and practices conform to internationally accepted accounting principles for not-for-profit organizations and are comparable to those used by other international agricultural research centers.

The principal accounting policies set out below have been applied consistently to all periods presented in these financial statements.

### **1. Use of estimates**

The preparation of financial statements on an accrual basis requires management to make estimates and judgments that affect the recorded amounts of assets and liabilities. The Center continually evaluates these estimates, including those related to valuation of inventories and useful life of the Center's properties. The Center makes its estimates based on historical experience and assumptions which it believes to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions and conditions.

### **2. Revenue recognition**

Unrestricted grants are pledged on an annual basis and are recognized as revenue in the year for which the grant is pledged.

Restricted grants (grants received for specific purposes and thus conditionally committed) are recognized as revenue only to the extent that the donor conditions have been substantially met and to the extent that the funds are expended. Any unexpended restricted funds at the end of the year are carried forward to the next financial year as current liabilities.

Other revenues are recognized when earned.

### **3. Expenditures**

Expenditures are accounted for on an accrual basis.

### **4. Translation adjustment of foreign currencies**

The Center records its transactions in the currencies in which these are denominated. The accompanying financial statements reflect the actual amounts of transactions in US dollars, and the US dollar equivalents of transactions in other currencies based on the monthly exchange rates prevailing on the date of the transaction. Assets and liabilities denominated in foreign currencies are translated at year-end bank buying exchange rates.

5. Cash equivalents

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which present insignificant risks from changes in interest rates.

6. Accounts receivable

Accounts receivable are classified as:

- Donors: claims on donors for expenses advanced by WorldVeg for projects and unpaid donor pledges for unrestricted core activities.
- Regional centers: claims from regional centers for expenses advanced to the projects. This occurs where the regional center is hosted by another organization and the hosting organization is the legal owner of the bank account managed by the regional center.
- Employees: includes loans/advances to officers and advances to employees for official travel.
- Others : includes claims on sub-contractors and advances to building contractors /suppliers.

7. Doubtful debts

On the basis of management's assessment, a 10% provision is generally recorded on the grants receivables and any other receivables that management deems necessary to provide for. In specific cases, different allowances are made for doubtful debts on the basis of their lack of recoverability.

8. Inventories

Inventories are stated at the lower of weighted-average cost or net realizable value.

9. Property and Equipment

Properties are stated at cost. Major additions, renewals and betterments are capitalized when the purchase valued exceeds 1,500 USD and the funding source is unrestricted.

Depreciation is applied using the straight-line method over the following service lives:

Furniture and laboratory equipment	4~15 years
Computer equipment	4 years

Gain (loss) on disposal of properties is presented as revenue (expenditure) in the financial statements.

10. Accounts payable

Accounts payable are classified as:

- Donors: unrestricted grants received from donors for which conditions are not yet met and amounts payable to donors in respect of any unspent funds received in advance for restricted grants.
- Regional centers: for expenses on the regional center's projects when pre-financed by the hosting organization or funds received in advance from other organizations for planned activities.
- Employees: includes payables to officers, expenses for official travel advanced by the employees and annual bonus & performance bonuses due to performance in the current year but to be paid out the next year.

11. Accounts payable-Others

This includes the payables to other organizations for work subcontracted to WorldVeg; committed funds for research activities at headquarters and payables to trainees and suppliers.

12. Pension plan-local employees at HQ

The Center has a retirement savings plan covering all local employees at headquarters. The Center deposits 1/12 to 2/12 of each employee's monthly salary, depending on the service period, to a savings fund. Employees qualified for retirement will be entitled to receive their contributions to the fund plus accumulated interest. Payments from the fund are governed by the provisions of the plan. The savings fund is not part of the balance sheet of WorldVeg.

The Center has set up an early retirement plan for local employees at headquarters in 1999. Under this plan, the employees can opt for early retirement at 60 or 55 years of age, and receive a compensation between half to one month of salary per year, for the remaining years of service up to their regular retirement age.

13. Accumulated fund

This fund is the result from the accumulated surpluses of current and previous years and is used to finance the other net asset funds. The accumulated fund is used exclusively in support of the Center's overall operations.

14. Working capital fund

The working capital fund is used to finance the Center's working capital and ongoing operational requirements. Yearly transfers are made to this fund from the accumulated

fund.

15. Capital replacement fund

This represents net assets designated by management for future acquisition or replacement of fixed assets.

16. Innovation fund

This represents net assets designated by management to explore innovative research and development ideas.

17. Growth fund

This fund is limited in time and has the purpose to attract a few highly qualified staff to facilitate fundraising and jump start new areas of research areas in line with the 2017-2020 operational plan.

18. Fixed asset fund

This represents investment of the Center in property and equipment at net value.

19. Self-sustaining operation fund

The self-sustaining operation fund represents the operating fund for the Center's staff housing maintenance.

20. Current and non-current classification of assets and liabilities

Current assets include cash and other assets that are expected to be realized in cash or be consumed within one year from the date of financial statements. Current liabilities are liabilities expected to be liquidated within one year. All other assets and liabilities are classified as non-current items.

### **III. Financial risk management**

Risk management is carried out under policies approved by the Board of Directors and executed by the Center's risk management committee at HQ and regional risk management teams. A risk management coordinator at HQ has been appointed to coordinate day to day risk management activities in the Center.

Financial risks are identified, evaluated and managed according to these policies.

#### **Foreign exchange risk**

The Center manages foreign risk by converting its foreign currency collections into spending currency on an ongoing basis to cater for its operational requirements. As a result, the Center



does not hold large amounts in currency deposits other than in the recipient and spending currencies.

### **Liquidity risk**

Prudent liquidity risk management includes maintaining sufficient cash due to the dynamic nature of the underlying business. Management monitors rolling forecasts of the Center’s liquidity reserve based on expected cash flow.

### **Project risk**

The Center avoids pre-financing as much as possible and maintains an overview to assess the financial risk involved. A sound financial management system, regular monitoring of project spending and capacity building in project management skills reduces the risk of budget overspending or the incurrence of ineligible expenses.

## **IV. Content of Significant Accounts**

### 1. Cash and Cash Equivalents

	<u>Dec. 31, 2017</u>	<u>Dec. 31, 2016</u>
Cash on hand	\$ 62,017	60,993
Cash in bank	10,852,365	10,097,740
Time deposits	1,000,000	-
Total	<b><u>\$ 11,914,382</u></b>	<b><u>10,158,733</u></b>

### 2. Accounts Receivable – Donors

	<u>Dec. 31, 2017</u>	<u>Dec. 31, 2016</u>
Donors – Restricted projects	\$ 689,793	2,011,856
Donors – Unrestricted projects	-	250,000
Less: Provision for doubtful account	(58,000)	(592,928)
Net	<b><u>\$ 631,793</u></b>	<b><u>1,668,928</u></b>

Donors – Restricted projects are usually based on agreed-upon budgets and expenditures, and are subject to certain conditions and terms as set forth in agreements with the donors. Detailed information on restricted project funds is provided in Appendix I-a and I-b.

### 3. Property and Equipment

#### A. Unrestricted

This table lists the book value of fixed assets bought with unrestricted funds. Items purchased by WorldVeg prior to 2002 (when WorldVeg introduced accrual accounting) had book value of 0 as of 1 January 2002 and are not included in cost figures and accumulated depreciation below. Buildings and other items held in custody by WorldVeg are excluded as well.

	<u>Dec. 31, 2017</u>	<u>Dec. 31, 2016</u>
Cost:		
Furniture, laboratory equipment and others	\$ 1,124,847	1,027,470
Computer equipment	332,140	285,905
	<u>1,456,987</u>	<u>1,313,375</u>
Less: Accumulated depreciation		
Furniture, laboratory equipment and others	(743,873)	(619,918)
Computer equipment	(248,348)	(207,743)
	<u>(992,221)</u>	<u>(827,661)</u>
Net	<u><b>\$ 464,766</b></u>	<u><b>485,714</b></u>

The movement of the properties is shown in Appendix II.

#### B. Others

The Center recorded the capital expenditures as deductions from funds, and accordingly such expenditures were not reflected as assets through December 31, 2001. The Center maintains a memo record of the cost of such properties (buildings in custody and fixed assets bought with non-core funds) still in use as of December 31, 2017 and 2016, as follows:

	<u>Dec. 31, 2017</u>	<u>Dec. 31, 2016</u>
Buildings	\$ 4,604,337	4,604,337
Greenhouses	127,379	127,379
Heavy-duty equipment	836,635	764,185
Centralized air conditioners	298,008	298,008
Vehicles	1,687,916	1,648,216
Furniture and laboratory equipment	5,170,796	5,108,585
Computers and others	1,635,139	1,461,266
Total	<u><b>\$ 14,360,210</b></u>	<u><b>14,011,976</b></u>

#### 4. Accounts Payable- Donors

Donors – Restricted projects are normally based on agreed-upon budgets and expenditures, and are subject to certain conditions and terms as set forth in agreements with the donors. Detailed information on restricted project funds is provided in Appendix I-a and I-b.

#### 5. Accruals

Accruals include accrued expenses of the Center, deferred payment for activities and other expenses. As of December 31, 2017 and 2016, details were as follows:

	<u>Dec. 31, 2017</u>	<u>Dec. 31, 2016</u>
Accrued expenses	\$ 592,771	586,170
Deferred payment for activities	120,000	100,000
Total	<u>\$ 712,771</u>	<u>686,170</u>

#### 6. Employee Benefit

##### A. *Employee Separation Account:*

As of December 31 2017 and 2016, details of employee separation benefit account were as follows:

	<u>Dec. 31, 2017</u>	<u>Dec. 31, 2016</u>
Leave pay	\$ 802,000	1,009,433
Repatriations	525,000	546,000
Incentives for early retirement pay	110,000	132,292
Separation Costs – ESEA	111,533	69,878
Separation Costs – ESA	44,559	32,515
Separation Costs – WCA - D	16,905	14,744
Total	<u>\$ 1,609,997</u>	<u>1,804,862</u>

ESEA: East and Southeast Asia.

ESA: Eastern and Southern Africa.

WCA - D: West and Central Africa, dry regions.

In 2017, local employees and international staff are entitled to compensation of unused annual leave of up to 25 days if their length of service on date of termination is under 15 years and up to 44 days if their length of service on date of termination exceeds 15 years. In 2016, local employees and international staff are entitled to compensation of unused annual leave of 44 days. Employees are compensated for accumulated unused annual leave upon resignation or termination.

The Center shall bear the transportation and relocation cost of the international staff and their immediate family upon termination of employment.

*B. Pension Cost and Retirement:*

The Center has made arrangement for its international staff to be provided with payroll administration services by the Association of International Agricultural Research Centers (AIARC) so that they may participate in suitable retirement and group insurance plans. The Center pays the entire cost of participation in these plans.

Likewise, the Center makes a contribution of between 1/12 and 2/12 of each employee's monthly salary into a Post Office Savings account designated to pay pension/retirement benefit for local staff.

In 2017 and 2016, the employee benefits included the contributions to:

	<u>2017</u>	<u>2016</u>
Retirement plans for international staff	\$ 573,959	590,326
Retirement savings fund for local employees	<u>321,265</u>	<u>315,072</u>
Total	<u><b>\$ 895,224</b></u>	<u><b>905,398</b></u>

Changes in the savings fund for the retirement plan for local employees for the years end December 31, 2017 and 2016 were summarized as follows:

	<u>2017</u>	<u>2016</u>
Balance, beginning of year	\$ 4,885,019	5,197,896
Translation adjustment	289,075	108,313
Contributions	321,265	315,072
Interest income	44,432	67,248
Payments	<u>(736,623)</u>	<u>(803,510)</u>
Balance, end of year	<u><b>\$ 4,803,168</b></u>	<u><b>4,885,019</b></u>

7. Unrestricted Funds

Information on unrestricted funds for the years ended December 31, 2017 and 2016 were summarized as follows:

(1) Contributions received from:

	<u>2017</u>	<u>2016</u>
ACIAR	\$ 318,115	322,641
Germany	272,970	276,970
Japan	9,363	8,583
Philippines	50,000	50,000
Republic of China	4,686,877	4,407,001
Republic of Korea	50,000	50,000
Thailand	134,996	127,381
UK/DFID	1,895,390	1,026,320
USAID	906,455	1,103,545
Total	<u><b>\$ 8,324,166</b></u>	<u><b>7,372,441</b></u>

(2) Other information pertaining to this fund were summarized as follows:

Other revenues and support:	<u>2017</u>	<u>2016</u>
Interest earned from funds other than the contributions from the USA	\$ 33,087	15,818
Miscellaneous	256,538	219,993
Total	<u><b>\$ 289,625</b></u>	<u><b>235,811</b></u>

(3) Operating expenditures:

	<u>2017</u>	<u>2016</u>
Personnel:		
International	\$ 3,662,068	3,834,821
Local	4,169,013	4,012,244
Total	<u><b>\$ 7,831,081</b></u>	<u><b>7,847,065</b></u>
	<u>2017</u>	<u>2016</u>
Operating costs:		
Supplies and services	\$ 1,081,444	1,115,185
Travel	294,072	272,981
Training, workshops and other meetings	37,773	121,876
Depreciation	164,607	128,726
Total	<u><b>\$ 1,577,896</b></u>	<u><b>1,638,768</b></u>

All expenditures incurred for units of the director general, board of directors, administration and financial services were summarized as indirect costs. The supplementary schedule of computation of indirect costs rate is shown in Appendix III.

8. Self-sustaining Operation Fund

Changes in the fund for the years ended December 31, 2017 and 2016 were summarized as follows:

	<u>2017</u>	<u>2016</u>
Fund balance, beginning of year	\$ 652,760	681,638
Staff housing rentals	61,408	68,207
Staff housing maintenance expenses	(310,359)	(114,529)
Staff vehicle maintenance fund	118,140	83,504
Staff vehicle maintenance expenses	(18,720)	(66,060)
Net change in fund	<u>(149,531)</u>	<u>(28,878)</u>
Fund balance, end of year	<u><u>\$ 503,229</u></u>	<u><u>652,760</u></u>

9. Prior Year Comparatives

None.

**World Vegetable Center**  
**Restricted project expenses (sorted in decreasing order of expenses of the year)**  
**For the year ended December 31, 2017**  
**(Expressed in US Dollar unless otherwise specified )**

Project No.	Donor	Lead Partner (1)	Project Name	Start date	End Date	Total Budget	Expenses until December 2016	Expenses in 2017	Total Expenses	Variance (Budget - Expenses)	Exp as % of Budget
10000246	USAID		Deploying Improved Vegetable Technologies to Overcome Malnutrition and Poverty in Mali	May 14	Mar. 19	6,100,000	3,615,554	2,744,396	6,359,951	259,951	104%
10000253	USAID		Deploying Vegetable Seed Kits to Tackle Malnutrition In Cambodia, Kenya, Liberia, Tanzania and Uganda	Sept. 14	Sept. 18	4,621,230	2,373,196	2,066,870	4,440,066	181,164	96%
10000264	USAID		Deploying Improved Vegetable Technologies to Overcome Malnutrition and Poverty in Mali (Module 2)	Apr. 15	Mar. 19	3,650,000	1,483,784	978,019	2,461,803	1,188,197	67%
10000254	BMZ/GIZ		Beans with Benefits: Integrating improved mungbean as a catch crop into the dryland systems of South and Central Asia for increased smallholder farmer income and more sustainable production systems	Apr. 15	Mar. 18	1,406,528	444,569	577,160	1,021,729	384,799	73%
10000195	USAID		Postharvest component -USAID Agreement No. AID-BFS-IO-12-000-04	Sept. 12	Sept. 18	3,400,000	2,660,729	546,952	3,207,681	192,319	94%
10000299	ROC/COA		Strengthening cooperation between AVRDC and COA on vegetable research and development	Jan. 17	Dec. 17	471,440	-	471,784	471,784	344	100%
10000237	BMZ/GIZ		Attraction in Action: Using pheromones and other safe and sustainable management strategies to reduce losses from insect pests and plant diseases on vegetable legumes and leafy brassicas in Southeast Asia	Apr. 14	Dec. 17	1,523,473	828,776	366,872	1,195,649	327,824	78%
10000216	ACIAR		Improving income and nutrition in Eastern and Southern Africa by enhancing vegetable-based farming and food systems in peri-urban corridors	June 13	Dec. 17	2,277,622	1,870,025	263,076	2,133,101	144,521	94%
10000227	USAID	CIMMYT	Promoting Science and Innovation in Agriculture in Pakistan (PSIAP) - Agricultural Innovation program (AIP)	Mar. 13	Mar. 17	2,504,998	2,300,697	391,647	2,692,344	187,346	107%
10000273	ACIAR		Establishing the International Mungbean Improvement Network	Jan. 16	Dec. 19	1,597,648	207,960	214,631	422,591	1,175,057	26%
10000258	SDC	SNV	Cambodian Horticulture Project for Advancing Income and Nutrition	Jan. 15	Nov. 17	535,460	307,860	205,969	513,829	21,631	96%
10000291	BMZ/GIZ		Resist Detect Protect Wide spectrum insect resistance and sound management strategies to sustainably manage insect pests on Solanaceous vegetables in South Asia	Jan. 17	Dec. 19	1,289,463	-	200,417	200,417	1,089,046	16%
10000255	USAID	IITA	Enhancing partnership among Africa RISING, NAFKA and TUBORESHE CHAKULA Programs for fast-tracking delivery and scaling of agricultural technologies in Tanzania	Oct. 14	Sept. 17	592,278	399,336	194,057	593,394	1,116	100%
10000293	GoO		Improve Mungbean and Urdbean Productivity in Odisha State	Dec. 15	Mar. 18	352,497	-	158,321	158,321	194,176	45%
10000252	USAID		Nutrition Sensitive Vegetable Technologies- Tajikistan Scaling Program	Sept. 14	Sept. 17	838,643	686,453	152,190	838,642	1	100%
10000154	ACIAR	Univ. of Queensland	Strengthening Integrated Crop Management Research in The Pacific Islands in Support of Sustainable Intensification of High-Value Crop Production	Nov. 11	Mar. 17	1,140,062	774,532	137,937	912,468	227,593	80%

Project No.	Donor	Lead Partner (1)	Project Name	Start date	End Date	Total Budget	Expenses until December 2016	Expenses in 2017	Total Expenses	Variance (Budget - Expenses)	Exp as % of Budget
I0000286	MAFF		Selection of tropically-adapted lines of vegetables to improve productivity of the vegetable value chain in Myanmar and Vietnam (Year 2)	July 16	June 17	131,214	22,700	108,889	131,589	375	100%
I0000292	PSSC		Broadening the narrow genetic base of commercial bitter melon cultivars by exploiting the genetic diversity of WorldVeg's breeding lines	Apr. 17	Mar. 20	530,000	-	104,024	104,024	425,976	20%
I0000175	USAID	IITA	Africa RISING: Enhancing vegetable value chains in rice-based and sole crop production systems to improve farm household income and consumer access to safer vegetables in Morogoro, Tanzania	Apr. 12	Apr. 18	527,252	417,560	102,112	519,671	7,581	99%
	Miscellaneous	Miscellaneous	Projects with expenses 2017<100,000 USD			16,880,715	10,550,087	1,640,335	12,190,421	4,690,294	72%
<b>Totals</b>						<b>50,370,524.26</b>	<b>28,943,817.66</b>	<b>11,625,657.21</b>	<b>40,569,474.87</b>	<b>9,801,049.39</b>	<b>81%</b>

(1) If a lead partner is defined, WordVeg executes the project activities under a signed agreement with the lead partner. Typically the lead partner has signed the main agreement with the donor.

(2) For USAID projects the budget is set to the amount obligated by USAID.



**World Vegetable Center**  
**Changes in restricted funds and restricted project expenses**  
**For the year ended December 31, 2017**  
**(Expressed in US Dollar unless otherwise specified)**

Donor	Lead Partner (1)	No.	Project Name	Start date	End Date	Receivables from donor on 1/1/2017	Advances from donor on 1/1/2017	Adjustment	Funds received in 2017	Expenses in 2017	Receivables from donor to date	Accounts Payable to date	Total Budget	Expenses until December 2016	Expenses (2) in 2017	Total Expenses	Variance (Budget - Expenses)
ACIAR	Univ. of Queensland	1	Strengthening Integrated Crop Management Research in The Pacific Islands in Support of Sustainable Intensification of High-Value Crop Production	Nov. 11	Mar. 17		176,247.03	-38,310.37	0.00	137,936.66			1,140,062	774,532	137,937	912,468	227,593
ACIAR		2	Improving livelihoods with innovative cropping systems on the East India plateau (UWS)	Oct. 12	June 17		13,780.97	7,772.63	0.00	21,553.60			112,934	86,092	21,554	107,646	5,289
ACIAR	DAFF	3	Increasing productivity of allium and solanaceous vegetable crops in Indonesia and sub-tropical Australia	Jan. 13	May 17		7,991.55	1,483.54	0.00	9,475.09			67,640	45,567	9,475	55,042	12,597
ACIAR		4	Improving income and nutrition in Eastern and Southern Africa by enhancing vegetable-based farming and food systems in peri-urban corridors	June 13	Dec. 17		319,794.35		0.00	263,075.67		56,718.68	2,277,622	1,870,025	263,076	2,133,101	144,521
ACIAR	Charles Darwin University (CDU)	5	Promoting traditional vegetable production and consumption for improved livelihoods in Papua New Guinea and Northern Australia	June 14	June 18		14,755.51		2,240.54	18,404.70	1,408.65		155,589	63,604	18,405	82,009	73,580
ACIAR		6	Establishing the International Mungbean Improvement Network	Jan. 16	Dec. 19		191,951.45		399,028.64	214,631.24		376,348.85	1,597,648	207,960	214,631	422,591	1,175,057
ACIAR		7	Improved mungbean harvesting and seed production systems for Bangladesh, Myanmar and Pakistan	July 17	June 21				101,939.25	35,098.16		66,841.09	801,091	-	35,098	35,098	765,992
<b>ACIAR</b>						<b>0.00</b>	<b>724,520.86</b>	<b>-29,054.20</b>	<b>503,208.43</b>	<b>700,175.12</b>	<b>1,408.65</b>	<b>499,908.62</b>	<b>6,152,585.38</b>	<b>3,047,780.09</b>	<b>700,175.12</b>	<b>3,747,955.21</b>	<b>2,404,630.17</b>
AFACI		1	International Training-Workshop on Postharvest Management Technology for Horticultural Crops	Apr. 15	Apr. 17		216.95	-216.95	0.00	0.00			137,158	136,941	0	136,941	217
<b>AFACI</b>						<b>0.00</b>	<b>216.95</b>	<b>-216.95</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>137,158.00</b>	<b>136,941.05</b>	<b>0.00</b>	<b>136,941.05</b>	<b>216.95</b>
AIM		1	Amsterdam Initiative against Malnutrition	Dec. 14	June 19	1,658.03			24,743.26	25,525.30	2,440.07		57,936	9,068	25,525	34,594	23,342
<b>AIM</b>						<b>1,658.03</b>	<b>0.00</b>	<b>0.00</b>	<b>24,743.26</b>	<b>25,525.30</b>	<b>2,440.07</b>	<b>0.00</b>	<b>57,935.72</b>	<b>9,068.32</b>	<b>25,525.30</b>	<b>34,593.62</b>	<b>23,342.10</b>
APSA		1	Multi-location evaluation of tomato lines carrying different combinations of Ty genes for resistance against begomovirus infection	Mar. 14	Oct. 17		81,556.94	-1,507.63	0.00	80,049.31			278,263	196,706	80,049	276,755	1,508
APSA		2	APSA-WorldVeg Vegetable Breeding Consortium	Jan. 17	Dec. 19				113,200.00	23,559.17		89,640.83	110,600	-	23,559	23,559	87,041
<b>APSA</b>						<b>0.00</b>	<b>81,556.94</b>	<b>-1,507.63</b>	<b>113,200.00</b>	<b>103,608.48</b>	<b>0.00</b>	<b>89,640.83</b>	<b>388,863.00</b>	<b>196,706.06</b>	<b>103,608.48</b>	<b>300,314.54</b>	<b>88,548.46</b>
Belgian Gov	TRIAS	1	Implementing market-driven vegetable agricultural service providers (ASPs) linking smallholder farmers to services and markets	Jan. 17	Dec. 18				0.00	28,624.68	28,624.68		141,017	-	28,625	28,625	112,393
<b>Belgian Gov</b>						<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>28,624.68</b>	<b>28,624.68</b>	<b>0.00</b>	<b>141,017.21</b>	<b>0.00</b>	<b>28,624.68</b>	<b>28,624.68</b>	<b>112,392.53</b>
BMZ/GIZ	Kassel Universiteit	1	GlobE UrbanFoodPlus: Controlled central factorial experiments for participatory development, evaluation and demonstration of improved nutrient and water management strategies	May 13	June 16	26,802.82		22,621.52	4,181.30	0.00			152,055	155,066	0	155,066	3,011
BMZ/GIZ		2	Attraction in Action: Using pheromones and other safe and sustainable management strategies to reduce losses from insect pests and plant diseases on vegetable legumes and leafy brassicas in Southeast Asia	Apr. 14	Dec. 17		574,633.86		0.00	366,872.47		207,761.39	1,523,473	828,776	366,872	1,195,649	327,824
BMZ/GIZ	ICIPE	3	Enhancing the Livelihood Opportunities of Smallholder African Indigenous Vegetable (AIV) Producers through the Development and Implementation of IPM Measures for Ashrood and Nematode Pests	Jan. 14	Dec. 17		18,185.50		24,945.61	62,238.81	19,107.70		220,619	122,784	62,239	185,023	35,596
BMZ/GIZ		4	Beans with Benefits: Integrating improved mungbean as a catch crop into the dryland systems of South and Central Asia for increased smallholder farmer income and more sustainable production systems	Apr. 15	Mar. 18		454,631.58		435,608.65	577,160.03		313,080.20	1,406,528	444,569	577,160	1,021,729	384,799
BMZ/GIZ		5	Wild Relatives to Fight Blight: Using wild tomato to enhance the resistance of tropical tomato cultivars against late blight	Feb. 15	Jan. 17		21,559.10	-2,411.81	3,422.78	22,570.07			90,813	65,703	22,570	88,273	2,540
BMZ/GIZ		6	Nutrition-Sensitive Promotion of Vegetables (NutriSenseProm) increasing vegetable consumption through public and private partnerships efficiently delivering effective nutrition messages in the vegetable value chain	Mar. 16	Mar. 18		14,516.05		49,384.31	22,487.01		41,413.35	109,096	40,032	22,487	62,519	46,577
BMZ/GIZ		7	Preparatory Activities to Support the Tomato Component of the Green Innovation Centers in the Agro-Food Sector - India	Dec. 15	May 16		310.27	-310.27	0.00	0.00			38,104	25,419	0	25,419	12,686
BMZ/GIZ	Humboldt University	8	Variety Development and Seed Systems - World Vegetable Center component under BMFF/BMZ/GlobE Diversifying Food Systems: Horticultural Innovations and Learning for Improved Nutrition and Livelihood in East Africa (HORTINLEA) Phase 2	July 16	June 18		14,902.77		89,254.19	67,843.73		36,313.23	182,862	34,969	67,844	102,812	80,050
BMZ/GIZ	Kassel Universiteit	9	African-German partnership to enhance resource use efficiency in urban and peri-urban agriculture for improved food security in West African cities (Urban-Food-Plus)	July 16	June 18	1,536.41			65,254.84	46,564.26		17,154.17	127,445	33,699	46,564	80,263	47,182

Donor	Lead Partner (1)	No.	Project Name	Start date	End Date	Receivables from donor on 1/1/2017	Advances from donor on 1/1/2017	Adjustment	Funds received in 2017	Expenses in 2017	Receivables from donor to date	Accounts Payable to date	Total Budget	Expenses until December 2016	Expenses (2) in 2017	Total Expenses	Variance (Budget - Expenses)
BMZ/GIZ		10	Resist Detect Protect Wide spectrum insect resistance and sound management strategies to sustainably manage insect pests on Solanaceous vegetables in South Asia	Jan. 17	Dec. 19		212,158.82		235,319.03	200,416.84		247,061.01	1,289,463	-	200,417	200,417	1,089,046
BMZ/GIZ		11	Action Against Anthracnose: Resistant C. annuum chilli pepper introgression lines and cultivars for Bangladesh	Jan. 17	Dec. 18				52,266.27	33,911.53		18,354.74	104,533	-	33,912	33,912	70,621
BMZ/GIZ		12	Technical partnership to support tomato value chain development under the green innovation center for the agriculture and food sector, India	May 17	Dec. 18				79,864.91	53,514.28		26,350.63	174,917	-	53,514	53,514	121,402
BMZ/GIZ		13	Small grants for construction of a Zero Energy Cooling Chamber in Mali	Oct. 17	Dec. 17				1,926.12	925.27		1,000.85	1,926	-	925	925	1,001
<b>BMZ/GIZ</b>						28,339.23	1,310,897.95	19,899.44	1,041,428.01	1,454,504.30	19,107.70	908,489.57	5,421,833.87	1,751,016.43	1,454,504.30	3,205,520.73	2,216,313.14
CGIAR	IITA	1	CGIAR Research Program Humidropics: Integrated Systems for the Humidropics	July 12	Dec. 16	176,253.55		144,731.55	31,522.00	0.00			2,329,958	2,406,657	0	2,406,657	76,699
CGIAR	IITA-FARA	2	The Operations of Humidropics Innovation Platform in Cameroon	July 15	Jan. 16	17.72		17.72	0.00	0.00			41,300	37,729	0	37,729	3,571
<b>CGIAR</b>						176,271.27	0.00	144,749.27	31,522.00	0.00	0.00	0.00	2,371,257.89	2,444,385.27	0.00	2,444,385.27	-73,127.38
CinI		1	Improved Livelihoods through Crop Diversification into Vegetables in Jharkhand and Odisha under Central India Initiative	May 16	Mar. 19				93,307.57	78,091.71		15,215.86	220,223	-	78,092	78,092	142,131
<b>CinI</b>						0.00	0.00	0.00	93,307.57	78,091.71	0.00	15,215.86	220,222.80	0.00	78,091.71	78,091.71	142,131.09
CORAF/WECARD		1	Enhancing Productivity, Competitiveness and Marketing of Traditional African (Leafy) Vegetables for Improved Income and Nutrition in West and Central Africa	Aug. 13	Sept. 16	160,620.82		80,120.98	80,499.84	0.00			658,018	610,642	0	610,642	47,376
<b>CORAF/WECARD</b>						160,620.82	0.00	80,120.98	80,499.84	0.00	0.00	0.00	658,018.00	610,642.35	0.00	610,642.35	47,375.65
CRS	CRS	1	Implementation of the Youth Vegetable Business Hub (YVBH) Project	Aug. 17	Sept. 18				28,137.36	20,717.30		7,420.06	92,513	-	20,717	20,717	71,796
<b>CRS</b>						0.00	0.00	0.00	28,137.36	20,717.30	0.00	7,420.06	92,513.49	0.00	20,717.30	20,717.30	71,796.19
European Commission		1	Linking genetic resources, genomes and phenotypes of Solanaceous crops	Mar. 16	Feb. 21		119,098.10		0.00	85,069.65		34,028.45	472,859	11,209	85,070	96,279	376,580
<b>European Commission</b>						0.00	119,098.10	0.00	0.00	85,069.65	0.00	34,028.45	472,859.42	11,209.32	85,069.65	96,278.97	376,580.45
FAO	DAFF	1	Training Service on Tuta Absoluta Management	Feb. 17	June 17				17,384.23	17,383.49			17,384	-	17,383	17,383	1
<b>FAO</b>						0.00	0.00	-0.74	17,384.23	17,383.49	0.00	0.00	17,384.00	0.00	17,383.49	17,383.49	0.51
GATES	Food, Agriculture and Natural Resou	1	Training ATONU Project Staff on Vegetable Production in Tanzania	Feb. 17	Mar. 17				20,632.50	22,004.57	1,494.38		20,650	-	22,005	22,005	1,355
<b>GATES</b>						0.00	0.00	-122.31	20,632.50	22,004.57	1,494.38	0.00	20,650.00	0.00	22,004.57	22,004.57	-1,354.57
GBIF		1	Capacity building towards digitization of national vegetable databases to address regional and national priorities in food and nutritional security in Eastern Africa	Feb. 17	Jan. 19				4,340.04	0.00		4,340.04	22,823	-	0	0	22,823
<b>GBIF</b>						0.00	0.00	0.00	4,340.04	0.00	0.00	4,340.04	22,823.02	0.00	0.00	0.00	22,823.02
GCDT		1	Building the GeneSys Catalog of Phenotypic Datasets	Jan. 17	July 18				20,884.55	27,823.23	6,938.68		41,813	-	27,823	27,823	13,990
GCDT		2	Development and preparation of eggplant pre-bred materials for adaptation to climate change	July 17	June 19				40,790.00	19,828.05		20,961.95	280,000	-	19,828	19,828	260,172
<b>GCDT</b>						0.00	0.00	0.00	61,674.55	47,651.28	6,938.68	20,961.95	321,813.01	0.00	47,651.28	47,651.28	274,161.73
GoK	ICRISAT	1	Improving Rural Livelihoods through Innovative Scaling-up of Science-led Participatory Research for Development in Karnataka (CGIAR initiative)	Apr. 13	Mar. 17	4,498.38		-0.38	44,495.00	39,996.24			320,000	279,998	39,996	319,995	5
<b>GoK</b>						4,498.38	0.00	-0.38	44,495.00	39,996.24	0.00	0.00	320,000.00	279,998.38	39,996.24	319,994.62	5.38
GoO		1	Improve Mungbean and Urdbean Productivity in Odisha State	Dec. 15	Mar. 18				185,619.06	158,321.00		27,298.06	352,497	-	158,321	158,321	194,176
GoO		2	Onion Value Chain Improvements in Odisha	May 16	Apr. 18				139,894.87	53,075.65		86,819.22	389,793	-	53,076	53,076	336,717
<b>GoO</b>						0.00	0.00	0.00	325,513.93	211,396.65	0.00	114,117.28	742,290.27	0.00	211,396.65	211,396.65	530,893.62

Donor	Lead Partner (1)	No.	Project Name	Start date	End Date	Receivables from donor on 1/1/2017	Advances from donor on 1/1/2017	Adjustment	Funds received in 2017	Expenses in 2017	Receivables from donor to date	Accounts Payable to date	Total Budget	Expenses until December 2016	Expenses (2) in 2017	Total Expenses	Variance (Budget - Expenses)
Kagome		1	Screening for development of begomovirus-resistant processing tomato hybrid	Oct. 10	Dec. 18		17,074.90		9,907.53	17,099.33		9,883.10	143,053	114,851	17,099	131,951	11,103
<b>Kagome</b>						0.00	17,074.90	0.00	9,907.53	17,099.33	0.00	9,883.10	143,053.36	114,851.34	17,099.33	131,950.67	11,102.69
Korea/RDA		1	Identification of molecular markers associated with disease and insect resistance for marker assisted selection (MAS) in tomato (Solanum lycopersicum) breeding programs	Mar. 16	Jan. 18		31,324.68		60,000.00	76,967.94		14,356.74	120,000	28,675	76,968	105,643	14,357
Korea/RDA		2	Development of Breeding Techniques and Selection of Disease Resistant Germplasm in Vegetables	Jan. 17	Dec. 19				35,000.00	21,061.61		13,938.39	105,000	-	21,062	21,062	83,938
<b>Korea/RDA</b>						0.00	31,324.68	0.00	95,000.00	98,029.55	0.00	28,295.13	225,000.00	28,675.32	98,029.55	126,704.87	98,295.13
MAFF		1	Selection of tropically-adapted lines of vegetables to improve productivity of the vegetable value chain in Southeast Asia	July 15	June 16			-405.84	0.00	-405.84			147,058	147,089	-406	146,683	375
MAFF		2	Selection of tropically-adapted lines of vegetables to improve productivity of the vegetable value chain in Myanmar and Vietnam (Year 2)	July 16	June 17		108,514.40	374.54	0.00	108,888.94			131,214	22,700	108,889	131,589	375
MAFF		3	Selection of tropically-adapted lines of vegetables to improve productivity of the vegetable value chain in Myanmar and Vietnam (Year 3)	July 17	June 18				141,854.00	29,487.92		112,366.08	141,854	-	29,488	29,488	112,366
<b>MAFF</b>						0.00	108,514.40	-31.30	141,854.00	137,971.02	0.00	112,366.08	420,126.00	169,788.90	137,971.02	307,759.92	112,366.08
PSSC		1	Private seed sectors support to AVRDC's global cucurbit breeding program	Apr. 16	Mar. 19		155,369.04		0.00	62,272.76		93,096.28	204,975	49,606	62,273	111,879	93,096
PSSC		2	Broadening the narrow genetic base of commercial bitter melon cultivars by exploiting the genetic diversity of WorldVeg's breeding lines	Apr. 17	Mar. 20		9,975.00		440,025.00	104,023.76		345,976.24	530,000	-	104,024	104,024	425,976
<b>PSSC</b>						0.00	165,344.04	0.00	440,025.00	166,296.52	0.00	439,072.52	734,975.00	49,605.96	166,296.52	215,902.48	519,072.52
ROC/COA		1	Strengthening cooperation between AVRDC and COA on vegetable research and development	Jan. 16	Dec. 16	86,234.79		-2,119.25	88,354.04	0.00			447,898	445,825	0	445,825	2,073
ROC/COA		2	Strengthening cooperation between AVRDC and COA on vegetable research and development	Jan. 17	Dec. 17				374,415.57	471,784.32	97,368.75		471,440	-	471,784	471,784	344
ROC/COA	Agricultural Technology Research Institute	3	Screening of tomato germplasm for resistance to important diseases and using molecular markers to assess the resistance of tomato to phytochrome II of bacterial wilt	Jan. 17	Dec. 17				66,190.01	66,343.98	153.97		66,789	-	66,344	66,344	445
ROC/COA		4	Use of grafting technology for disease resistance and climate resilience for tomato production in Taiwan and US	June 17	Dec. 17				24,216.29	24,270.93	54.64		24,340	-	24,271	24,271	69
ROC/COA		5	Evaluation of F1 vegetables in Thailand and India	July 17	Dec. 17				31,358.89	4,758.43		26,600.46	31,224	-	4,758	4,758	26,466
ROC/COA		6	Tomato Variety Trials in Thailand and Market Survey	Aug. 17	Dec. 17				22,148.94	1,775.92		20,373.02	31,389	-	1,776	1,776	29,613
<b>ROC/COA</b>						86,234.79	0.00	-2,119.25	606,683.74	568,933.58	97,577.36	46,973.48	1,073,080.90	445,825.12	568,933.58	1,014,758.70	58,322.20
ROC/MOFA		1	MOFA Extensions		Dec. 18		221,474.58	0.00	0.00	-92,842.27	0.00	314,316.85	1,329,321.00	906,315.42	-92,842	813,473	515,848
ROC/MOFA		2	Networking to Enhance International Cooperation in Vegetable Research and Development (Year 2017)	Jan. 17	Dec. 17				0.00	86,772.19	86,772.19		400,000		86,772	86,772	313,228
<b>ROC/MOFA</b>						0.00	221,474.58	0.00	0.00	-6,070.08	86,772.19	314,316.85	1,729,321.00	906,315.42	-6,070.08	900,245.34	829,075.66
ROC/MOST		1	A holistic approach towards the design of new tomato varieties and management practices to improve yield and quality in the face of climate change	July 16	Dec. 19		5,584.40		24,113.62	24,316.45		5,381.57	106,683	2,731	24,316	27,047	79,636
<b>ROC/MOST</b>						0.00	5,584.40	0.00	24,113.62	24,316.45	0.00	5,381.57	106,683.41	2,730.63	24,316.45	27,047.08	79,636.33
SDC		1	Vegetables go to School: Improving Nutrition through Agricultural Diversification (Phase I)	Mar. 13	June 16		68,170.32	-0.32	-68,170.00	0.00			3,210,014	2,996,029	0	2,996,029	213,985
SDC	SNV	2	Cambodian Horticulture Project for Advancing Income and Nutrition	Jan. 15	Nov. 17	18,601.21		4,698.41	219,871.60	205,968.80			535,460	307,860	205,969	513,829	21,631
SDC	Swiss TPH	3	Vegetables go to School: Improving Nutrition through Agricultural Diversification (Phase II)	July 16	June 17		19,354.06	791.33	15,039.74	35,185.13			39,967	4,296	35,185	39,481	485
<b>SDC</b>						18,601.21	87,524.38	5,489.42	166,741.34	241,153.93	0.00	0.00	3,785,440.59	3,308,185.57	241,153.93	3,549,339.50	236,101.09
TW Sugar		1	Development and Utilization of Indigenous Vegetables	Mar. 17	Dec. 17				9,841.01	10,934.28	1,093.27		10,955	-	10,934	10,934	21

Donor	Lead Partner (1)	No.	Project Name	Start date	End Date	Receivables from donor on 1/1/2017	Advances from donor on 1/1/2017	Adjustment	Funds received in 2017	Expenses in 2017	Receivables from donor to date	Accounts Payable to date	Total Budget	Expenses until December 2016	Expenses (2) in 2017	Total Expenses	Variance (Budget - Expenses)
<b>TW Sugar</b>						0.00	0.00	0.00	9,841.01	10,934.28	1,093.27	0.00	10,954.82	0.00	10,934.28	10,934.28	20.54
USAID	IITA	1	Africa RISING: Enhancing vegetable value chains in rice-based and sole crop production systems to improve farm household income and consumer access to safer vegetables in Mtoworo, Tanzania	Apr. 12	Apr. 18		477.49		109,215.00	102,111.65		7,580.84	527,252	417,560	102,112	519,671	7,581
USAID	IITA	2	Cereal-based Systems of West Africa: Vegetables and associated best management practices in cereal-based crop production systems to improve income and diets of rural and urban households in Northern Ghana & Southern Mali	May 12	Mar. 18		10,690.24		254,080.00	99,761.22		165,009.02	1,110,927	946,156	99,761	1,045,917	65,009
USAID		3	Postharvest component - USAID Agreement	Sept. 12	Sept. 18	6,308.07			745,579.00	546,952.35		192,318.58	3,400,000	2,660,729	546,952	3,207,681	192,319
USAID	CIMMYT	4	Promoting Science and Innovation in Agriculture in Pakistan (PSIAP) - Agricultural Innovation program (AIP)	Mar. 13	Mar. 17	283,717.05			566,146.49	391,646.70	109,217.26		2,504,998	2,300,697	391,647	2,692,344	187,346
USAID		5	Deploying Improved Vegetable Technologies to Overcome Malnutrition and Poverty in Mali	May 14	Mar. 19	445,871.39			2,930,317.00	2,744,396.34	259,950.73		6,100,000	3,615,554	2,744,396	6,359,951	259,951
USAID		6	Nutrition Sensitive Vegetable Technologies- Tajikistan Scaling Program	Sept. 14	Sept. 17	135,802.54		-0.82	287,993.00	152,189.64			838,643	686,453	152,190	838,642	1
USAID		7	Deploying Vegetable Seed Kits to Tackle Malnutrition In Cambodia, Kenya, Liberia, Tanzania and Uganda	Sept. 14	Sept. 18	555,171.34			2,803,205.00	2,066,870.08		181,163.58	4,621,230	2,373,196	2,066,870	4,440,066	181,164
USAID	IITA	8	Enhancing partnership among Africa RISING, NAFAMA and TUBORESHE CHAKULA Programs for fast-tracking/delivery and scaling of agricultural technologies in Tanzania	Oct. 14	Sept. 17		141,341.64		51,600.00	194,057.37	1,115.73		592,278	399,336	194,057	593,394	1,116
USAID		9	Deploying Improved Vegetable Technologies to Overcome Malnutrition and Poverty in Mali (Module 2)	Apr. 15	Mar. 19	58,457.06			2,194,673.00	978,018.62		1,158,197.32	3,650,000	1,483,784	978,019	2,461,803	1,188,197
USAID	UC Davis-Rutgers	10	Improving Nutrition and Income of Smallholder Farmers in Eastern Africa using a Market Driven Approach to Enhance Value Chain Production of African Indigenous Vegetables	June 15	Dec. 17	48,862.49			43,475.00	26,222.83	31,610.32		90,000	63,862	26,223	90,085	85
USAID	IFPRI	11	Support the validation of Pro-WEAI for the "Gender, Agriculture, and Assets Project - Phase 2" (GAAP-2)	May 16	Sept. 18			3,145.85	20,000.00	15,677.42		7,468.43	94,251	-	15,677	15,677	78,574
USAID	MIT	12	Evaluation of Low-Cost Vegetable Cooling and Storage Technologies in Mali	Feb. 17	Sept. 17				15,000.00	15,738.82	738.82		15,000	-	15,739	15,739	739
USAID	Kansas State University/Pennsylvania	13	Women in Agriculture Network (WAgN) Cambodia: Gender and Ecologically Sensitive Agriculture	Oct. 15	Sept. 18				9,695.00	9,612.26		82.74	17,060	-	9,612	9,612	7,448
<b>USAID</b>						<b>1,534,189.94</b>	<b>152,509.37</b>	<b>3,145.03</b>	<b>10,030,978.49</b>	<b>7,343,255.30</b>	<b>402,632.86</b>	<b>1,711,820.51</b>	<b>23,561,638.51</b>	<b>14,947,327.92</b>	<b>7,343,255.30</b>	<b>22,290,583.22</b>	<b>1,271,055.29</b>
USDA	World Food Programme	1	An Assessment of Three Cash-Based School Meals Modalities Combined with Complementary Nutrition-Sensitive Literacy Education	July 17	Apr. 18				56,859.22	60,758.85	3,899.63		103,380	-	60,759	60,759	42,621
<b>USDA</b>						<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>56,859.22</b>	<b>60,758.85</b>	<b>3,899.63</b>	<b>0.00</b>	<b>103,380.00</b>	<b>0.00</b>	<b>60,758.85</b>	<b>60,758.85</b>	<b>42,621.15</b>
WB	IITA	2	Facilitating Value Addition and Processing in the Context of the Cassava, Maize, Banana, Vegetable, and Livestock Value Chains (PRODEMA) Activities to support fruits and vegetables value chain	Aug. 17	Dec. 19				17,153.80	15,849.89		1,303.91	292,339	-	15,850	15,850	276,489
<b>WB</b>						<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>17,153.80</b>	<b>15,849.89</b>	<b>0.00</b>	<b>1,303.91</b>	<b>292,339.00</b>	<b>0.00</b>	<b>15,849.89</b>	<b>15,849.89</b>	<b>276,489.11</b>
Others		1	Support for the implementation of PADFA's onion seed programme	Oct. 12	Dec. 17		3,883.70		50,559.16	89,218.72	34,775.86		420,173	321,742	89,219	410,960	9,212
Others	CABI	2	Good Seed Initiative	Jan. 13	Feb. 16	1,160.97		1,160.97	0.00	0.00			152,469	147,195	0	147,195	5,274
Others	Hortitechs Developpement	3	Utilizing the genome of the vegetable Cleome gynandra for the development of improved cultivars for the West and East African markets (The Netherlands Organisation for Scientific Research)	Jan. 15	Dec. 17	280.91			977.38	3,724.21	3,027.74		6,299	3,199	3,724	6,923	624
Others		4	Multiple disease resistant and heat tolerant tomato lines evaluation	Jan. 16	Dec. 17		6,853.66		8,970.00	11,806.04		4,017.62	16,910	1,086	11,806	12,892	4,018
Others		5	Research on the WAKATI Storage Chamber for storage of vegetable crops in Arusha, Tanzania	Feb. 16	Feb. 17		10,262.21	-2.23	-2,629.13	7,630.85			29,456	9,542	7,631	17,173	12,283
<b>Others</b>						<b>1,441.88</b>	<b>20,999.57</b>	<b>1,158.74</b>	<b>57,877.41</b>	<b>112,379.82</b>	<b>37,803.60</b>	<b>4,017.62</b>	<b>625,306.59</b>	<b>482,764.21</b>	<b>112,379.82</b>	<b>595,144.03</b>	<b>30,162.56</b>
		<b>Totals</b>				<b>2,011,855.55</b>	<b>3,046,641.12</b>	<b>221,510.12</b>	<b>14,047,121.88</b>	<b>11,625,657.21</b>	<b>689,793.07</b>	<b>4,367,553.43</b>	<b>50,370,524.26</b>	<b>28,943,817.66</b>	<b>11,625,657.21</b>	<b>40,569,474.87</b>	<b>9,801,049.39</b>

(1) If a lead partner is defined, WordVeg executes the project activities under a signed agreement with the lead partner. Typically the lead partner has signed the main agreement with the donor.  
(2) For USAID projects the budget is set to the amount obligated by USAID.

**Word Vegetable Center  
Properties  
For the year ended December 31, 2017  
(Expressed in US Dollars )**

**Appendix II**

	2017			2016
	Furniture and laboratory equipment	Computer equipment	Total	Total
<b>Cost</b>				
Beginning of the year	1,027,470	285,905	1,313,375	994,949
Additions	97,502	46,235	143,737	318,426
Disposals	(125)	-	(125)	-
<b>End of the year</b>	<b>1,124,847</b>	<b>332,140</b>	<b>1,456,987</b>	<b>1,313,375</b>
<b>Accumulated depreciation</b>				
Beginning of the year	619,918	207,743	827,661	698,935
Additions	124,002	40,605	164,607	128,726
Disposals	(47)	-	(47)	-
<b>End of the year</b>	<b>743,873</b>	<b>248,348</b>	<b>992,221</b>	<b>827,661</b>
<b>Net book value</b>	<b>380,974</b>	<b>83,792</b>	<b>464,766</b>	<b>485,714</b>

**World Vegetable Center  
 Computation of Indirect Cost Rate  
 For the year ended December, 31 2017  
 (Expressed in US Dollars)**

**Appendix III**

	<b>2017</b>	<b>2016</b>
Direct costs: Research Expenses (including services)	\$ 16,621,489	18,205,684
Indirect Costs (Institutional Costs)	2,925,538	3,154,666
Total Costs	\$ 19,547,027	21,360,350
Percentage Indirect/direct	<b>17.6%</b>	<b>17.3%</b>
Direct/Total expenditures	85.0%	85.2%
Indirect/Total expenditures	15.0%	14.8%