

ACP-EU COTONOU AGREEMENT

**AFRICAN, CARIBBEAN AND
PACIFIC GROUP OF STATES**

**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 13 September 2016

ACP-UE 2120/16

COVER NOTE

from: Chairman of the Executive Board of the Technical Centre for Agricultural and Rural Cooperation
to: Co-President of the ACP-EU Committee of Ambassadors
Subject: Technical Centre for Agricultural and Rural Cooperation (CTA)
- 2015 Audit Report of the CTA

Delegations will find attached the 2015 Audit report of the CTA as well as the financial statements of the Centre.

Centre technique de
coopération agricole et rurale
Accord de Cotonou ACP-UE

Technical Centre for Agricultural
and Rural Cooperation
ACP-EU Cotonou Agreement



In all correspondence on this matter
please quote our ref no.: Dir/160901/dkl

Wageningen, 1 September 2016

H.E. Mr Peter JAVORČÍK
Co-Chair of the ACP-EU Committee of
Ambassadors
Permanent Representation of Slovakia to the
EU
c/o Mrs A Silveira Reis
General Secretariat of the Council of the EU
Rue de la Loi 175
B-1048 Brussels

Dear Co-Chair,

Subject: CTA Financial Statements and Audit Report 2015

In accordance with Decision No. 5/2013 Art. 6.2 (k) of the ACP-EU Committee of Ambassadors of 7 November 2013 on the Statutes of the Technical Centre for Agricultural and Rural Cooperation (CTA), I am pleased to transmit to you herewith the approved CTA 2015 Financial Statements and Audit Report duly signed by the Centre's Senior Finance Officer, the Director and the Chair of the Executive Board.

In view of the approval of the Financial Statements and Audit Report, and in accordance with the afore-mentioned decision and article, the Executive Board wishes to recommend to the ACP-EU Committee of Ambassadors that the Director be granted a discharge in relation to the implementation of the 2015 budget.

The Executive Board remains at the disposal of the Committee of Ambassadors for any further clarifications which may be required.

Please accept, Mr Co-Chair, the assurances of our highest consideration.


Professor Eric Tollens
Chairman of the CTA Executive Board

SECRETARIAT GÉNÉRAL DU CONSEIL DE L'UNION EUROPÉENNE	
SGE16/08762	
Reçu le	08-09-2016
DEST. PRINC.	M. SCHIAVO
DEST. COPISTES	(Commission)

Encl.:

cc. Mrs A Silveira Reis, Director, Co-Secretary of the ACP-EU Council of Ministers
Mr Jean-Pierre Halkin, Head of Unit - Rural Development, Food Security,
Nutrition, European Commission



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Le CTA est financé par l'Union européenne
The CTA is funded by the European Union
www.cta.int

As of and for the year
ended 31 December

2015

Financial statements

Technical Centre for Agricultural and Rural Cooperation (CTA)



M.C.M. van der Burgt MSc RA
Senior Finance Officer

Finance Unit

20 June 2016

Version 3.0

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Corporate Governance Report

The Technical Centre for Agricultural and Rural Cooperation (CTA) was established in 1983 under the Lomé Convention between the African, Caribbean and Pacific Group of States and the European Union Member States. Since 2000, it has operated within the framework of the ACP-EU Cotonou Agreement.

The Centre's objectives are set out in the Strategic Plan 2011-2015, as per article 2 of the statutes and identify the strategic goals which contribute to the Centre's mission of food security, prosperity and sound natural resources management.

Executive Board

The Centre's Executive Board was set up to provide support, monitor and control the technical, administrative and financial aspects of all of the Centre's activities as per Article 5 of the statutes. The tasks of the Executive Board are laid down in article 6 of the statutes.

On the basis of their professional qualifications in the fields of agriculture and rural development and/or information and communication policies, science, management and technology and as per article 5 of the statutes, the appointed members to the Executive Board of the Technical Centre for Agricultural and Rural Cooperation (CTA) are:

European Union

Professor Eric Tollens

Dr Helena Johansson

Professor Augusto Manuel Correira

ACP Group of States

Professor Clement K. Sankat

Professor Faustin R. Kamuzora

Professor Baba Y. Abubakar

Meetings of the Executive Board are attended by observers from the European Commission, the General Secretariat of the Council of the European Union and the Secretariat of the ACP States.

As per Article 6 of Decision No. 5/2013 of the ACP-EU Committee of Ambassadors of 7 November 2013 on the Statutes of the Technical Centre for Agricultural and Rural Cooperation (CTA), the Executive Board:

Art. 6.2j: Approved the annual financial statements, based on the examination of the audit report; and

Art. 6.2k: Transmitted the annual financial statements and audit report, together with a recommendation to the attention of the Committee of Ambassadors, in view of granting the discharge in relation to the implementation of the budget to the Director.

Professor Eric Tollens,
Chairman of the Executive Board

Wageningen, 1 July 2016

Management report

The Technical Centre for Agriculture and Rural Cooperation (CTA) is pleased to present the financial statements for the year ended 31 December 2015, as set out on pages 6 to 25. The financial statements comprise statement of financial position as well as a statement of revenue and income. The statement of changes in the reserve fund is included in the notes to the financial statements.

The Centre is responsible for the preparation and presentation of the financial statements on the basis of accounting as described in the Financial Regulation of the Technical Centre for Agricultural and Rural Cooperation (CTA), dated 27 September 2006, Decision No. 3/2006 of the ACP-EC Committee of Ambassadors. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and presentation of financial statements that are free from material misstatements.

The management of the Centre accepts its responsibility for the preparation of the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with the Financial Regulations. The Centre further accepts its responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

The Centre's management is of the opinion that the financial statements have been drawn up properly and in accordance with International Accounting Standards. To the best of our knowledge, and in accordance with the applicable reporting principles, the financial statements and that they give a true and fair overview of the financial position of the Centre.

Martijn van der Burgt
Senior Finance Officer

Wageningen, 20 June 2016

Michael Hailu
Director

Wageningen, 20 June 2016

Financial report

Please read CTA's publication "A year in review" to learn more about the Centre and its partners' achievements throughout 2015

Introduction

This report presents the financial statements and financial results for the year ended 31 December 2015. The operational results for the year 2015 are included in the annual report. Please read CTA's publication "A year in review" to learn more about the Centre and its partners' achievements throughout 2015. For the institutional grants, additional details on the achievements during the year 2015 in relation to the programme of works are included in the narrative reports.

Due to recovery orders related to previous grants, the Centre ends with a negative overall result of € 236K for the year 2015

Financial Year 2015

The year 2015 was a transitional year for the Centre in terms of the workload due to the high staff turnover and the number of audits that we had to undertake. Although coping with the situation was quite a challenge, significant improvements were noted in the last quarter of the year. Nevertheless, procedures, systems and controls were in place to ensure the Centre's sound financial management, that is to say based on the principles of economy, efficiency and effectiveness.

Financial results

	31 December 2015		31 December 2014	
<i>Operational result</i>				
Revenue	15,177		16,722	
Expenditure	(14,998)		(16,555)	
		179		167
Non-operational result		(415)		3
Overall result		(236)		170

The Centre ends the financial year 2015 with a positive operating result of € 179, mainly due to the fact that the Tax on salaries is no longer seen as income under the Institutional EDF grants. The negative non-operational result is the outcome of recovery orders following an expenditure verification report, an audit or further verification of the payment request on previous years.

The presentation of the financial statements is changed to provide more relevant information. Line items are presented in more suitable categories, based on received grants

Changes in the presentation of the financial statements

The presentation of the financial statements is changed compared to prior years to provide more relevant information. The statement of financial position is classified in line with the International Accounting Standards. Line items in the statements financial position as well as the statement of revenue and expenditure are presented in more suitable categories, based on received grants.

Prior year comparatives have been adjusted for these changes. In accordance with the International Accounting Standards, relevant disclosures are added to the notes to the financial statements containing the required disclosures.

The financial statements are presented in Euros, which is the functional and reporting currency of the Centre and all values are rounded to the nearest thousand (€000). The accounting policies have been consistently applied to all the years presented. The financial statements have been prepared on the basis of historical cost, unless stated otherwise.

At 31 December 2015, accounts are established on a "Revenue and expenditure" modified accrual basis and the accounting is done based upon the rules of "double-entry" method.

The implementation of the Action began on the 1st of January 2015, although the contract for Action grant FED/2015/362-164 was signed on the 8th of September 2015.

Establishment of the budget

In the framework of the overall strategic plan 2011 – 2015 and within the limits of the overall budget allocated to the Centre by the Financial Protocol, a draft annual work programme and budget were approved by the Executive Board and sent to the European Commission for their approval. Grant FED/2014/355-240, for the Centre's operational expenditure for the year 2015 was signed on the 30th of December 2014.

Although the implementation of the Action began on the 1st of January 2015, grant FED/2015/362-164 for the year 2015 – 2016 was signed on the 8th of September 2015. Nevertheless during the period that the budget had not yet been adopted, the Centre continued its operations.

Commitments

Commitment appropriations are authorised for the duration of the implementation period of the individual grants. For the institutional Action Grant, they must be committed during the first year of the implementation. Approved commitments of the financial year which have not been expensed are carried forward, after validation by the program managers of amounts needed in the next financial year(s) to complete the project before the end of the implementation period.

Any unspent amounts not carried forward at the end of financial year have been reported as cancelled balances in the financial reports that are included in the annexes to this report.

Structure of the report

The report that presents the financial statements for the year ended 31 December 2015 comprises two parts:

Financial statements

The general part of the financial report presents a statement of financial position, a statement of revenue and expenditure as well as the notes to the financial statements.

The accounting policies are set out in the notes to the financial statements. The individual notes contain additional information to clarify the most relevant line items of the statement of financial position and provide a more comprehensive assessment of the line items. In addition, this part of the report includes the off-balance assets and liabilities as well as the independent auditor's report.

Annexes

The annexes contain additional information to clarify the most relevant line items of the statement of revenue and expenditure. The detailed expenditure of the grants is set out in the annexes and comprises information about the original and revised budgets, commitments, project expenditure as well as the carry forward and the cancelled budgets.

Statement of financial position

Statement of Financial Position, as per 31 December 2015

€ * 1,000

	31 December 2015		31 December 2014	
<i>Current assets</i>				
Advanced Payments	1,458		1,293	
Grant Receivables	2,559		2,571	
Prepaid Expenses	211		222	
Other Receivables	229		138	
		4,457		4,224
<i>Cash</i>				
Cash and Banks		1,324		2,674
Total Assets		5,781		6,898
<i>Equity</i>				
Reserve Fund		(140)		96
<i>Financial obligations</i>				
Recovery orders	413		-	
Institutional support	2,878		4,522	
Other funding	507		258	
		3,798		4,780
<i>Current liabilities</i>				
Accrued Expenses	1,458		1,293	
Accounts Payable	571		390	
Other Current Liabilities	94		339	
		2,123		2,022
Total Liabilities		5,781		6,898

Statement of revenue and expenses

For the financial year ending 31 December 2015

€* 1,000

	31 December 2015	31 December 2014
<i>Institutional Grants</i>		
Operational Grant – Title 1+2	6,198	6,165
Action Grant Year 1 – Title 3	3,645	4,791
Action Grant Year 2 – Title 3	4,729	5,339
	14,572	16,295
<i>Other Grants</i>		
EDF – Other grants	534	375
Non-EDF	71	52
	605	427
Total Revenue	15,177	16,722
<i>Operational Grant – Title 1+2</i>		
Staff expenditure	4,864	4,853
Building	434	494
Movable property	206	181
Administrative expenditure	312	256
Missions and representation	85	99
Brussels office	125	115
	6,026	5,998
<i>Action Grant Year 1 – Title 3</i>		
Human Resources	209	248
Travel	158	205
PMI Programme	1,597	2,089
KMC Programme	1,611	2,108
LME Unit	65	141
	3,640	4,791
<i>Action Grant Year 2 – Title 3</i>		
Human Resources	257	135
Travel	66	28
PMI Programme	2,633	3,076
KMC Programme	1,509	1,810
LME Unit	263	290
	4,728	5,339
<i>Other Grants</i>		
EDF – Other grants	533	375
Non-EDF	71	52
	604	427
Total Expenses	14,998	16,555
Operational Result	179	167
<i>Non-operational result</i>		
Interest and bank costs	(5)	(4)
Other income	3	7
	(2)	3
Recovery orders	(413)	-
Other results	(415)	3
Overall result	(236)	170

Notes to the financial statements

General information

The financial statements of the Technical Centre for Agricultural and Rural Cooperation (CTA) (hereafter 'the Centre') for the year ended 31 December 2015 were authorized for issue in accordance with the Financial Regulation of the Centre, dated 27 September 2006, Decision No. 3/2006 of the ACP-EC Committee of Ambassadors.

As laid down in Article 3 of Annex III to the ACP-EU Agreement, the Centre's mission is to strengthen policy and institutional capacity development and information and communication management capacities of ACP agricultural and rural development organisations. The Centre shall assist such organisations in formulating and implementing policies and programmes to reduce poverty, promote sustainable food security, preserve the natural resource base, and thus contribute to building self-reliance in ACP rural and agricultural development.

The Centre's headquarters is situated in Wageningen in the Netherlands, with a local office in Brussels.

Accounting policies

The financial statements have been prepared in accordance with the International Accounting Standards

Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with and comply with the Financial Regulation of the Centre, dated 27 September 2006, Decision No. 3/2006 of the ACP-EC Committee of Ambassadors and the International Accounting Standards.

Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling bank rate of exchange on the date of the payment. Current Assets and Liabilities denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate of the recording date.

Revenue recognition

Grants

The revenue represents those costs that are charged to the specific projects undertaken by the Centre. These costs are actual costs incurred by the Centre which meet the criteria for eligibility as stipulated in the contractual conditions of the grant contracts. Where grants are not spent as specified within the contract, they must be returned to the donor.

Income tax and interest

Income tax and interest must be recognized when the Centre's right to receive payments is established.

Other income

Amounts received by the Centre on projects after the request for balance payment is sent, are reported as other income.

Expenditure

Grants

Expenditure represents those costs that are charged to the specific projects undertaken by the Centre. These costs were charged on the basis of the project budgets submitted. Accordingly, the Centre is contractually bound to use these grants only in connection with the projects. Furthermore, the contracts stipulate that the grants received for the project may only be applied to the costs incurred for the project. Where grants are not spent as specified within the contract, they must be returned to the donor.

Fixed assets

Purchases of movable and immovable property are recorded as expenditure of the year in the Statement of Revenue and Expenditure. These assets are neither activated nor depreciated in terms of value. The inventory of fixed assets is entered into account as off-balance sheet. The presented amounts are indicative, based at historical costs less accumulated outflows (sales, disposals, loss, et cetera) and depreciations.

In accordance with the Financial Regulation of the Centre, dated 27 September 2006, Decision No. 3/2006 of the ACP-EC Committee of Ambassadors, movable property with a value of less than € 350.00 are not entered in the fixed assets register. Property in the register is stated at acquisition cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation on assets is charged on a straight-line basis over the useful life of the asset: Furniture in 5 – 10 years and Equipment in 3 – 5 years.

Publications

Books and brochures will be distributed free-of-charge, therefore the value of the publications cannot be considered as an asset. The purchases of publications and costs of internally developed publications are recorded as expenditure of the year in the Statement of Revenue and Expenditure. These goods are not activated or reduced in terms of value. The presented amounts are indicative, based on a credit point distribution system less accumulated outflows (sales, disposals, loss, et cetera).

Notes to the financial statements

Current assets

3.1 Advanced Payments

Over 50% of the project debtors have been justified in the first quarter of the year 2016

	31 December 2015		31 December 2014	
<i>Advances to be justified</i>				
PMI Programme	542		395	
KMC Programme	133		177	
Non-Institutional Grants	76		-	
		751		572
<i>Project debtors to be justified</i>				
PMI Programme	675		476	
KMC Programme	32		162	
Non-Institutional Grants	-		83	
		707		721
Total		1,458		1,293

In the financial report of the comparative year 2014, the advances to be justified and the project debtors to be justified were reported as two individual line items in the statement of financial position (balance sheet). Due to a similar nature, these line items have been classified as "Advanced payments".

Advances to be justified

The full amount contains payments that are already processed at the end of the financial year, in line with article 25 of the Financial Regulation. The amount balances the sum of the Advanced Payments under the current assets. Advances granted on ongoing projects are recorded as "Advances to be justified" until they are cleared and expensed, based on the receipt of the relevant supporting documents, i.e. no later than the end of the following financial year.

Project debtors

Payments on projects which are more than 1 year old are classified as "project debtors to be justified". Project debtors over 365 days are provided for based on estimated irrecoverable amounts, determined by reference to past default experience. The Centre provided fully for all project debtors where there was no expectation to receive the relevant supporting documents.

3.2 Grant Receivables

The classification "Grant Receivables" is newly introduced and contains the balance payment positions after the implementation period ended

	31 December 2015		31 December 2014	
<i>Operational grant</i>				
2013: FED/2012/309-887	-		1,231	
2014: FED/2013/334-642	1,160		1,160	
2015: FED/2014/355-240	1,193		-	
		2,353		2,391
<i>Action grant</i>				
2013: FED/2013/316-880	-		180	
2014: FED/2013/334-680	206			
		206		180
Total		2,559		2,571

Based on the terms and conditions of the institutional grants, up to 95% of the budgeted amount is paid as an initial pre-financing payment. The position at year end corresponds to the balance payments of the executed grant contracts.

In the financial report of the comparative year 2014, the line item was presented as 'EDF funds from previous years' and amounted to € 6,745 based on the cash system of accounting. On a modified accrual basis the receivables amounted to € 2,571, calculated per project as the total of the initial pre-financing payment minus the project expenditure at the end of the implementation period.

2014: FED/2013/334-642

The budget for the Operational Grant is € 6,256 including an 80% initial pre-financing payment. The amount of the balance payment of € 1,160 is calculated as the total project expenditure of € 6,165 minus the initial pre-financing payment of € 5,005.

The European Commission's department DG Budget informed the Centre that the open recovery orders that amount to € 382,063 will be settled with the balance payment. Details on the recovery orders are included in paragraph 3.7: Financial obligations.

Additional details on the expenditure of the operational grant are included in the financial statements of financial year 2014.

2015: FED/2014/355-240

As set out in the contractual conditions, the budget for the Operational Grant is € 6,256 including an 80% initial pre-financing payment. The balance of the final amount of the grant (€ 1,193) is calculated as the total project expenditure of € 6,198 minus the initial pre-financing payment of € 5,005.

Additional details on the expenditure of the grant contract are included in annex 1: Financial report of the operational grant 2015.

2014: FED/2013/334-680

The budget for the Action (Title 3, Years 2014 – 2015) as set out in the Grant Contract is € 9,803, including a 95% initial pre-financing payment. The balance of the final amount of the grant (€ 206) is calculated as the total project expenditure of Year 1 (€ 4,790) and Year 2 (€ 4,729) minus the initial pre-financing payment of € 9,313.

Additional details on the expenditure of the Action grant are included in annex 3: Financial report of the action grant 2014 – 2015.

3.3 Prepaid expenses

FR article 16.2: Recurrent expenditure may be covered by a provisional commitment

	31 December 2015		31 December 2014	
Salaries of the statutory staff		211		222
Total		211		222

In line with the Centre's Financial Regulation, the balance at year end corresponds to the salaries of the statutory staff for January of the following year, paid in December of the reporting year. The budget imputation occurs the first month of next year. This modality is consistent with the widespread practice in the international public sector.

3.4 Other Receivables

The reimbursable costs that have been made will be covered via an amendment to the operational grant contract FED/2014/355-240

	31 December 2015		31 December 2014	
Value Added Tax		105		138
Reimbursable transactions		124		-
Total		229		138

In the financial report of the comparative year 2014, the item 'Value Added Tax' was reported as 'Receivables and prepaid expenses'. In line with the International Accounting Standards, this item has been transferred to the newly introduced category "Other receivables".

The item 'Invoices received current year to be paid in next year' is eliminated in the figures of the comparative financial year 2014. In accrual accounting, the matching principle states that expenses should be recorded during the period in which they are incurred, regardless of when the transfer of cash occurs. On the cash system of accounting, 'Invoices received current year to be paid in next year' were not processed yet at the end of the financial year. The amount of € 82 (including VAT) balanced the sum of the 'Invoices to be paid in next year' under the creditors in paragraph 3.8: Accounts payable.

Value Added Tax

Given the legal and tax status of CTA, the Centre is not required to pay value added tax. VAT on invoices from Dutch suppliers over a total amount of € 225.- can be recovered from the Dutch tax authorities on a quarterly basis. Non-Dutch suppliers are informed that the Centre's VAT exempt status and are not allowed to charge VAT. The value Added Tax position corresponds to the unclaimed VAT on purchases in the year 2015 that will be claimed in 2016.

Reimbursable transactions

Reimbursable transactions are payments that have been made to cover expenses related to prior years and will be covered via amendments, to the grant contracts. In the year 2015, the Centre appealed two decisions of the administrative court of Geneva. The costs that have been made related to the appeals will be covered via amendments to the operational grant contract 2015: FED/2014/355-240.

Details on the litigation are included under the off-balance assets and liabilities in paragraph 3.13: Litigations.

Cash

3.5 Cash and banks

The reconciliation of the bank statements does not reveal particular comments.

	31 December 2015		31 December 2014	
<i>Discretionary</i>				
Bank	1,305		2,657	
Cash on hand	6		4	
		1,311		2,661
Accounting Officer Fund		13		13
Total		1,324		2,674

Bank

Cash at banks earns interest at floating rates based on daily bank deposit rates. The reconciliation of the bank statements is in accordance with the position on the balance.

Cash on hand

The balance included in the accounts corresponds to the balance of the cashbook. At the end of the year 2015, the Centre has a limit of € 10 for cash transactions from the ABN-AMRO bank.

Accounting Officer Fund

Details on the use of the reserve fund for non-operational results are included in paragraph 3.10: Other current liabilities.

Equity

3.6 Reserve fund

Tax on salaries is no longer deducted from the balance payment of the institutional grants, leading to an operational result of € 179K for the year 2015

	Financial year 2015	Financial year 2014
As at the 1 st of January	96	(74)
Operational result	179	167
<i>Non-operational result</i>		
Interest and bank costs	(5)	(4)
Other income	3	7
	(2)	3
<i>Recovery Orders</i>		
2012: FED/2011/282-841	(256)	-
2013: FED/2013/316-880	(60)	-
2014: FED/2013/334-642	(66)	-
2015: FED/2014/355-240	(31)	-
	(413)	-
Total	(140)	96

Operational result

The Centre ends the financial year 2015 with a positive operational result of € 179. Following the recommendation of the 25th CTA Executive Board meeting, dated 19-20 November 2015, the operational result is added to the new created reserve fund.

Due to recovery orders related to previous grants, the Centre ends with a negative reserve fund of € 140 for the year 2015. Based on the budget 2016 an operational result of € 160.000 is foreseen, that can be added to the reserve fund. In addition, and based on the Financial Regulation applicable to the 11th European Development Fund, interest accrued on the pre-financing of Grants will no longer be deducted from the payment of the balance of the amount by the European Commission. Therefore, the forecast is that the financial year 2016 end with a positive reserve fund.

Non-operational result

Details on the use of the reserve fund for non-operational results are included in paragraph 3.7: Financial obligations.

Other liabilities

3.7 Financial obligations

The newly introduced classification "Financial obligations" contains the recovery orders of previous grants as well as the unspent pre-financing payments of ongoing grants

	31 December 2015		31 December 2014	
<i>Recovery orders</i>				
2012: FED/2011/282-841	256		-	
2013: FED/2013/316-880	60		-	
2014: FED/2013/334-642	66		-	
2015: FED/2014/355-240	31		-	
		413		-
<i>Institutional Grants</i>				
2014: FED/2013/334-680	-		4,522	
2015: FED/2015/362-164	2,878		-	
		2,878		4,522
<i>Other Grants</i>				
European Development Fund	205		191	
Other European Funding	25		44	
International Organisations	13		21	
Governmental Organisations	262		-	
Other Organisations	2		2	
		507		258
Total		3,798		4,780

"Financial obligations" is a newly introduced classification as of the financial year 2015. In the financial report of the comparative year 2014, the item 'Institutional Support' was reported as 'Excess of revenue over expenditure – EDF'.

Recovery orders

Based on the terms and conditions of the institutional grants, DEVCO has the possibility to issue recovery orders following an expenditure verification report, an audit or further verification of the payment request.

2012: FED/2011/282-841

The Centre received an official order, to recover an amount of € 256,522.-. The recovery order is based on the audit performed by the Court of Auditors related to the Operational Grant.

The European Commission's department DG Budget informed the Centre that the recovery will be settled with the balance payment of the Operational grant 2014: FED/2013/334-642.

2013: FED/2013/316-880

The European Court of Auditors performed an audit on the final clearing and balance payment regarding this Action Grant. Despite the fact that DEVCO was the auditee, the report outlined ineligible expenses up to € 60,160.-. Recently the Centre received an official letter for the recovery.

The European Commission's department DG Budget informed the Centre that the recovery will be settled with the balance payment of the Operational grant 2014: FED/2013/334-642.

The recovery orders will be settled with the balance payment of the Operational Grant 2014: FED/2013/334-642.

2014: FED/2013/334-642

In line with the general conditions of the Grant Contract, VRC Registered Auditors has performed the expenditure verification during 2015. The report of factual findings outlined ineligible expenses up to €65,381,-.

Despite the fact that the Centre did not receive an official order, the European Commission's department DG Budget informed the Centre that the recovery will be settled with the balance payment.

2015: FED/2014/355-240

Despite the fact that the Centre did not receive an official order, the Centre created a financial obligation for the results of the expenditure verification that was performed by VRC Registered Auditors. The audit was performed during 2016, in line with the general conditions of the Grant Contract. The report of factual findings outlined ineligible expenses up to €31,239,-.

Institutional Grants

Based on the terms and conditions of the individual grants, up to 95% of the budgeted amount is paid as an initial pre-financing payment. The position at year end corresponds to the received pre-financing payment of the executed grant contracts that has not been spent during the first year of the implementation period.

2014: FED/2013/334-680

In the financial report of the comparative year 2014, the line item was presented as 'Excess of revenue over expenditure – EDF' and amounted to €8,994 based on the cash system of accounting. On a modified accrual basis the financial obligation amounted to €4,522, calculated as the total of the initial pre-financing payment (€9,313) minus the project expenditure of Year 1 (€4,791).

Additional details on the expenditure of the Action grant are included in annex 3: Financial report of the action grant 2014 – 2015.

2015: FED/2015/362-164

The budget for the Action Grant (Title 3, Years 2015 – 2016) as set out in the Grant Contract is €8,154, including an 80% initial pre-financing payment. The balance of the unspent amount of the grant (€2,878) is calculated as the total of the initial pre-financing payment (€6,523) minus the project expenditure (€3,645) of Year 1.

Additional details on the expenditure of the Action grant are included in annex 2: Financial report of the action grant 2015 – 2016.

Approved commitments which have not been expensed are carried forward to complete the project before the end of the implementation period.

Other Grants

Based on the terms and conditions of the individual grants, up to 100% of the budgeted amount is paid as an initial pre-financing payment. The position at year end corresponds to the received pre-financing payment of the executed grant contracts that has not been spent during 2015 or previous years of the implementation period.

Details on the unspent funds as well as the expenditure of the other grants are included in annex 4: Financial report of the non-institutional grants.

Current liabilities

3.8 Accrued expenses

Accrued expenses can only be cleared by allocating the approved expenditure. If the total approved expenditure is less than the advance, the remaining balance will be recovered.

	31 December 2015		31 December 2014	
Advances to be justified				
PMI Programme	542		395	
KMC Programme	133		177	
Non-Institutional Grants	76		-	
		751		572
Project debtors to be justified				
PMI Programme	675		476	
KMC Programme	32		162	
Non-Institutional Grants	-		83	
		707		721
Total		1,458		1,293

Details on the accrued expenses are included in paragraph 3.1: Advanced payments.

3.9 Accounts payable

At year-end 2015, accounts are established on a modified accrual basis: expenses are recorded in the financial year they are incurred

	2015		2014	
Creditors		31		189
Carry Forward invoices				
2014: FED/2013/334-642	-		201	
2015: FED/2014/355-240	242		-	
2014: FED/2013/334-680	295		-	
Non-institutional grants	3		-	
		540		201
Total		571		390

The item 'Invoices to be paid in next year' is eliminated in the figures of the comparative financial year 2014. In accrual accounting, the matching principle states that expenses should be recorded during the period in which they are incurred, regardless of when the transfer of cash occurs. The amount of € 82 balanced the sum of the 'Invoices received current year to be paid in next year' in paragraph 3.4: Other receivables.

Creditors

Creditors are non-interest bearing and are normally settled on 60-day terms.

Carry Forward invoices

At year-end, accounts are established on a modified accrual basis. In accrual accounting, the matching principle states that expenses should be recorded during the period in which they are incurred, regardless of when the transfer of cash occurs. Carry Forward invoices have been paid in following year, but the performance incurred in the financial year, i.e. the implementation period.

2015: FED/2015/362-164

At year-end, accounts for grant contract FED/2015/362-164 are established on a modified cash basis. In the cash system of accounting, the matching principle states that expenses should be recorded during the period in which they are paid, regardless of when the action happened. No Carry Forward invoices have been recorded in the first year, since the implementation period of the Action contains the full Financial Year 2016. In addition and based on the contractual conditions, the donor does not require an audit during the implementation period. Since, revenues are recognized in the same period than the period in which related expenses are recorded, there is no impact on the reported operational result.

The potential maximum amount of Carry Forward invoices for this Action Grant amounts to € 4,513. The amount is calculated as the total of the committed budget (€ 8,153) minus the project expenditure of Year 1 (€ 3,640). An amount of € 2,883 is already included in the balance sheet as a financial obligation for the balance of the unspent amount of the Action Grant. The remaining amount of € 1,630 contains the contracted amount of € 8,154, minus the 80% initial pre-financing payment.

Additional details on the Carry Forward of the Action Grant are included in annex 2: Financial report of the action grant 2015 – 2016.

Non-institutional grants

The potential maximum amount of Carry Forward invoices for the non-institutional grants amounts to € 507. The amount is calculated as the total of the received funds (€ 1,677) minus the project expenditure of previous years (€ 566) as well as the reporting year 2015 (€ 604). The full potential maximum amount is already included in the balance sheet as a financial obligation for the balance of the unspent amount of the 'Other Grants'.

Additional details on the Carry Forward of the non-institutional grants are included in annex 4: Financial report of the non-institutional grants.

3.10 Other current liabilities

Interest accrued on the pre-financing of grants under the 10th EDF is recovered by DEVCO.

	2015		2014	
<i>Other operational liabilities</i>				
Interest on pre-financing	53		320	
Pension	13		3	
Returned payments	12		-	
		78		323
Accounting Officer Fund		16		16
Total		94		339

Interest on pre-financing

Based on the Financial Regulation applicable to the 10th European Development Fund, interest accrued on the pre-financing of Grants can be deducted from the payment of the balance of the amount by the European Commission.

Pension

The Centre received a pension withdrawal of € 9, to be paid to a former employee. In addition and based on the Centre's calculations, the pension amount to be paid contains an unsolved balance of € 4 that hasn't been claimed yet by the insurance company.

Returned payments

At the end of 2015 the bank returned an amount of € 12 for unprocessed payments, due to incorrect international account details of our suppliers.

Accounting Officer Fund

In accordance with article 30 of the Financial Regulation, the Accounting Officer Guarantee Funds have been set up for the accounting officers. Since the discharge of the financial statements has, so far, not been given by the Committee of Ambassadors, no approval has been given to pay the (former) accounting officers.

One of the former accounting officers collected, on his own initiative, his share of the Accounting Officer Guarantee Fund. The amount was granted by the bank despite a double signature requirement. Given the fact that the director did not give the mandatory discharge, the bank refunded the money. Meanwhile the Centre was also able to recover the amount from the former accounting officer. Since 2004 the amount of € 3 is therefore twice accounted as a liability. In the financial report of the comparative year 2014, the amount of € 3 was reported as 'other current liability'.

FR article 30.2: The fund shall be paid to the persons concerned after they terminate their appointment and receive the final discharge in respect of their management.

Off-balance assets and liabilities

Assets

3.11 Fixed assets

A complete physical inventory of all assets is done at least once a year.

A fixed assets register is kept to guarantee that the property is kept safe so that they can continue to produce benefits over a long period. The clear and up-to-date register allows easy identification of the physical assets concerned. A complete physical inventory of all assets is done at least once a year.

	Furniture	Equipment	Total
1 January 2015			
Acquisition cost	84	182	266
Accumulated depreciation	(17)	(26)	(43)
Total	67	156	223
Adjustments			
Acquisitions	4	18	22
Disposals	(2)	(10)	(12)
Depreciations	(8)	(49)	(57)
	(6)	(41)	(47)
31 December 2015			
Acquisition cost	86	190	276
Accumulated depreciation	(25)	(75)	(100)
Total	61	115	176

3.12 Stocks of publication

At the end of 2015 the Centre had over 600 different publications and about 310,000 publications in stock.

A stock register is kept to guarantee that the stocks are kept safe and to prevent improprieties. The clear and up-to-date register allows easy identification of the physical assets concerned. A sample sized physical inventory of the publications is done at least once a year.

	CTA publications	Co-publications	Total
1 January 2015			
Series	105	579	684
Stand-alone titles	55	497	552
Total	160	1,076	1,236
Adjustments			
Acquisition of series	46	144	190
Acquisition of stand-alone titles	23	167	190
Distribution of series	(35)	(206)	(241)
Distribution of stand-alone titles	(17)	(244)	(261)
Inventory of series	2	24	26
Inventory of stand-alone titles	29	25	54
	48	(90)	(42)
31 December 2015			
Series	118	541	659
Stand alone titles	90	445	535
Total	208	986	1,194

At the end of 2015 the Centre had over 600 different publications and about 310,000 publications in stock.

Liabilities

3.13 Litigations

Since the appeal is still ongoing, the outcome remains uncertain.

In the year 2015, the Centre has lost two complaints introduced by former members of the personnel before the administrative court of Geneva and is required to pay an amount that can go up to € 1.5 million. Since the appeal is still ongoing, the outcome remains uncertain. In accordance with the Financial Regulation of the Centre, dated 27 September 2006, Decision No. 3/2006 of the ACP-EC Committee of Ambassadors, as well as the advice of the lawyers, no liability is recorded to date.

3.14 Bank guarantees

At the end of the year 2015, the Centre has the following guarantees and credit facilities from the ABN-AMRO bank:

- ✓ Ref. NLFGG478136 Balance: € 59,343,-
Renting guarantee to the respective owner of the Wageningen office
- ✓ Ref. NLHG0020600 Balance: € 73,053,-
Renting guarantee to the respective owner of the Wageningen office
- ✓ Ref. NLFGG001591 Balance: € 10,320,-
Renting guarantee to the respective owner of the Brussels office
- ✓ Ref. NLFG0001172 Balance: € 10,320,-
Renting guarantee to the respective owner of the Brussels office
- ✓ Credit line provision with a main limit of € 1.0 million.

3.15 Recovery of ineligible expenditure

Based on the terms and conditions of the institutional grant contracts, DEVCO has the possibility to issue recovery orders following an expenditure verification report, an audit or further verification of the payment request.

On behalf of the European Commission, audit firm Moore Stephens performed a Residual Error Rate study and selected two DEVCO payments to the Centre. The Centre did not receive any request for clarification from DEVCO so far and considers this information as an off-balance liability.

2011: FED/2010/259-717

The 'RER phase 1' report outlined ineligible expenses up to € 34,754.37. In two cases, the Centre was not able to provide sufficient supporting documentation to show that the procurement had been performed and evaluated in line with our internal rules or the Grant Conditions.

The auditors considered that this type of error could occur in the unsampled population so they have extrapolated it over the entire population. The error applied to the total transaction value represents an extrapolated error value of € 244,491,-.

The Centre did not receive an official order or a request for clarification so far, therefore the official amount that will be considered as ineligible remains uncertain.

2013: FED/2012/309-887

The 'RER phase 2' report outlined ineligible expenses up to € 2,199.37. The auditors noted two different errors relating to the same payroll expenditure item. Firstly, due to an incorrect exchange rate € 20.54 is being considered ineligible. Secondly, an amount of € 2,178.83 is not being recognised as project related.

Since both errors relates to only one item tested and as the auditors did not find evidence of further error in the previous audit testing or in their substantive testing, they have considered this to be an isolated beneficiary error. Therefore the ineligible amount was not extrapolated over the entire population.

Furthermore, the auditors noticed that the Commission when calculating the payment due to the Centre applied a 100% contribution rate when the Grant Contract stated that 96.86% should be applied. The overpayment to the total (eligible) transaction value represents an amount of € 195,644,-.

Independent auditor's report

Technical Centre for Agricultural and Rural Cooperation Independent auditor's report on the financial statements as of and for the year ended 31 December 2015

To the Chairman of the Executive Board of the Technical Centre for Agricultural and Rural Cooperation (CTA)

Report on the financial statements

In accordance with the terms of our engagement letter dated 24 March 2016 and with Article 26 of the Financial Regulation of the CTA (Decision n°3/2006 of the ACP-EC Committee of Ambassadors of 27 September 2006, Document ACP-CE 2122/06), we have audited the accompanying financial statements of the Technical Centre for Agricultural and Rural Cooperation (hereafter abbreviated as « CTA ») for the year ended 31 December 2015. These financial statements comprise the balance sheet as at 31 December 2015, the statement of revenues and expenditures for the year then ended and a summary of significant accounting policies and other explanatory information. The total balance sheet amounts to 5.781.000 EUR and the statement of revenues and expenditures shows a loss of 236.000 EUR.

Management's responsibility for the financial statements

The Director of the CTA, M. Michael Hailu, is responsible for the preparation and fair presentation of the financial statements. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the company's internal control relevant to the preparation of financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

TECHNICAL CENTRE FOR AGRICULTURAL AND RURAL COOPERATION:
Independent auditor's report on the financial statements as of and for the year ended 31 December 2015

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Director, as well as evaluating the overall presentation of the financial statements.

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

Unqualified opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Technical Centre for Agricultural and Rural Cooperation as at 31 December 2015 and of its results for the year then ended in accordance with the requirements and the accounting principles imposed by the Financial Regulation of the CTA and summarized in the notes of the financial statements.

The presentation of the financial statements has changed compared to prior years to provide more relevant information. The impact of those changes is clearly described in the financial statements, and more particularly on top of notes 3.2 and 3.7.

Additional comments and information

This report has been drawn up solely for the use of the CTA within the framework of Article 26 of the Financial Regulation. It should not be used by any other party or for other than its intended purpose. This report may however be disclosed to the official authorities and bodies having regulatory or statutory rights of access to it.

Zaventem, 21 June 2016

BDO Réviseurs d'Entreprises Soc. Civ. SCRL
Represented by Michel Grignard and Noëlle Lucas

Annexes

The financial reports in the annexes to the financial statements have been prepared in accordance with and comply with the Financial Regulation of the Centre, dated 27 September 2006, Decision No. 3/2006 of the ACP-EC Committee of Ambassadors and the International Accounting Standards.

Annex 1 – Financial report of the operational grant 2015

FED/2014/355-240: The work programme of the Technical Centre for Agricultural and Rural cooperation (CTA) for 2015

Art.	Description	Original Budget	Revised Budget	Committed Budget	Project Expenditure	Cancelled Budget
111	Salaries and Wages	3,189,000	3,199,000	3,199,000	3,296,684	(97,684)
112	Provision for Contractual Adjustments of Salaries	-	-	-	-	-
113	Welfare Contributions	1,232,000	1,220,026	1,220,026	1,170,866	49,160
114	Allowances	514,000	512,024	512,024	509,844	2,180
115	Training	55,000	58,950	58,950	58,375	576
Total Staff Expenditure		4,990,000	4,990,000	4,990,000	5,035,768	(45,768)
21	<i>Rent of Building and Associated Costs</i>					
211	Rent	346,000	299,720	299,720	298,720	1,000
212	Associated Costs	132,000	155,779	155,779	135,033	20,746
		478,000	455,499	455,499	433,753	21,746
22	<i>Movable Property and Associated Costs</i>					
221	Purchase of Machines, Furniture and Movable Equipment	104,000	142,605	142,488	131,563	11,042
222	Rental of Furniture and Equipment	34,000	41,000	41,000	35,946	5,054
223	Maintenance of Furniture and Equipment	72,000	31,395	31,395	27,556	3,839
224	Maintenance, Repair and use of Vehicles	17,000	14,000	13,600	10,911	3,089
		227,000	229,000	228,483	205,976	23,024
23	<i>Current Administrative Expenditure</i>					
231	Stationary and Office Supplies	31,000	30,000	28,000	21,714	8,286
232	Postage and Telecommunications	48,000	42,200	42,200	39,248	2,952
235	Other Operation Expenditure	257,000	280,859	280,820	251,079	29,780
		336,000	353,059	351,020	312,041	41,018
24	<i>Expenditure on Missions, Representation and Entertainment</i>					
241	Expenditure on General and Operational Missions	95,000	85,000	85,000	73,864	11,136
242	General Representation and Entertainment Expenditure	15,000	12,742	12,742	11,369	1,373
		110,000	97,742	97,742	85,233	12,509
25	<i>Brussels Office</i>					
250	Brussels Office	115,000	130,700	130,700	124,839	5,861
		115,000	130,700	130,700	124,839	5,861
Total Operating Expenditure		1,266,000	1,266,000	1,263,444	1,161,842	104,158
Total Operational Grant		6,256,000	6,256,000	6,253,444	6,197,611	58,389

Annex 2 – Financial report of the Action grant 2015 - 2016

FED/2015/362-164: CTA – 2015 programme of work

Art.	Description	Original Budget	Revised Budget	Committed Budget	Year 1 Expenditure	Carry Forward
315	Auxiliary Staff and interns for the PMI Programme	223,245	198,245	198,245	65,222	133,023
324	Auxiliary Staff and interns for the KMC Programme	165,000	177,100	177,100	128,406	46,694
332	Auxiliary Staff and interns for the LME Unit	50,000	80,296	80,296	20,126	60,170
Total Human Resources		438,245	455,641	455,641	213,754	241,887
315	Operational Missions for the PMI Programme	120,000	145,000	145,000	138,259	6,741
324	Operational Missions for the KMC Programme	80,000	67,900	67,900	17,431	50,469
332	Operational Missions for the LME Programme	17,000	7,000	7,000	2,745	4,255
Total Travel		217,000	219,900	219,900	158,435	61,465
31	Policy, Market and ICT Programmes					
311	<i>Building sustainable, inclusive and effective ARD policies in ACP countries</i>					
	■ Supporting policy coherence and implementation for improved food and nutrition security	465,000	564,215	564,215	500,341	63,874
	■ Promoting policies and practices for increasing productivity and resilience of agriculture to climate change	545,000	501,077	501,077	24,748	476,329
	■ Supporting policies for improved inter and intra regional agricultural trade in the ACP	715,000	732,223	732,223	410,165	322,058
		1,725,000	1,797,515	1,797,515	935,254	862,261
313	<i>Enhancing Value chain governance and competitiveness across ACP regions</i>					
	■ Supporting inclusive and sustainable value chains in strategic food commodities and promoting agri	909,755	805,148	805,148	363,646	441,502
	■ Development of markets and agro business	-	126,623	126,623	74,100	52,523
	■ Strengthening finance and risk management mechanisms for smallholder	340,000	321,684	321,684	6,000	315,684
		1,249,755	1,253,455	1,253,455	443,746	809,709
314	<i>Promoting the application of ICTs for value chain development and ARD policies and strategies</i>					
	■ Enhancing institutional and grassroots ICT capacity to influence ARD policy processes and VCD	300,000	285,000	285,000	47,845	237,155
	■ Fostering ICT-enabled innovation and entrepreneurship in agriculture by youth	464,000	402,785	402,785	93,056	309,729
	■ Promoting Enabling Environments and Uptake of ICT Solutions (PEE-UIS)	522,000	522,000	522,000	76,599	445,401
		1,286,000	1,209,785	1,209,785	217,500	992,285
Total Policy, Market and ICT Programmes		4,260,755	4,260,755	4,260,755	1,596,500	2,664,255
32	Knowledge Management & Communication Programmes					
321	<i>Communication, multimedia publishing and dissemination for ARD</i>					
	■ Development, production and dissemination of ARD information	1,537,098	804,121	804,121	307,106	497,015
	■ Dissemination of ARD information	-	979,064	979,064	736,474	242,590
	■ Corporate communications and marketing	459,907	313,263	313,263	157,892	155,371
		1,997,005	2,096,448	2,096,448	1,201,472	894,976
323	<i>Strengthening methodologies, skills and tools for KM</i>					
	■ Support for the development to development of knowledge platforms	515,509	414,362	414,362	175,291	239,071
	■ Support for online content management	425,070	426,774	426,774	234,262	192,512
		940,579	841,136	841,136	409,553	431,583
Total Knowledge Management & Communication Programmes		2,937,584	2,937,584	2,937,584	1,611,025	1,326,559
33	Learning, Monitoring and Evaluation Unit					
331	<i>Learning, Monitoring and Evaluation</i>					
	■ Strengthening CTA's corporate planning, evaluation and impact assessment	160,000	207,174	207,174	52,878	154,296
	■ Promoting evidence-based decision-making and organizational learning for CTA and partners	140,000	72,530	72,530	12,180	60,350
Total Learning, Monitoring and Evaluation Unit		300,000	279,704	279,704	65,058	214,646
Total Action Grant		8,153,584	8,153,584	8,153,584	3,644,772	4,508,812

Annex 3 – Financial report of the Action grant 2014 – 2015

FED/2013/334-680: Contribution agreement for CTA activities – year 2014

Art.	Description	Original Budget	Revised Budget	2014 - Year 1 Expenditure	2015 - Year 2 Expenditure	Cancelled Budget
315	Auxiliary Staff and interns for the PMI Programme	273,000	318,585	118,768	202,223	(2,406)
324	Auxiliary Staff and interns for the KMC Programme	198,000	113,794	70,824	42,000	970
332	Auxiliary Staff and interns for the LME Unit	25,000	72,000	58,242	13,758	0
Total Human Resources		496,000	504,379	247,834	257,981	(1,436)
315	Operational Missions for the PMI Programme	120,000	155,642	136,823	18,770	49
324	Operational Missions for the KMC Programme	90,000	100,000	58,048	41,507	445
332	Operational Missions for the LME Programme	35,000	25,000	9,725	5,470	9,805
Total Travel		245,000	280,642	204,596	65,747	10,299
31	Policy, Market and ICT Programmes					
311	<i>Building sustainable, inclusive and effective ARD policies in ACP countries</i>					
	■ Facilitate multi-stakeholder participation in the priority policy process	552,000	675,616	372,618	263,630	39,368
	■ Generate knowledge and raise awareness on ARD policy processes	610,000	1,345,843	542,263	786,419	17,161
	■ Build the capacity of policy analysts and networks	936,779	284,069	34,912	218,162	30,995
		2,098,779	2,305,528	949,793	1,268,211	87,524
313	<i>Enhancing Value chain governance and competitiveness</i>					
	■ Value chain research, information dissemination and knowledge management	550,000	171,878	92,669	57,091	22,118
	■ Value chain and agribusiness capacity building and upgrading	400,000	427,657	221,652	185,516	20,489
	■ Institutional development among stakeholders involved in value chains	250,000	332,172	(10,492)	341,280	1,384
	■ Improving access to finance for value chain development	350,000	335,744	327,494	7,554	696
		1,550,000	1,267,451	631,323	591,441	44,687
314	<i>Promoting the application of ICTs for value chain development and ARD policies and strategies</i>					
	■ Facilitate awareness-raising on ICT4ARD	200,000	51,927	21,508	27,975	2,444
	■ Learning materials, tools and opportunities	300,000	-	-	-	-
	■ Support the adoption of ICTs in value chains and ARD policy processes	650,000	1,299,021	486,238	745,138	67,645
	■ Support mainstreaming of ICTs into organizational strategies and practices	200,000	-	-	-	-
		1,350,000	1,350,948	507,746	773,113	70,089
Total Policy, Market and ICT Programmes		4,998,779	4,923,927	2,088,862	2,632,765	202,300
32	Knowledge Management & Communication Programmes					
321	<i>Communication, multimedia publishing and dissemination for ARD</i>					
	■ Development and production of ARD information	950,000	910,886	317,896	574,852	18,138
	■ Dissemination of ARD information	1,080,000	1,045,311	770,150	271,983	3,178
	■ Corporate communications and marketing	350,000	555,425	394,556	156,830	4,039
	■ Capacity building in publishing and communication	80,000	-	-	-	-
		2,460,000	2,511,622	1,482,602	1,003,665	25,355
323	<i>Strengthening methodologies, skills and tools for KM</i>					
	■ Methodologies, approaches and skills development	381,400	328,212	200,411	127,658	143
	■ Support for online content management	519,400	629,147	353,086	275,986	75
	■ Development of knowledge platforms	272,494	185,144	72,260	102,018	10,866
		1,173,294	1,142,503	625,757	505,662	11,084
Total Knowledge Management & Communication Programmes		3,633,294	3,654,125	2,108,359	1,509,327	36,439
33	Learning, Monitoring and Evaluation Unit					
331	<i>Learning, Monitoring and Evaluation</i>					
	■ Organizational learning and management information systems	55,162	151,891	39,501	80,443	31,947
	■ Project review and planning support	62,000	50,491	15,004	35,487	-
	■ M&E and Impact assessment	180,000	220,600	69,233	146,870	4,497
	■ PCM skills enhancement	62,000	17,086	17,086	-	-
	■ Joint learning initiatives between CTA and partners	70,906	-	-	-	-
		430,068	440,068	140,824	262,800	36,444
Total Learning, Monitoring and Evaluation Unit		430,068	440,068	140,824	262,800	36,444
Total Action Grant		9,803,141	9,803,141	4,790,475	4,728,620	284,046

Annex 4 – Financial report of the non-institutional grants

Description	Original Budget	Received Funds	Previous Expenditure	2015 Expenditure	Carry Forward
European Commission					
<i>European Development Fund</i>					
■ EU Intra ACP Agricultural Development Programme	2,100,000	1,219,016	480,532	533,044	205,440
<i>Other European Funding</i>					
■ DG R&I: FP6 – INCO : Agricultural Innovation in Dry land Africa	10,000	6,410	-	-	-
■ DG R&I: FP7 – INCO : CAAST-NET Plus	41,527	33,257	16,911	4,345	12,001
■ DG R&I: FP7 – INCO : PACE-NET Plus	66,862	40,000	5,816	27,710	6,474
	118,389	79,667	22,727	32,055	24,885
Total European Commission	2,218,389	1,298,683	503,259	565,099	230,325
<i>International Organisations</i>					
■ FAO: European Forum on Agricultural Research for Development	56,265	16,766	-	12,677	4,089
■ FARA: Platform for African – European Partnership in Agricultural Research for Development	15,002	15,002	-	6,216	8,786
■ FARA: 3rd Africa-wide women and young professionals in science competition	18,000	17,979	14,366	3,128	485
■ IFAD: Support the spread of good practice in generating, managing, analyzing and communicating spatial information	25,703	25,703	25,548	155	-
■ IFPRI: Brussels Policy Development Briefings	15,000	12,694	-	12,694	-
Total International Organisations	129,970	88,144	39,914	34,870	13,360
<i>Governmental organisations</i>					
■ NSO: Market-Led User-Owned ICT4Ag Enabled Information Service	3,195,809	265,410	-	3,926	261,484
Total Governmental Organisations	3,195,809	265,410	-	3,926	261,484
<i>Other organisations</i>					
■ WUR: Convergence of Sciences: Strengthening agricultural innovation systems	25,000	25,000	22,713	-	2,287
Total Other Organisations	25,000	25,000	22,713	-	2,287
Total Non-Institutional Grants	5,569,168	1,677,237	565,886	603,895	507,456