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ISN 34603

FINANCIAL REPORT

FOR YEAR ENDING

DECEMBER 31, 1982



ICRISAT

**International Crops Research Institute for the Semi-Arid Tropics
ICRISAT Patancheru P.O.
Andhra Pradesh 502 324, India**

A. F. FERGUSON & CO
CHARTERED ACCOUNTANTS
ALLAHABAD BANK BUILDINGS
BOMBAY SAMACHAR MARG
BOMBAY 400 023

March 10, 1983

No. ACG/1203

The Governing Board,
International Crops Research Institute
for the Semi-Arid Tropics,
Patancheru (A.P.)

Dear Sirs:

Report on the audit of the financial
statements for the year ended December 31, 1982

We have completed the examination of the books of account of the Institute for the year ended December 31, 1982 and enclose the Balance Sheet, the Statement of Sources and Application of Funds and the Comparative Statement of Actual Expenses and Approved Budget, duly signed by us under reference to this report.

2. Scope of Audit

Our examination of the above statements included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. Our examination was made primarily for the purpose of forming our opinion on the financial statements taken as a whole.

3. Suggestions and Recommendations

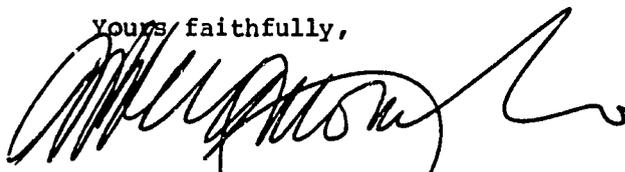
During the course of our audit, we have broadly reviewed the systems and procedures relating to accounting, internal control and maintenance of books and records and have made, from time to time, certain suggestions with a view to further improvement. We shall also be submitting a separate letter to the Director General incorporating the main observations and recommendations made by us.

4. Opinion

In our opinion, the Balance Sheet as at December 31, 1982 and the Statement of Sources and Application of Funds for the year ended as on that date present fairly, subject to and on the basis of the accounting policies set out in note 1 to the financial statements and read with the other notes thereon, the financial position of the Institute as on that date and the changes in its financial position for the year then ended, in conformity with consistently applied accounting principles; further, in our opinion, the Comparative Statement of Actual Expenses and Approved Budget presents fairly, on the above basis, the information shown therein. We further report that the above statements are in accordance with the books and records of the Institute and the information and explanations furnished to us.

5. We record with pleasure, our appreciation of the cooperation rendered to us by the Director General and the staff during the course of the audit.

Yours faithfully,



Encl :

TELEPHONE: 258313 · TELEGRAMS: BALANCE, BOMBAY
OFFICES AT : CALCUTTA · GOA · HYDERABAD · JAMSHEDPUR · MADRAS · NEW DELHI · POONA

INTERNATIONAL CROPS RESEARCH INSTITUTE FOR THE SEMI-ARID TROPICS

BALANCE SHEET AS AT DECEMBER 31, 1982

Currency US \$

Assets	Schedule	Actual	
		1982	1981
<u>CURRENT ASSETS :</u>			
Cash and Bank Balances		1,114,139	720,908
Short Term Investments :			
Citibank, New York		1,700,000	-
Others		2,310,000	2,310,000
Receivables from Donors	1	1,104,902	955,229
Other Receivables	2	941,458	798,997
Inventories - On hand		505,961	708,479
- In transit		22,294	517
Prepaid Expenses		215,602	130,265
Vehicle Revolving Account		-	336,872
Other Current Assets			
Interest accrued on :			
Short term Investments		2,081	-
Others		22	33
Total Current Assets		<u>7,916,459</u>	<u>5,961,300</u>
<u>FIXED ASSETS:</u>			
Operating Equipment		412,695	429,492
Research Equipment		3,807,198	3,706,955
Vehicles		1,606,116	1,588,940
Furnishings and Office Equipment		2,237,733	2,181,967
Buildings		13,275,974	13,204,401
Buildings Under Construction		2,125,560	866,145
Other Fixed Assets - Site Development etc.		2,708,650	2,582,514
African Co-operative Program Assets:			
Buildings (Including Buildings Under Construction)		522,362	276,928
Other Fixed Assets		382,123	201,578
Assets in Transit		427,427	392,548
Total Fixed Assets		<u>27,505,838</u>	<u>25,431,468</u>
Total Assets		<u>35,422,297</u>	<u>31,392,768</u>



Currency US \$

Liabilities	Schedule	Actual	
		1982	1981

LIABILITIES:

Accounts Payable		2,722,338	1,908,490
Provision for Contingencies		2,310,000	748,000
Grants Received in Advance		630,059	456,292
Other Liabilities - Overdraft with Banks		378	811,538
Total Liabilities		<u>5,662,775</u>	<u>3,924,320</u>

CAPITAL BALANCES AND UNEXPENDED FUNDS:

Capital Grants:

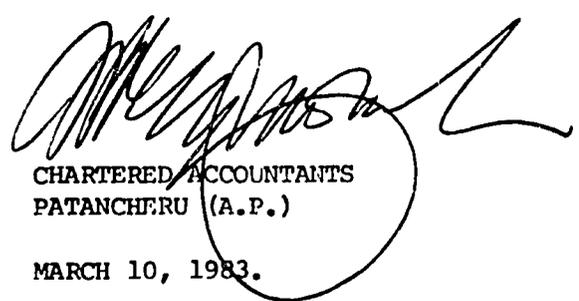
Fully Expended		<u>27,505,838</u>	<u>25,431,468</u>
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UNEXPENDED OPERATING GRANTS:

Core and Capital	3	1,379,226	1,062,027
Special Projects	3	874,458	974,953
Sub-Total		<u>2,253,684</u>	<u>2,036,980</u>
Total Capital Balances		<u>29,759,522</u>	<u>27,468,448</u>
Total Liabilities and Capital		<u>35,422,297</u>	<u>31,392,768</u>

Notes to Financial Statements 5

Per our report attached



CHARTERED ACCOUNTANTS
PATANCHERU (A.P.)
MARCH 10, 1983.



DIRECTOR GENERAL

INTERNATIONAL CROPS RESEARCH INSTITUTE FOR THE SEMI-ARID TROPICS
STATEMENT OF SOURCES AND APPLICATION OF FUNDS FOR THE YEAR ENDED DECEMBER 31, 1982

Currency US \$

	Schedule	Actual		Estimate
		1982	1981	1983
SOURCES OF FUNDS :				
1. Operating Grants:				
a) Unrestricted	1	11,070,123	8,680,091	13,269,142
b) Restricted	1	4,761,988	4,248,037	3,666,858
Sub-Total :		15,832,111	12,928,128	16,936,000
2. Special Projects	1	3,292,225	2,769,684	2,968,528
3. Earned Income	4	556,497	403,317	225,000
4. Capital Grant	1	65,000	102,875	-
Total Funds :		19,745,833	16,204,004	20,129,528
APPLICATION OF FUNDS :				
1. Core Programs :				
a) Research :				
Farming Systems		1,223,433	953,864	1,470,000
Sorghum		1,195,945	1,001,758	1,348,000
Millet		1,096,072	770,409	1,236,000
Chickpea & Pigeonpea		1,220,811	1,187,407	1,241,000
Groundnut		799,106	687,602	916,000
Economics		672,209	519,485	621,000
b) Research Support		2,321,626	1,893,321	2,316,000
Total Research :		8,529,202	7,013,846	9,148,000
c) International Co-operation	3	613,690	831,267	1,030,000
d) General Administration	3	1,374,175	1,169,246	2,015,000
e) General Operating Cost	3	3,472,512	2,999,934	3,384,000
f) Contingencies		-	-	155,000
g) Provisional additions in Core Expenditure to be allocated to Programs		-	-	702,000
Total Core Program Costs :		13,989,579	12,014,293	16,434,000
2. Special Projects :				
ADB - Asian Development Bank-Farm Equipment & Implements		258,785	-	191,215
Ford Foundation - Fellowship of Mr.R.C.Sachan		678	1,419	-
-do- - Investigation of labour markets in Peninsular India		-	3,622	-
-do- - Agrometeorology Meeting		3,750	-	-
Government of Nigeria		-	7,759	527,921
Government of Thailand		-	-	14,911
GTZ - Cooperation Program with University of Hamburg		69,805	19,588	113,607
GTZ - Cooperation Program with University of Gieben		65,484	9,780	76,336
GTZ - Training Grant for Mr. Thomas Engelhardt		5,612	-	3,988
IBPGR - Germplasm Exploration, Collection, Planning and Organisation in Eastern Africa		5,105	4,895	-
IBPGR - Pigeonpea Descriptors Meeting		2,273	3,397	2,385
IDRC - Sorghums & Millets Information Center - Phase I		37,041	44,926	-
IDRC - Sorghums & Millets Information Center - Phase II		32,673	-	115,884
IDRC - Groundnuts Program - Malawi		99,295	-	363,099
IDRC - Striga - Upper Volta - Phase I		36,009	88,901	-
IDRC - Rural Economic Research in West Africa		162,325	83,531	98,413
IDRC - Nitrogen Fixation with non-legumes symposium		1,874	-	-
IFAD - For Improved Sorghums in Latin America		208,688	155,189	236,123

	Schedule	Actual		Estimate
		1982	1981	1983
IFDC - For Nitrogenous Fertilizers in SAT - Phase I		64,612	97,505	-
- Phase II		31,213	-	90,292
IFDC - Fertilizer Research Program in SAT - Africa		57,412	-	18,413
I M C		2,101	1,983	11,733
Government of New Zealand		1,367	-	1,102
Texas A & M University Sorghum Insect Identification Hand Book		10,037	-	7,463
UNDP - Symposium on Agrometeorology of Sorghums & Millets		99	-	19,901
UNDP - African Co-operative Project - Sorghums & Millets		-	-	-
- Phase II		-	486,409	-
UNDP - African Co-operative Project - Sorghums & Millets		-	-	-
- Phase III		873,816	439,017	841,166
UNDP - Germplasm Collection in S.E. Asia		-	2,084	16,144
U.N. University - Workshop on Interfaces among		-	-	-
Agriculture, Food Science and Nutrition		312	9,398	6,790
USAID - Cooperative Program Mali - Phase I		-	121,471	-
USAID - -do- - Phase II		646,645	283,843	774,000
USAID - Semi-Arid Food Grain Research & Development (SAFGRAD)		715,709	454,820	312,100
Total Special Projects Cost :	3	3,392,720	2,319,537	3,844,986
3. Capital Expenditu	3	2,162,135	1,385,695	970,000
Total :		19,544,434	15,719,525	21,246,986
4. Unexpended Balances :				
At the close of the Year :				
Unrestricted Funds	3	1,321,007	1,062,027	1,136,226
Restricted Grants	3	58,219	-	-
Special Projects	3	874,458	974,953	-
Sub-Total :		2,253,684	2,036,980	1,136,226
5. Unexpended Balances :				
At the beginning of the year		(2,036,980)	(1,685,588)	(2,253,684)
6. Adjustments of previous year		(15,305)	133,087	-
Total Application of Funds :		19,745,833	16,204,004	20,129,528

Per our report attached

CHARTERED ACCOUNTANTS
PATANCHERU (A.P.)

MARCH 10, 1983

DIRECTOR GENERAL

INTERNATIONAL CROPS RESEARCH INSTITUTE FOR THE SEMI-ARID TROPICS
COMPARATIVE STATEMENT OF ACTUAL EXPENSES AND APPROVED BUDGET FOR THE YEAR
ENDED DECEMBER 31, 1982

Currency US \$

	Approved Budget	CORE EXPENDITURE			CAPITAL EXPENDITURE	
		Actual Expenditure			Approved Budget	Actual
		Unrestricted Grants	Restricted Grants	Total		
PROGRAMS:						
Research:						
Farming Systems	1,241,000	906,835	316,598	1,223,433		
Sorghum	1,205,000	255,827	940,118	1,195,945		
Millet	1,148,000	555,251	540,821	1,096,072		
Chickpeas & Pigeonpeas	1,106,000	301,832	918,979	1,220,811		
Groundnut	758,000	-	799,106	799,106		
Economics	678,000	448,646	223,563	672,209		
Research Support	2,059,000	1,859,116	462,510	2,321,626		
International Co-operation	717,000	362,713	250,977	613,690		
General Administration	1,290,000	1,299,095	75,080	1,374,175		
General Operating Cost	3,713,000	3,296,495	176,017	3,472,512		
Total Core :	13,923,000	13,923,000	4,703,769	13,989,579		
CAPITAL:						
Equipment etc.,	1,850,000				1,850,000	2,162,135
Total Core & Capital Budget	15,773,000					

ANALYSIS OF VARIANCES:

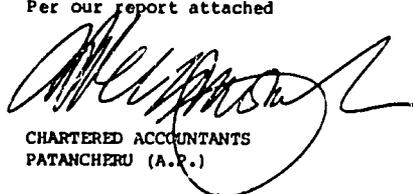
Budget Deficit	66,571	312,135
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NOTE:

Actual Expenditure charged to the following Restricted Grants has been restricted to Donor's Budget :

(a) European Economic Community - Pulses	1,161,519
(b) Government of Japan - Groundnut Research	1,300,000
(c) Leverhulme Trust - Farming Systems in Africa	654,000
(d) OPEC Fund - Groundnut and African Capital	165,000
(e) United Nations Development Program - Research and Training for the Development of Improved Sorghums and Millets - Phase II	1,236,300

Per our report attached



CHARTERED ACCOUNTANTS
PATANCHERU (A.P.)



DIRECTOR GENERAL

MARCH 10, 1983

INTERNATIONAL CROPS RESEARCH INSTITUTE FOR THE SEMI-ARID TROPICS
RECEIVABLES FROM DONORS AS AT DECEMBER 31, 1982

D O N O R	Grant	Received during the year	Outstanding at the year end
(i) <u>UNRESTRICTED</u>			
Australia	460,634	460,634	-
Belgium	83,031	-	83,031
Canada	1,177,400	1,177,400	-
France	129,497	129,497	-
Federal Republic of Germany	739,696	739,696	-
India	125,000	115,445	9,555
Italy	269,469	269,469	-
Mexico	100,000	-	100,000
Norway	169,822	169,822	-
Netherlands	320,000	320,000	-
Nigeria	158,000	-	158,000
Sweden	690,265	690,265	-
Switzerland	384,299	384,299	-
The International Development Association (The World Bank)	1,260,000	1,260,000	-
United Kingdom	1,103,010	1,103,010	-
United States Agency for International Development	3,900,000	3,900,000	-
	<u>11,070,123</u>	<u>10,719,537</u>	<u>350,586</u>
(ii) <u>RESTRICTED</u>			
EEC - Pulses	1,161,519	1,161,519	-
Government of Japan - Groundnut etc.	1,300,000	1,300,000	-
IDRC - Striga Upper Volta - Phase II	200,169	200,169	-
Leverhulme Trust - Farming Systems in Africa	654,000	654,000	-
OPEC Fund - Groundnuts	100,000	100,000	-
UNDP - Sorghums & Millets - Phase II	1,236,300	1,236,300	-
UNDP - Funds transferred from Special Project I Grants-African Coop. Projects Sorghums & I Millets - Phase III I	110,000	110,000	-
	<u>4,761,988</u>	<u>4,761,988</u>	<u>-</u>

D O N O R	Grant	Received during the year	Outstanding at the year end
(iii) <u>CAPITAL GRANT</u>			
OPEC Fund - Groundnut	65,000	65,000	-
(iv) <u>SPECIAL PROJECT</u>			
Ford Foundation - Fellowship of Mr.R.C.Sachan	(75)	(75)	-
Ford Foundation - Agro meteorology Meeting	3,750	3,750	-
GTZ - Coop.Prog.with University of Hamburg	54,000	54,000	-
GTZ - Coop.Prog.with University of Gieben	30,200	30,200	-
GTZ - Coop.Prog.for Training of Mr.Thomas Engelhardt	9,600	9,600	-
Government of New Zealand	2,469	2,469	-
IFDC - Nitrogenous Fertilizers in SAT - Phase I	57,544	57,544	-
IFDC - Nitrogenous Fertilizers in SAT - Phase II	31,213	20,000	11,213
IFDC - Fertilizer Research Program in Africa	75,825	75,825	-
IFAD - For Improved Sorghums in Latin America	225,000	225,000	-
IDRC - Rural Economics Research in West Africa	87,974	87,974	-
IDRC - Sorghums & Millets Information Centre-Phase I	16,587	16,587	-
IDRC - Sorghums & Millets Information Centre-Phase II	99,166	99,166	-
IDRC - Striga - Upper Volta - Phase I	5,595	-	5,595
IDRC - Nitrogen Fixation with Non-Legumes Symposium	1,874	1,874	-
IDRC - Groundnuts Program - Malawi	241,649	241,649	-
Texas Agricultural University - Sorghum Insect Identification Hand Book	17,500	17,500	-
UNDP - African Coop.Projects Sorghums & Millets - Phase III	1,060,000		
- Funds transferred to Core Restricted	<u>110,000</u>	950,000	-
UNDP - Symposium on Agrometeorology of Sorghums and Millets in SAT	20,000	20,000	-
USAID - Cooperative Program - Mali - Phase II *	646,645	321,449	325,196
USAID - Semi-Arid Food Grain Research and Development (SAFGRAD)	715,709	305,202	410,507
	<u>3,292,225</u>	<u>2,539,714</u>	<u>752,511</u>
(i to iv)	19,189,336	18,086,239	1,103,097
(v) <u>GRANTS OUTSTANDING FROM PREVIOUS YEAR- SPECIAL PROJECTS</u>			
IBPGR - Germplasm Exploration, Collection, Planning in Eastern Africa	X		1,000
IBPGR - Pigeonpea - Descriptors Meeting			805
			<u>1,805</u>
			<u>1,104,902</u>

* An amount of \$ 190,927 received as an advance has been included under Grants Received in Advance and not adjusted against Grant Receivable

INTERNATIONAL CROPS RESEARCH INSTITUTE FOR THE SEMI-ARID TROPICS

OTHER RECEIVABLES AS AT DECEMBER 31, 1982

Currency US \$

Schedule 2

	<u>1982</u>	<u>1981</u>
Staff Advance	134,947	83,624
Advance to Contractors, Suppliers and Co-operative Agencies etc.	592,863	477,245
Receivables - Farm Produce Sales	1,714	4,833
Deposits	211,934	233,295
	<u>941,458</u>	<u>798,997</u>
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INTERNATIONAL CROPS RESEARCH INSTITUTE FOR THE SEMI-ARID TROPICS

STATEMENT OF FUNDS PROVIDED AND COST OF INDIVIDUAL GRANTS

FOR THE YEAR ENDED DECEMBER 31, 1982

Currency US \$
Schedule 3

	Total Funds Available	EXPENSES CHARGED					Total	*Per- Cent- age	Unexpended Ba- lance as on Dec. 31, 1982
		Fixed Assets	Total Research	Intl. Coop.	Gen. Admn.	Gen. Operat- ing Cost			
<u>CAPITAL AND OPERATIONAL GRANTS</u>									
i) Unrestricted Core	12,703,552	2,097,135	4,327,507	362,713	1,299,095	3,296,495	11,382,945		1,321,007
ii) Restricted Core:									
EEC - Pulses	1,161,519	-	998,639	48,000	34,350	80,530	1,161,519		-
Govt. of Japan-Groundnut etc.	1,300,000	-	1,095,006	81,827	36,828	86,339	1,300,000		-
Leverhulme Trust-Farming Systems in Africa	654,000	-	619,312	34,688	-	-	654,000		-
IDRC-Striga-Upper Volta -Phase II	200,169	-	141,950	-	-	-	141,950		58,219
OPEC Fund-Groundnuts **	100,000	-	86,950	-	3,902	9,148	100,000		-
UNDP-Sorghums & Millets -Phase II	1,236,300	-	1,149,838	86,462	-	-	1,236,300		-
UNDP-African Co-operative Project-Sorghums & Millets -Phase III	110,000	-	110,000	-	-	-	110,000		-
Total Restricted Core :	4,761,988	-	4,201,695	250,977	75,080	176,017	4,703,769		58,219
<u>CAPITAL GRANTS</u>									
OPEC Fund - Groundnuts **	65,000	65,000	-	-	-	-	65,000		-
<u>SPECIAL PROJECT GRANTS</u>									
ADB-Equipment for the establishment of Genetic Resources Lab.	450,000	-	258,785	-	-	-	258,785		191,215
Ford Foundation-Agrome- teorology Meeting	3,750	-	3,750	-	-	-	3,750		-
Ford Foundation-Fellowship of Mr. R.C. Sachan	678	-	678	-	-	-	678		-
Government of Nigeria	527,921	-	-	-	-	-	-		527,921
Government of Thailand	14,911	-	-	-	-	-	-		14,911
Government of New Zealand	2,469	-	1,367	-	-	-	1,367		1,102

	Total Funds Available	EXPENSES CHARGED						*Per- cent- age	Unexpended Ba- lance as on Dec. 31, 1982
		Fixed Assets	Total Research	Intl. Coop.	Gen. Admn.	Gen. Operat- ing Cost	Total		
GTZ-Cooperation Program with University of Hamburg	79,412	-	63,756	-	1,809	4,240	69,805	0.1316	9,607
GTZ-Cooperation Program with University of Gieben	65,420	-	59,810	-	1,697	3,977	65,484	0.1235	(64)
GTZ-Training Grant for Mr. Thomas Engelhardt	9,600	.	5,612	-	-	-	5,612		3,988
IBPGR-Germplasm Collection in E.Africa	5,105	-	5,105	-	-	-	5,105		-
IBPGR-Pigeonpea Descriptors Meeting	4,658	-	2,273	-	-	-	2,273		2,385
IDRC-Groundnuts Program Malawi	241,649	-	95,285	-	1,199	2,811	99,295	0.0873	142,354
IDRC-Rural Economic Research In W.Africa	94,138	-	162,325	-	-	-	162,325		(68,187)
IDRC-Striga-Upper Voltz - Phase I	36,009	-	35,448	-	168	393	36,009	0.0122	-
IDRC-Nitrogen Fixation with Non Legumes Symposium	1,874	-	1,874	-	-	-	1,874		-
IDRC-Sorghums & Millets Information Centre - Phase I	37,041	-	33,831	-	960	2,250	37,041	0.0698	-
- Phase II	99,166	-	29,841	-	847	1,985	32,673	0.0616	66,493
IFAD-For Improved Sorghums in Latin America	369,811	-	203,849	-	1,447	3,392	208,688	0.1053	161,123
IFDC-For Nitrogenous Fertilizers in SAT - Phase I	64,612	-	59,013	-	1,674	3,925	64,612	0.1218	-
- Phase II	31,213	-	28,508	-	809	1,896	31,213	0.0586	-
IFDC-Fertilizer Research Program in SAT - Africa	75,825	-	54,382	-	906	2,124	57,412	0.0659	18,413
IMC	13,834	-	2,101	-	-	-	2,101		11,733
UNDP-Symposium on Agrometeorology of Sorghums & Millets in SAT	20,000	-	99	-	-	-	99		19,901
UNDP-African Coop. Project Sorghums & Millets - Phase III	724,982	I -	846,182	-	8,263	19,371	873,816	0.6013	(258,834)
	*** (110,000)	I							
UNDP-Germplasm Collection in S.E. Asia	16,144	-	-	-	-	-	-		16,144
UN University - Workshop on Interfaces among Agriculture, Food Science and Nutrition	7,102	-	312	-	-	-	312		6,790
USAID-Cooperative Program-Mali-Phase II	646,645	-	646,645	-	-	-	646,645		-
USAID-Semi Arid Food Grain Research & Development (SAFGRAD)	715,709	-	692,191	-	7,032	16,486	715,709	0.5117	-
Texas Agricultural University-Sorghum Insects Identification Hand Book	17,500	-	10,037	-	-	-	10,037		7,463
Total Special Project :	4,267,178	-	3,303,059	-	26,811	62,850	3,392,720		874,458
TOTAL GRANTS AND EXPENSES :	21,798,118	2,162,135	11,832,261	613,690	1,400,986	3,535,362	19,544,434		2,253,684

* Percentage of total Research Support, General Administration & General Operating Costs charged to Projects.

** Out of the total grant of \$ 165,000 received towards Groundnut Improvement Program, \$ 65,000 appropriated towards Capital Expenditure incurred in Africa.

*** \$ 110,000 utilised under African Core Restricted.

INTERNATIONAL CROPS RESEARCH INSTITUTE FOR THE SEMI-ARID TROPICS

STATEMENT OF EARNED INCOME AS AT DECEMBER 31, 1982

Currency US \$

Schedule 4

	Approved Budget	Actual	
		1982	1981
Interest on :			
Short Term Investments		87,777	(13,003)
Others		357	3,004
Sale of Scrap, Farm Produce and Refund of duties etc.		217,082	350,250
Sale of Assets		116,326	27,139
Allocation of Support cost to Special Projects		134,955	35,927
	<u>225,000</u>	<u>556,497</u>	<u>403,317</u>
Earned Income for the year		556,497	
<u>Deduct:</u> Transfer to Unrestricted Core		(556,497)	
Retained Income as on December 31, 1982		-	





INTERNATIONAL CROPS RESEARCH INSTITUTE FOR THE SEMI-ARID TROPICS
NOTES TO THE FINANCIAL STATEMENTS - DECEMBER 31, 1982

SCHEDULE 5

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Accounting practices and procedures

The accounting practices and procedures followed are broadly on the basis laid down by the Consultative Group on International Agricultural Research (CGIAR), for non-profit agricultural research centres.

1.2 Receivables from Donors

The actual amounts of grants received during the year from various donors have been considered to be the amounts of the grants receivable for the year, except in cases where the grant letters and other available documents specify the amounts of the grants committed for the year.

1.3 Other Receivables

Claims for local taxes and duties

Accruals for local taxes and duties (where such taxes/duties are recoverable from the concerned authorities), have been made in the accounts only in respect of purchases of petrol and construction materials such as steel, cement, etc. Refunds, if any, receivable in respect of taxes/duties on other purchases are being accounted for on a receipt basis.

1.4 Inventories

(a) The inventories have been valued as under:

(i) Farm Supplies		Weighted average cost
(ii) Automobile Spare Parts	I	
(iii) Owner purchased materials	I	Estimated cost
(iv) Laboratory Chemicals and Glassware	I I	

(b) Inventories of certain items such as spares for tractors and heavy equipment, laboratory supplies, canteen supplies, etc. which have been specifically purchased for various programs have been charged to these programs by way of direct costs and are therefore not included under Inventories in the Balance Sheet.

1.5 Vehicle Revolving Account

In respect of vehicles purchased in earlier years and capitalized during 1982 under the head Fixed Assets - Vehicles, the extra cost of replacement amounting to \$ 155,594 (representing the excess of the purchase cost of the new vehicles over the sales proceeds of the vehicles replaced) has been absorbed in the 1982 Operational Budget under General Operating Cost.



Further, where the purchase orders for vehicles have been placed up to December 31, 1982 and the vehicles have not been received up to that date, the estimated extra cost of replacement of \$ 250,882 of vehicles to be sold and replaced has been absorbed in the 1982 Operational Budget under General Operating Cost.

1.6 Fixed Assets

- (a) Fixed assets have been shown at cost without charging any depreciation.
- (b) Assets received in kind from USAID by way of a grant have been recorded at the figures stated by USAID to represent their cost.
- (c) Fixed assets such as furnishings and office equipment and vehicles which have been purchased specifically for restricted and/or special projects or for replacement, have been charged to such projects by way of direct costs or to unrestricted grants, as the case may be; further, in some cases where funds were not available under the Capital Budget, purchases of furniture and equipment have been charged to operational expenses; the aforesaid items are therefore not included under Fixed Assets in the Balance Sheet.

1.7 Gratuity

No provision has been made in the accounts for the gratuity payable to the locally recruited staff in accordance with the Personnel Policies of the Institute. Gratuity is being accounted on a payment basis.

1.8 Accruals for liabilities

- (a) Purchase Orders (for operational expenses and capital goods) placed up to December 31, 1982 and remaining unexecuted as of that date (i.e. those for which materials have not been received upto that date) have been accrued and provided for as liabilities in the accounts except where either the funds are not available or the value of the purchase order has not been specified.
- (b) Certain amounts covered by available budgets for the year 1982 have been accrued and provided for as liabilities on the basis of estimates of the expenditure which is expected to be incurred in the following year.

1.9 Special Project Grants

The indirect costs (i.e. Research Support, General Administration and General Operating Costs) of \$ 134,955 have been charged to these grants at the various percentages (to the extent of availability of funds) of the direct costs incurred on these projects, as provided in their respective budgets/estimates and credit has been given to Earned Income. This accounting treatment, however, results in the total expenses charged for the year, as recorded in Schedule 3 to the Balance Sheet, being shown at a figure of \$ 19,544,434 instead of \$ 19,409,479. This treatment has



been followed on the advice of CGIAR on the reasoning that the Special Projects are completely separate and distinct from the core programs (restricted and unrestricted) of the Institute.

1.10 Allocation of expenses to various programs

The persons in charge of the various programs have initiated various expenses incurred on the programs and have allocated the expenses to these programs. Expenses incurred jointly for more than one program have been allocated to the programs on the basis of estimates made by the concerned departmental heads.

2. INVESTMENTS - OTHERS \$ 2,310,000

In the absence of any realisation from these investments, a law suit was filed in February 1982 by the Institute in the United States District Court, New York, on several counts, including claims for recovery of the principal amount stated above, interest, and punitive damages from the parties concerned. The outcome of this litigation cannot be predicted.

3. LEASEHOLD LAND

3.1 India

The land used as the site for the Institute's research activities in India has been leased from the Government of India at a nominal rent of Re. 1 per annum. The area of the land as stated in the indenture of lease is approximately 1,394.54 hectares. If at any time, the purpose for which the Institute has been established is over or terminated or the Institute is dissolved, the lease property together with the added constructions and electrical and water installations shall be handed over to the Government of India without any compensation therefor.

3.2 Africa

The land forming the site of the ICRISAT Sahelian Centre has been provided by the Government of Niger on a long-term basis. In the event of the dissolution of the ICRISAT Sahelian Centre, the said land and all immovable property thereon will revert to the Government of Niger.

4. GENERAL

- 4.1 Approved budget figures for the year 1982 as appearing in the "Comparative Statement of Actual Expenses and Approved Budget" and "Statement of Earned Income" are in accordance with the Institute's Program and Budget proposals 1983-84.



- 4.2 Estimates for 1983 appearing in the "Statement of Sources and Application of Funds" are broadly in accordance with the Institute's Budget Proposals and other relevant information and documents available.
- 4.3 Previous year's figures have been regrouped where necessary to conform with this year's classification.
- 4.4 The undermentioned abbreviations used in the Financial Statements stand for:

ADB	-	Asian Development Bank
EEC	-	European Economic Community
GTZ	-	Duetsche Gesellschaft fur Technische Zusammenarbeit
IDRC	-	International Development Research Center
IFAD	-	International Fund for Agricultural Development
IFDC	-	International Fertilizer Development Centre
IITA	-	International Institute for Tropical Agriculture
IBPGR	-	International Board for Plant Genetic Resources
IMC	-	International Minerals and Chemical Corporation
OPEC	-	The Opec Fund for International Development
UNDP	-	United Nations Development Program
UN	-	United Nations
USAID	-	United States Agency for International Development

