



December 31, 2015

Consultative Group on International Agricultural Research (CGIAR) Fund

Administered by the International Bank for Reconstruction and Development as
Trustee

World Bank Reference: TF069018

**Independent Auditors' Report and Statement of Receipts,
Disbursements and Fund Balance**

The World Bank Group

Trust Funds Division, Accounting and Business Services Department
Finance & Accounting Vice Presidency

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Independent Auditors' Report

International Bank for Reconstruction and Development
as Trustee of the Consultative Group on International Agricultural Research (CGIAR) Fund –
TF069018

We have audited the accompanying statement of receipts, disbursements, and fund balance (the Statement) of the Consultative Group on International Agricultural Research (CGIAR) Fund – TF069018 (the Trust Fund) under administration by the International Bank for Reconstruction and Development as Trustee (the Trustee) for the year ended December 31, 2015, and for the period from December 1, 2010 (date of inception) to December 31, 2015, and the related notes to the Statement.

Management's Responsibility for the Statement

Management is responsible for the preparation and fair presentation of the Statement in accordance with the modified cash basis of accounting described in Note 2; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the Statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the Statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Statement 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. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Statement.

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



Opinion

In our opinion, the Statement referred to above presents fairly, in all material respects, the receipts, disbursements, and fund balance of the Trust Fund for the year ended December 31, 2015, and for the period from December 1, 2010 (date of inception) to December 31, 2015, in accordance with the modified cash basis of accounting described in Note 2.

Basis of Accounting

We draw attention to Note 2 to the Statement, which describes the basis of accounting. The Statement is prepared on the modified cash basis of accounting, which is a basis of accounting other than U.S. generally accepted accounting principles or International Financial Reporting Standards. Our opinion is not modified with respect to this matter.

KPMG LLP

Washington, DC
March 31, 2016

STATEMENT OF RECEIPTS, DISBURSEMENTS AND FUND BALANCE

December 31, 2015

All amounts expressed in U.S. dollars unless otherwise noted

	Notes	For the fiscal year ended December 31, 2015	December 1, 2010 (date of inception) to December 31, 2015
Contributions	4	\$570,502,722	\$2,656,985,422
Net investment income	5	197,932	1,462,806
Total receipts		570,700,654	2,658,448,228
Disbursements to CGIAR Centers	6	542,272,277	2,504,768,509
Administrative budget disbursements, net	7	25,531,539	81,518,369
Total disbursements		567,803,816	2,586,286,878
Excess of receipts over disbursements before foreign currency adjustment		2,896,838	72,161,350
Foreign currency adjustment	2	402	635,005
Excess of receipts over disbursements after foreign currency adjustment		2,897,240	72,796,355
Fund Balance:			
Beginning of period		69,899,115	-
End of period		\$ 72,796,355	\$ 72,796,355
Fund balance consists of:			
Trust Fund's share of the cash and investments in the Pool			
of which,			
Unrestricted		22,285,973	22,285,973
Restricted	8	50,510,382	50,510,382
	3	\$ 72,796,355	\$ 72,796,355

The accompanying notes are an integral part of this Statement of Receipts, Disbursements and Fund Balance.

NOTES TO THE STATEMENT OF RECEIPTS, DISBURSEMENTS AND FUND BALANCE

December 31, 2015

All amounts expressed in U.S. dollars unless otherwise noted

Note 1 - Organization

The Consultative Group on International Agricultural Research (CGIAR) is a global partnership, established in 1971 among organizations engaged in scientific research and other research related activities in the fields of agriculture, forestry, fisheries and natural resources and their funders, with the vision of reducing poverty and hunger, improving human health and nutrition and enhancing ecosystem resilience.

The funders include developing and industrialized country governments, foundations, and international and regional organizations. The research itself is carried out by the 15 independent member centers (CGIAR Centers) of the Consortium of International Agricultural Research Centers (Consortium), in close collaboration with hundreds of partner organizations, including national and regional research institutes, civil society organizations, academia, and the private sector.

The CGIAR Fund (Trust Fund) is a multi-donor trust fund, administered by the International Bank for Reconstruction and Development (IBRD) as Trustee. The Trust Fund is governed by the Fund Council, which is a representative body of the Trust Fund donors and other stakeholders and is the decision-making body of the Trust Fund. The Fund Council approves research programs based on the advice provided by Independent Science and Partnership Council (ISPC), a panel of leading scientific experts. The Fund Office, located within IBRD, but distinct from IBRD's role as Trustee (the Fund Office), provides support to the Fund Council and liaises with other CGIAR participants. The Independent Evaluation Arrangement (IEA) is an independent unit which supports the CGIAR in the pursuit of its objectives. The IEA manages and supports external evaluations which aim to provide accountability, support to decision making, and lessons for improving quality and effectiveness of agricultural research for development outcomes.

The Trustee established the Trust Fund on December 1, 2010 (date of inception, hereinafter referred to as "Inception"), to hold funds and subsequently disburse for programs and other activities approved by the Fund Council, upon appropriate disbursement requests from the Consortium, or under the instructions of the donors, as applicable. The Trustee has no fiduciary responsibility subsequent to transferring funds to the recipient. The Trustee also manages the investment of the Trust Fund's assets, and provides accounting and financial reporting services for the Trust Fund.

Donors to the Trust Fund may designate their contribution for disbursement to any of the specific CGIAR Centers or CGIAR Research Programs (CRPs) carried out by these CGIAR Centers in accordance with the respective donor agreements (the Agreements) (see Note 8).

The Statement of Receipts, Disbursements and Fund Balance (the Statement) reports solely upon the receipts, disbursements and fund balance of the Trust Fund, and does not include the activities or financial position of the Fund Council, the Fund Office, Consortium or any of the recipients.

NOTES TO THE STATEMENT OF RECEIPTS, DISBURSEMENTS AND FUND BALANCE

December 31, 2015

All amounts expressed in U.S. dollars unless otherwise noted

Note 2 - Significant accounting policies

Basis of preparation

The Statement has been prepared on the cash receipts and disbursements basis of accounting, modified to record the Trust Fund's share in the pooled cash and investments at fair value (modified cash basis of accounting). Accordingly, net investment income includes the Trust Fund's share of realized and unrealized investment income/loss (see Note 3).

The modified cash basis of accounting is a comprehensive basis of accounting other than U.S. generally accepted accounting principles (U.S. GAAP) or International Financial Reporting Standards (IFRS); therefore, the Statement is not intended to be a presentation in conformity with U.S. GAAP or IFRS. Receipts, with the exception of net investment income, as described above and in Note 5, are reported when collected (i.e., when credited to the Trust Fund) rather than when pledged/earned, and disbursements are reported when paid (i.e., when debited to the Trust Fund) rather than when incurred. For example, the following transactions may be incurred in a different period than reported: (1) contributions not credited to the Trust Fund at the period end date due to timing or other reasons, (2) disbursements, including approved grant payments, not debited to the Trust Fund at period end due to timing or other reasons; and (3) any refunds of previous disbursements deemed by the Trustee, to be ineligible in accordance with the Agreements.

Treatment of foreign currency transactions

The Statement is presented in U.S. dollars, which is the Trust Fund's functional and presentation currency. Transactions in currencies other than U.S. dollars are reported as follows:

- i) Contributions received by the Trust Fund in various currencies are converted into U.S. dollars by IBRD, as Trustee, upon receipt of funds and receipt of countersigned contribution agreements. Foreign currency transaction gains or losses, if any, on conversion of the contributions are borne by the Trust Fund and are reported under contributions.
- ii) Disbursements to CGIAR centers in currencies other than U.S. dollars, if any, are reported at the rates of exchange prevailing on the date of transaction and hence do not result in any exchange gain/loss to the Trust Fund.
- iii) At the end of each reporting period, fund balances that are not denominated in U.S. dollars, if any, are revalued at the market rate of exchange prevailing at the end of the respective reporting period. Any adjustment resulting from currency exchange rate changes are recognized as foreign currency adjustment in the Statement.

NOTES TO THE STATEMENT OF RECEIPTS, DISBURSEMENTS AND FUND BALANCE

December 31, 2015

All amounts expressed in U.S. dollars unless otherwise noted

Use of estimates

The preparation of the Statement requires management to make estimates and assumptions based upon information available as of the date of the Statement. Actual results could differ from these estimates. Areas in which management makes estimates and assumptions in determining the amounts to be recorded include the fair value of the Trust Fund's share of the pooled cash and investments. (See Notes 3 and 5)

Note 3 - Trust Fund's share of the cash and investments in the Pool

Amounts paid into the Trust Fund but not yet disbursed, are managed by IBRD, which maintains an investment portfolio (the Pool) for all of the trust funds administered by IBRD, the International Development Association, the International Finance Corporation, the Multilateral Investment Guarantee Agency, and the International Centre for Settlement of Investment Disputes (collectively, the World Bank Group). IBRD, on behalf of the World Bank Group, maintains all trust fund assets separate and apart from the funds of the World Bank Group.

The Pool is a trading portfolio and is reported at fair value, with realized and unrealized gains/losses included in net investment income. The share in pooled cash and investments represents the Trust Fund's share of the Pool's fair value at the end of each reporting period. The Trust Fund's share in the Pool is not traded in any market; however, the underlying assets within the Pool are traded, and reported at fair value. All investment decisions are made and performance is monitored at the Pool level.

Generally, the Pool includes cash and liquid financial instruments such as government and agency obligations, time deposits, money market securities, and asset-backed securities. Additionally, the Pool includes equity securities, derivative contracts such as currency forward contracts, currency swaps, interest rate swaps, and contracts to purchase or sell mortgage-backed securities to-be-announced (TBAs). Payables and receivables associated with the investment activities are also included in the Pool. The Pool may also include securities pledged as collateral under repurchase agreements, receivables from resale agreements and derivatives for which it has accepted collateral.

The Pool is divided into sub-portfolios to which allocations are made based on fund-specific investment horizons, risk tolerances and/or other eligibility requirements for trust funds with common characteristics as determined by IBRD, on behalf of the World Bank Group. An individual sub-portfolio may hold all or a portion of the types of financial instruments held by the Pool.

The Trust Fund's share of the cash and investments in the Pool has a fair value of \$72,796,355 as of December 31, 2015.

NOTES TO THE STATEMENT OF RECEIPTS, DISBURSEMENTS AND FUND BALANCE

December 31, 2015

All amounts expressed in U.S. dollars unless otherwise noted

Note 4 - Contributions

Amounts committed by donors and received by the Trust Fund during the fiscal year ended December 31, 2015 and for the period from Inception to December 31, 2015 are as follows:

Donor	Amounts committed	For the fiscal year ended December 31, 2015		December 1, 2010 (date of inception) to December 31, 2015	
		Amounts received	Amounts received in USD	Amounts received	Amounts received in USD
Australia	A\$ 165,570,836	A\$ 42,108,063	\$ 31,718,704	A\$ 147,875,753	\$ 135,020,693
Austria	€ 6,803,750	€ 1,727,883	1,927,626	€ 3,131,633	3,730,462
Bangladesh	US\$ 500,000	US\$ 100,000	100,000	US\$ 500,000	500,000
Belgium	€ 29,727,000	€ 8,000,000	8,697,600	€ 29,727,000	37,100,687
Bilateral donors ¹	US\$ 11,145,336	US\$ 7,696,428	7,696,428	US\$ 11,145,336	11,145,336
Bill & Melinda Gates Foundation	US\$ 291,124,759	US\$ 105,089,951	105,089,951	US\$ 289,458,081	289,458,081
Canada	Can\$ 90,653,000	Can\$ 13,400,000	10,945,444	Can\$ 90,653,000	86,042,524
China	US\$ 10,400,000	US\$ -	-	US\$ 10,399,985	10,399,985
Denmark	DKK 205,000,000	DKK -	-	DKK 135,000,000	24,298,115
		US\$ 10,432,162	10,432,162	US\$ 10,432,162	10,432,162
European Community (EC)	€ 50,046,735	€ 8,296,942	8,961,817	€ 44,032,572	56,954,423
Finland	€ 14,000,000	€ 2,000,000	2,167,600	€ 14,000,000	17,594,700
France	€ 5,800,000	€ -	-	€ 4,600,000	6,055,410
IBRD	US\$ 277,000,000	US\$ 30,000,000	30,000,000	US\$ 277,000,000	277,000,000
International Fund for Agricultural Development (IFAD)	US\$ 14,650,472	US\$ 7,529,741	7,529,741	US\$ 14,650,472	14,650,472
India	₹ 1,208,958,000	₹ 391,980,000	6,110,986	₹ 1,208,958,000	20,545,049
Islamic Republic of Iran	US\$ 1,500,000	¥ 54,150,000	451,034	¥ 123,401,000	1,195,196
Ireland	€ 17,892,500	€ 3,500,000	3,823,134	€ 17,892,500	23,017,243
Italy	€ 2,197,205	€ -	-	€ 2,197,205	3,016,840
Japan	US\$ 29,916,206	US\$ 1,783,418	1,783,418	US\$ 29,916,206	29,916,206
Korea	US\$ 1,475,500	US\$ 260,000	260,000	US\$ 1,475,500	1,475,500
Luxembourg	€ 2,600,000	€ 500,000	542,406	€ 2,600,000	3,354,847
Mexico	US\$ 2,000,000	US\$ -	-	US\$ 2,000,000	2,000,000
Morocco	US\$ 2,000,000	US\$ 1,000,000	1,000,000	US\$ 1,500,000	1,500,000
Netherlands	€ 4,000,000	€ -	-	€ 4,000,000	5,359,400
Netherlands	US\$ 217,849,051	US\$ 48,400,000	48,400,000	US\$ 187,389,477	187,389,477
New Zealand	NZ\$ 18,500,000	NZ\$ 3,500,000	2,691,850	NZ\$ 18,500,000	15,091,100
Nigeria	US\$ 1,200,000	US\$ 169,402	169,402	US\$ 853,042	853,042
Norway	Nkr 547,536,636	Nkr 86,000,000	10,494,204	Nkr 547,536,636	88,416,091
Portugal	€ 1,800,000	€ 450,000	500,895	€ 1,800,000	2,295,090
Russian Federation	US\$ 15,000,000	US\$ -	-	US\$ 15,000,000	15,000,000
South Africa	US\$ 2,500,000	US\$ 640,000	640,000	US\$ 2,500,000	2,500,000
Spain	US\$ 500,000	US\$ -	-	US\$ 500,000	500,000
Spain	€ 515,102	€ -	-	€ 515,102	691,412
Sudan	US\$ 1,000,000	€ 912,653	1,003,723	€ 912,653	1,003,723
Sweden	Skr 1,194,500,000	Skr 115,000,000	13,573,337	Skr 1,004,500,000	145,841,386
Switzerland	SwF 74,500,000	SwF 15,500,000	16,004,130	SwF 74,500,000	80,998,202
Thailand	US\$ 500,000	US\$ 100,000	100,000	US\$ 500,000	500,000
Turkey	US\$ 2,500,000	US\$ -	-	US\$ 2,000,000	2,000,000
United Arab Emirates	US\$ 1,000,000	US\$ 499,962	499,962	US\$ 499,962	499,962
United Kingdom	£ 272,232,688	£ 47,440,000	72,964,692	£ 267,072,688	425,450,672
United Kingdom	US\$ 15,340,627	US\$ -	-	US\$ 15,340,627	15,340,627
United States	US\$ 600,851,307	US\$ 164,222,476	164,222,476	US\$ 600,851,307	600,851,307
Total			\$570,502,722		\$2,656,985,422

¹ Represents share of administrative budget pertaining to funders contributing directly to the CGIAR Centers and received by the Trust Fund through the Consortium.

NOTES TO THE STATEMENT OF RECEIPTS, DISBURSEMENTS AND FUND BALANCE

December 31, 2015

All amounts expressed in U.S. dollars unless otherwise noted

Note 5 - Net investment income

Net investment income consists of the Trust Fund's allocated share of the following: interest income earned by the Pool, realized gains/losses from sales of securities and unrealized gains/losses resulting from recording the assets held by the Pool at fair value.

Note 6 - Disbursements to CGIAR Centers

The Trust Fund made disbursements in the amount of \$542,272,277 and \$2,504,768,509 for the fiscal year ended December 31, 2015 and for the period from Inception to December 31, 2015, respectively. These amounts represent payments made by IBRD as Trustee, from the Trust Fund to the CGIAR Centers as follows:

CGIAR Center	For the fiscal year ended December 31, 2015	December 1, 2010 (date of Inception) to December 31, 2015
Center for International Forestry Research	\$ 27,106,721	\$ 157,646,449
International Center for Agricultural Research in the Dry Areas	15,585,412	79,243,829
International Center for Living Aquatic Resources Management	18,680,351	79,319,826
International Center for Research in Agroforestry	14,692,559	48,900,121
International Center for Tropical Agriculture	49,044,029	233,648,463
International Crops Research Institute for the Semi-arid Tropics	25,150,736	143,648,378
International Food Policy Research Institute	100,173,771	362,250,809
International Institute of Tropical Agriculture	46,834,518	159,861,561
International Livestock Research Institute	29,870,072	114,138,374
International Maize and Wheat Improvement Center	80,472,800	323,556,905
International Plant Genetic Resources Institute	23,848,882	241,325,488
International Potato Center	41,464,414	166,726,568
International Rice Research Institute	46,055,262	246,893,452
International Water Management Institute	19,351,224	121,371,772
West Africa Rice Development Association	3,941,526	26,236,514
Total	\$542,272,277	\$2,504,768,509

NOTES TO THE STATEMENT OF RECEIPTS, DISBURSEMENTS AND FUND BALANCE

December 31, 2015

All amounts expressed in U.S. dollars unless otherwise noted

Note 7 - Administrative budget disbursements, net

Upon approval by the Fund Council, administrative budget funds are transferred by the Trust Fund to the Trustee, the Fund Office, the Independent Science and Partnership Council (ISPC), the Independent Evaluation Arrangement (IEA), the Global Forum on Agricultural Research (GFAR) and the Consortium to enable them to perform their functions under their respective terms and conditions. These disbursements are reported, net of any unused funds which are returned to the Trust Fund.

The Trust Fund transferred administrative budget in the amount of \$25,531,539 and \$81,518,369 for the fiscal year ended December 31, 2015 and for the period from Inception to December 31, 2015 as follows:

	For the fiscal year ended December 31, 2015	December 1, 2010 (date of inception) to December 31, 2015
Consortium	\$14,180,456	\$35,258,552
Fund Office	1,828,674	21,074,791
GFAR	350,000	1,250,000
IEA	3,793,249	8,009,306
ISPC	4,483,660	12,626,622
Trustee	895,500	3,299,098
Total	\$25,531,539	\$81,518,369

Note 8 - Restricted Funds

As discussed in Note 1 and in accordance with the Agreements, donors may designate their contributions for disbursement to specific CGIAR Centers or CRPs. Trust Fund's share of the cash and investment in the Pool includes an amount of \$50,510,382, which was restricted for disbursement to specified CGIAR Centers or CRPs as of December 31, 2015.

Note 9 - Subsequent events

Management has evaluated subsequent events through March 31, 2016, the date this Statement was available to be issued and there are no subsequent events that would require adjustment to or disclosure in this Statement.