

AFRICAN CASHEW ALLIANCE

**FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2015**

**TRUST ASSOCIATES
(CHARTERED ACCOUNTANTS)
BOX MB 102
MINISTRIES-ACCRA**

AFRICAN CASHEW ALLIANCE
STATEMENT OF FINANCIAL POSITION
AS OF 31 DECEMBER 2015

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AFRICAN CASHEW ALLIANCE
STATEMENT OF FINANCIAL POSITION
AS OF 31 DECEMBER 2015

CORPORATE INFORMATION

EXECUTIVE COMMITTEE

Georgette Tarraf (President)
Edgar Diones Maokola-Majogo (Vice-President)
Yao Appia Koffi (Vice-President)
Tola Faseru (Nigeria)
Patrick Wainaina (Kenya)
Jace Rabe (USA)
Venkatesan Rajkumar (India)

SPENDING OFFICER

Roger Brou/Ernest Darkwa

REGISTERED OFFICE

African Cashew Alliance Secretariat
32 Nortei Ababio Street
Airport Residential Area
P O Box KA9698
Accra, Ghana

AUDITORS

Trust Associates
Chartered Accountants
P. O. Box MB102
Ministries-Accra

SECRETARY

African Cashew Alliance
Jubilee House
4th Street, Kuku Hill
Osu - Accra
PMB, Osu-Accra
Ghana

BANKERS

Merchant Bank Ghana Ltd.
Ecobank Ghana Ltd.
Fimbank Malta

AFRICAN CASHEW ALLIANCE
STATEMENT OF FINANCIAL POSITION
AS OF 31 DECEMBER 2015

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Ghana Companies Act, 1963 (Act 179) requires the Directors to prepare financial statements for each financial year, which gives a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss for that year.

In preparing the financial statements, the Directors are required to:

- Select suitable accounting policies and apply them consistently
- Make judgments and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for ensuring that the company keeps accounting records which disclose with reasonable accuracy the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act, 1963 (Act 179). They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and irregularities.

The above statement which should be read in conjunction with the statement of the Auditors' responsibilities set out on page 6 is made with a view to distinguishing for shareholders the respective responsibilities of the Directors and Auditors in relation to the financial statements.

AFRICAN CASHEW ALLIANCE
STATEMENT OF FINANCIAL POSITION
AS OF 31 DECEMBER 2015

REPORT OF THE DIRECTORS TO THE MEMBERS OF
AFRICAN CASHEW ALLIANCE (ACA)

The Directors present their report and the financial statement of ACA for the year ended 31 December 2015.

Financial Statements

The results for the year are as set out in the attached financial statements.

The Directors consider the state of ACA's affairs to be satisfactory.

Nature of Business

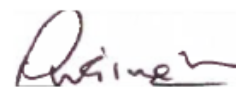
The ACA's object is to increase the competitiveness of the African cashew sector through four pillars:

- Develop and advocate country-specific cashew policy agendas
- Facilitate exchange of information, best practices, benchmarks on cashew processing, production innovations, post-harvest handling and local trade facilitation
- Develop and implement interventions in support of the competitiveness of the African cashew industry
- Promote the African cashew industry to national and international markets



Director

Georgette TANAF



Director

Accra

June, 2016

AFRICAN CASHEW ALLIANCE
STATEMENT OF FINANCIAL POSITION
AS OF 31 DECEMBER 2015

REPORT OF THE INDEPENDENT AUDITORS

TO THE MEMBERS OF AFRICAN CASHEW ALLIANCE (ACA)

We have audited the accompanying statements of financial position of African Cashew Alliance as of 31 December 2015, and the related statements of activities, functional expenses and cash flows for the period then ended.

Respective Responsibilities of Directors and Auditors

These financial statements are the responsibility of the Directors of African Cashew Alliance. Our responsibility is to express an opinion on these financial statements based on our audit.

Basis of Opinion

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

Opinion

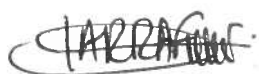
In our opinion, proper books have been kept and the financial statements which are in agreement therewith present fairly in all material respects, a true and fair view of the financial position of African Cashew Alliance as of 31 December 2015, and the changes in net assets and its cash flows for the year then ended, in conformity with International Financial Reporting Standards (SME) and comply with the Companies Act, 1963 (Act 179).

Trust Associates
Chartered Accountants
Accra

June, 2016

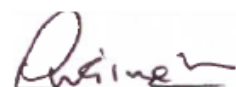
AFRICAN CASHEW ALLIANCE
STATEMENT OF FINANCIAL POSITION
AS OF 31 DECEMBER 2015

	Notes	2015 US\$	2014 US\$
Assets			
Cash and Bank Balances	7	182,054	106,981
Accounts Receivables	5	156,313	136,451
Property and Equipment	8	992	58,846
		-----	-----
Total Assets		339,359	302,278
		=====	=====
Liabilities			
Accounts Payable	6	92,815	120,512
Net Assets			
Unrestricted Net Assets		(50,241)	(172,179)
Restricted Net Assets		296,785	353,947
		-----	-----
		246,544	181,766
		-----	-----
Total Liabilities and Net Assets		339,359	302,278
		=====	=====



Director

Gergette TARAR



Director

The accompanying notes are an integral part of these financial statements

AFRICAN CASHEW ALLIANCE

STATEMENT OF ACTIVITIES YEAR ENDED 31 DECEMBER 2015

	2015 Unrestricted US\$	2015 Temporarily Restricted US\$	2015 TOTAL US\$	2014 TOTAL US\$
Support, Revenue and Gains				
Membership dues	65,594	-	65,594	40,853
USAID - GDA	-	431,188	431,188	489,994
USAID - TIME	-	390,576	390,576	317,265
Walmart Foundation	-	499,975	499,975	-
Other Private Income	504,322	-	504,322	363,912
	-----	-----	-----	-----
Total Support, Revenue and Gains	569,916	1,321,739	1,891,655	1,212,024
	=====	=====	=====	=====
Expenses				
Activities				
Technical assistance and training	94,903	542,645	637,547	401,441
Farmer Training and Market Study	-	137,243	137,243	133,121
Information Dissemination & Communication	6,723	102,349	109,072	60,594
Conferences	187,012	10,964	197,976	74,834
	-----	-----	-----	-----
Total Programme Services	288,637	793,200	1,081,837	669,991
	-----	-----	-----	-----
Support Services				
Secretariat Team Compensation	-	366,644	366,644	364,251
Administrative Support	199,339	179,057	378,397	188,660
	-----	-----	-----	-----
Total Support Services	199,339	545,701	745,040	552,911
	-----	-----	-----	-----
Total Expenses	487,977	1,338,901	1,826,878	1,222,902
	=====	=====	=====	=====
Change in Net Assets	81,940	(17,162)	64,778	(10,878)
Net Assets at 1 Jan	(132,181)	313,947	181,766	192,644
	-----	-----	-----	-----
Net Assets at 31 December	(50,241)	296,785	246,544	181,766
	=====	=====	=====	=====

The accompanying notes are an integral part of these financial statements

AFRICAN CASHEW ALLIANCE
STATEMENT OF CASH FLOWS
YEAR ENDED 31 DECEMBER 2015

	2015	2014
	US\$	US\$
Change in Net Assets	64,778	(10,878)
Adjustment to reconcile change in net assets to net cash from operating activities		
Depreciation	82,982	33,019
Change in Accounts Receivable	(19,862)	(37,256)
Change in Accounts Payable	(27,697)	6,507
	-----	-----
Net Cash from Operating Activities	100,201	(8,608)
Office Equipment Purchased/received	(25,128)	(32,554)
Cash and Cash Equivalent at 1 January	106,981	148,144
	-----	-----
Cash and Cash Equivalent at 31 December	<u><u>182,054</u></u>	<u><u>106,981</u></u>

The accompanying notes are an integral part of these financial statements

AFRICAN CASHEW ALLIANCE
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED 31 DECEMBER 2015

	2015 USAID GDA US\$	2015 USAID TIME US\$	2015 USAID WATH US\$	2015 Walmart FDN US\$	2015 AFTRADE US\$	2015 Private US\$	2015 Total US\$	2014 US\$
Personnel	189,610	105,813	5,545	42,206	11,749	218,268	561,442	565,832
Fringe Benefits	70,471	16,661	2,502	3,189	2,265	101,526	194,349	181,735
Travel	78,612	75,195	25,652	54,150	-	131,822	365,431	158,698
Consultants	68,065	13,353	9,890	51,658	-	49,505	192,471	78,996
Supplies	6,998	-	-	11,754	-	9,456	28,207	16,366
Contracts	73,268	47,682	28,360	24,460	-	214,211	387,981	188,256
Depreciation	-	-	-	-	-	82,982	82,982	33,019
	<u>487,024</u>	<u>258,705</u>	<u>71,948</u>	<u>187,416</u>	<u>14,014</u>	<u>807,771</u>	<u>1,826,878</u>	<u>1,222,902</u>

The accompanying notes are an integral part of this financial statement.

AFRICAN CASHEW ALLIANCE

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2015**

1. Nature of Organisation

African Cashew Alliance (ACA) is a company limited by guarantee under the Ghana Companies Code, 1963 (Act 179) and obtained its Certificate of Incorporation on 7 June 2007. ACA, an NGO is established to increase the competitiveness of the African cashew sector.

2. Basis of Accounting

The financial statements have been prepared on the historical cost basis and set out in the relevant accounting policies below. The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) for Small Medium Enterprises (SMEs) and the requirements of the Companies Act, 1963 (Act 179).

3. Summary of Significant Accounting Policies

In the accompanying financial statements, ACA has combined its financial resources into two (2) classes of net assets: unrestricted and temporarily restricted. Accordingly ACA's net assets are classified and reported as follows:

Unrestricted net assets represent amounts available to be used in accordance with the terms and conditions of the funding rules.

Temporarily restricted net assets comprise resources that are restricted by donors for specific purposes or time periods.

Revenue Recognition

a. Membership dues

Membership dues are recognized when no significant uncertainty exists as to their collectability.

b. Contributions

Revenue consists substantially of amounts received from USAID, Walmart Foundation and private sector organization and the fair value of unconditional promises to give to the organization.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in bank accounts. Management believe the organization is not exposed to any significant credit risk on cash and cash equivalents.

AFRICAN CASHEW ALLIANCE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2015

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires Management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Post Balance Sheet Events

Events subsequent to the balance sheet date are reflected only to the extent that they relate directly to the financial statements and the effects are material.

Vehicle, Office Space and Equipment use

ACA is allocated vehicle and equipment without any charges from African Cashew Initiative and USAID Trade Hub 1, which is the umbrella organization through which GTZ funds ACA. To reflect full disclosure of its operations, notional costs for the usage of vehicle, office space and equipment have been included in the financials. These are captured under other sponsorship.

Foreign Currencies

Transactions in foreign currencies are recorded at the rate ruling at the beginning of the month of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of Activities.

4. Contributions Receivable

Contributions receivable represents unconditional promises by donors to give cash and other non-cash assets to ACA.

5. Accounts Receivables

	2015	2014
	US\$	US\$
Sundry debtors	80,241	44,434
Advances and prepayments	76,072	92,018
	-----	-----
	156,313	136,451
	=====	=====

AFRICAN CASHEW ALLIANCE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2015

6. Property and equipment

Year end 31 December 2015	Motor Vehicle	Office Equipment	Total
Cost			
Balance at January 1	65,000	59,884	124,884
Additions	-	25,128	25,128
	-----	-----	-----
Balance at December 31	65,000	85,012	150,012
	-----	-----	-----
Accumulated Depreciation			
Balance at January 1	43,334	22,704	66,038
Charge for the year	21,666	61,316	82,982
	-----	-----	-----
Balance at December 31	65,000	84,020	149,020
	=====	=====	=====
Net Book Value			
31 December 2015	-	992	992
	=====	=====	=====

AFRICAN CASHEW ALLIANCE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2015

Year end 31 December 2014	Motor Vehicle	Office Equipment	Total
Cost			
Balance at January 1	65,000	27,330	92,330
Additions	-	32,554	32,554
	-----	-----	-----
Balance at December 31	65,000	59,884	124,884
	-----	-----	-----
Accumulated Depreciation			
Balance at January 1	21,667	11,352	33,019
Charge for the year	21,667	11,352	33,019
	-----	-----	-----
Balance at December 31	43,334	22,704	66,038
	-----	-----	-----
Net Book Value			
31 December 2014	21,666	37,180	58,846
	=====	=====	=====
31 December 2013	-	9,118	9,118

7. Accounts Payables

	2015	2014
	US\$	US\$
Accrued expense	45,642	68,879
Sundry creditors	47,173	51,633
	-----	-----
	92,815	120,512
	=====	=====

8. Cash and cash equivalent

	2015	2014
	US\$	US\$
Bank and cash	182,054	106,981
	=====	=====

AFRICAN CASHEW ALLIANCE
NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 31 DECEMBER 2015

9. Related Party Transaction

There was no related party transaction for 2015 (2014: nil).

10. Commitments and Contingencies

There were no known significant commitments and contingencies at the year end (2014: nil).