

AFRICAN CASHEW ALLIANCE



**FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2013**

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

AFRICAN CASHEW ALLIANCE
STATEMENT OF FINANCIAL POSITION
AS OF 31 DECEMBER 2013

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AFRICAN CASHEW ALLIANCE
STATEMENT OF FINANCIAL POSITION
AS OF 31 DECEMBER 2013

CORPORATE INFORMATION

EXECUTIVE COMMITTEE

Georgette Tarraf (President, Benin)
Edgar Diones Maokola-Majogo (Vice-President,
Tanzania)
Yao Appia Koffi (Vice-President, Cote d'Ivoire)
Tola Faseru (Member, Nigeria)
Patrick Wainaina (Member, Kenya)
Jace Rabe (Member, USA)
Venkatesan Rajkumar (Member, India)

SPENDING OFFICER

Roger Brou

REGISTERED OFFICE

African Cashew Alliance Secretariat
4 Kuku Hill
Ga Presbytery Jubilee House, Osu
PMB, Osu
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 2013

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Ghana Companies Code, 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 Code, 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 2013

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 2013.

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


Director

23/04/14

Accra

23rd April, 2014

AFRICAN CASHEW ALLIANCE
STATEMENT OF FINANCIAL POSITION
AS OF 31 DECEMBER 2013

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 2013, 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 Ghana 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 2013, 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).


Just Associates

Chartered Accountants
Accra


23rd
April, 2014

AFRICAN CASHEW ALLIANCE
STATEMENT OF FINANCIAL POSITION
AS OF 31 DECEMBER 2013

	Notes	2013 US\$	Restated 2012 US\$
Assets			
Cash and Bank Balances	9	148,143	167,411
Accounts Receivables	5	99,196	29,359
Property and Equipment	7	59,311	9,118
		-----	-----
Total Assets		306,650	205,888
		=====	=====
Liabilities			
Accounts Payable	8	114,006	34,401
Net Assets			
Unrestricted Net Assets		(44,819)	126,605
Restricted Net Assets		237,463	44,882
		-----	-----
		192,644	171,487
		-----	-----
Total Liabilities and Net Assets		306,650	205,888
		=====	=====



TARAF George
 Director



 Director 23/04/14

The accompanying notes are an integral part of these financial statements

AFRICAN CASHEW ALLIANCE
STATEMENT OF ACTIVITIES
YEAR ENDED 31 DECEMBER 2013

	2013 Unrestricted US\$	2013 Temporarily Restricted US\$	2013 TOTAL US\$	Restat 20 TOTAL U
Support, Revenue and Gains				
Membership dues	64,763	-	64,763	77,0
USAID	-	590,000	590,000	232,0
ACI	-	73,000	73,000	
Private sponsorships	697,845	-	697,845	801,2
	-----	-----	-----	-----
Total Support, Revenue and Gains	762,608	663,000	1,425,608	1,110,2
	-----	-----	-----	-----
Expenses				
Activities				
Consulting, Technical Assistance and Training	242,889	189,281	432,170	187,7
Information Dissemination & Communication	47,796	44,279	92,075	63,9
Conferences	266,793	-	266,793	377,9
	-----	-----	-----	-----
Total Programme Services	557,478	233,560	791,038	629,6
	-----	-----	-----	-----
Support Services				
Secretariat Team Compensation	376,555	207,114	583,669	343,6
Administrative Support	6	29,744	29,744	148,4
	-----	-----	-----	-----
Total Support Services	376,555	236,858	613,413	492,1
	-----	-----	-----	-----
Total Expenses	934,033	470,418	1,404,451	1,121,7
	-----	-----	-----	-----
Change in Net Assets	(171,425)	192,582	21,157	(11,53)
Net Assets at 1 Jan	126,606	44,881	171,487	183,0
	-----	-----	-----	-----
Net Assets at 31 December	(44,819)	237,463	192,644	171,4
	=====	=====	=====	=====

The accompanying notes are an integral part of these financial statements

AFRICAN CASHEW ALLIANCE
STATEMENT OF CASH FLOWS
YEAR ENDED 31 DECEMBER 2013

	2013	Restated
	US\$	2012
		US\$
Change in Net Assets	21,157	(11,539)
Adjustment to reconcile change in net assets to net cash from operating activities		
Depreciation	29,744	3,098
Change in Accounts Receivable	(69,837)	19,747
Change in Accounts Payable	79,606	21,274
	-----	-----
Net Cash from Operating Activities	60,669	32,581
Motor vehicle and Equipment purchased or received	(79,937)	(11,686)
	-----	-----
Net cash flow	(19,268)	20,895
Cash and Cash Equivalent at 1 January	167,411	146,516
	-----	-----
Cash and Cash Equivalent at 31 December	148,143	167,411
	=====	=====

The accompanying notes are an integral part of these financial statements

AFRICAN CASHEW ALLIANCE
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED 31 DECEMBER 2013

	2013	2013	2013	Restated
	USAID	Private	Total	2012
	US\$	US\$	US\$	US\$
Personnel	136,188	256,862	393,050	378,203
Fringe benefits	77,940	96,394	174,334	117,954
Travel	81,153	200,947	282,100	271,265
Consultants	71,998	18,572	90,570	92,888
Supplies	7,681	9,397	17,078	20,720
Contracted Services	65,716	351,860	417,576	237,649
Depreciation	-	29,744	29,744	3,098
	-----	-----	-----	-----
	440,676	963,777	1,404,453	1,121,775
	=====	=====	=====	=====

Travel includes Conventions & conferences US\$24,044 (2012: US\$94,614)

The accompanying notes are an integral part of these financial statement

AFRICAN CASHEW ALLIANCE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2013

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).

These are African Cashew Alliance's first set of financial statements prepared in accordance with IFRS and first time adoption of IFRS 1 has been applied as pertains to SMEs.

The policies set out below have been consistently applied to all the years presented. African Cashew Alliance's first financial statements at 31 December 2012 had been prepared in accordance with Ghana Accounting Standards (GAS) which differs in certain respects from IFRS. Therefore comparative figures have been restated.

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

AFRICAN CASHEW ALLIANCE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2013

Revenue consists substantially of amounts received from USAID, GIZ 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.

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, office space and equipment without any charges from African Cashew Initiative, 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

	2013	2012
	US\$	US\$
Advances and prepayments	99,196	29,359
	=====	=====

AFRICAN CASHEW ALLIANCE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

6. Administrative Support

The cost for 2013 administrative support has been redistributed to the major lines according to staff support towards achieving ACA objectives.

7. Property and equipment

Year ended 31 December 2013	Motor vehicle	Office equipment	Total
Cost			
SBalance at January 1	-	12,393	12,393
Addition	65,000	14,937	79,937
	-----	-----	-----
Balance at December 31	65,000	27,330	92,330
	-----	-----	-----
Accumulated Depreciation			
Balance at January 1	-	3,275	3,275
Charge for the year	21,667	8,077	29,744
	-----	-----	-----
Balance at December 31	21,667	11,352	33,019
	-----	-----	-----
Net book value			
31 December 2013	43,333	15,977	59,311
	=====	=====	=====
31 December 2012	-	9,118	9,118
	-----	-----	-----
Year ended 31 December 2012	Office Equipment	Total	
Cost			
Balance at January 1	707	707	
Addition	11,686	11,686	
	-----	-----	
Balance at December 31	12,393	12,393	
	-----	-----	
Accumulated Depreciation			
Balance at January 1	177	177	
Charge for the year	3,098	3,098	
	-----	-----	
Balance at December 31	3,275	3,275	
	-----	-----	
Net book value			
31 December 2012	9,118	9,118	
	=====	=====	

AFRICAN CASHEW ALLIANCE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2013

31 December 2011 530 530

8. Accounts Payables

	2013	2012
	US\$	US\$
Accrued expense	36,396	10,000
Sundry creditors	77,610	24,401
	-----	-----
	<u>114,006</u>	<u>34,401</u>
	=====	=====

9. Cash and cash equivalent

	2013	2012
	US\$	US\$
Bank and cash	148,143	167,411
	<u>148,143</u>	<u>167,411</u>
	=====	=====

10. Related Party Transaction

Related party transaction amounted to US\$65,000 for 2013 in respect of vehicle donated by African Cashew Initiative, the parent body (2012: US\$18,154; space provided by).

11. Commitments and Contingencies

There were no known significant commitments and contingencies at the year end (2012: nil).

AFRICAN CASHEW ALLIANCE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2013

12(a). Statement of Financial Position reconciliation for year ended 31 December 2011

	Reference	GAS 2011 US\$		IFRS 2011 US\$
Assets				
Cash and Bank Balances		146,516		146,516
Accounts Receivables		49,106		49,106
Property and Equipment	1	-	530	530
		-----		-----
Total Assets		195,622		196,152
		=====		=====
Liabilities				
Accounts Payable		13,126		13,126
Net Assets				
Unrestricted Net Assets	1	105,953	(530)	106,483
Restricted Net Assets		76,543		76,543
		-----		-----
		182,496		183,026
		-----		-----
Total Liabilities and Net Assets		195,622		196,152
		=====		=====

Reference 1

This refers to Office Equipment expensed in 2011 but now capitalized.

AFRICAN CASHEW ALLIANCE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2013

12 (b). Statement of Comprehensive Income reconciliation for the year ended 31 December 2011

	Reference	GAS 2011 TOTAL US\$		IFRS 2011 TOTAL US\$
Support, Revenue and Gains				
Membership dues		57,600		57,600
USAID		133,000		133,000
ACI		473,314		473,314
Private sponsorships		340,990		340,990
		-----		-----
Total Support, Revenue and Gains		1,004,904		1,004,904
		-----		-----
Expenses				
Activities				
Consulting, Technical Assistance and Training		224,041		224,041
Information Dissemination & Communication		79,921		79,921
Conferences		236,953		236,953
		-----		-----
Total Programme Services		540,915		540,915
		-----		-----
Support Services				
Secretariat Team Compensation		296,985		296,985
Administrative Support	1	109,436	(530)	108,906
		-----		-----
Total Support Services		406,421		405,891
		-----		-----
Total Expenses		947,336		946,806
		-----		-----
Change in Net Assets	1	57,568	530	58,098
Net Assets at 1 Jan		124,928		124,928
		-----		-----
Net Assets at 31 December		182,496		183,026
		=====		=====

Reference 1

This refers to Office Equipment expensed in 2011 but now capitalized.

AFRICAN CASHEW ALLIANCE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2013

13(a). Statement of Financial Position reconciliation for year ended 31 December 2012

	Reference	GAS 2012 US\$		IFRS 2012 US\$
Assets				
Cash and Bank Balances		167,411		167,411
Accounts Receivables		29,359		29,359
Property and Equipment	2	-	9,118	9,118
		-----		-----
Total Assets		196,770		205,888
		=====		=====
Liabilities				
Accounts Payable		34,401		34,401
Net Assets				
Unrestricted Net Assets	2	117,487	(9,118)	126,606
Restricted Net Assets		44,882		44,881
		-----		-----
		162,369		171,487
		-----		-----
Total Liabilities and Net Assets		196,770		205,888
		=====		=====

Reference 2

This refers to Office Equipment expensed in 2011 and 2012 but now capitalized.

AFRICAN CASHEW ALLIANCE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2013

13 (b). Statement of Comprehensive Income reconciliation for the year ended 31 December 2012

	Reference	GAS 2012 TOTAL US\$		IFRS 2012 TOTAL US\$
Support, Revenue and Gains				
Membership dues		77,000		77,000
USAID		232,000		232,000
Private sponsorships		801,236		801,236
		-----		-----
Total Support, Revenue and Gains		1,110,236		1,110,236
		-----		-----
Expenses				
Activities				
Consulting, Technical Assistance and Training		187,723		187,723
Information Dissemination & Communication		63,962		63,962
Conferences		377,969		377,969
		-----		-----
Total Programme Services		629,654		629,654
		-----		-----
Support Services				
Secretariat Team Compensation		343,637		343,637
Administrative Support	2	157,072	(8,588)	148,484
		-----		-----
Total Support Services		500,709		492,121
		-----		-----
Total Expenses		1,130,363		1,121,775
		-----		-----
Change in Net Assets	2	(20,127)	8,588	(11,539)
Net Assets at 1 Jan		183,026		183,026
		-----		-----
Net Assets at 31 December		162,899		171,487
		=====		=====

Reference 2

This refers to Office Equipment expensed in 2011 and 2012 but now capitalized.