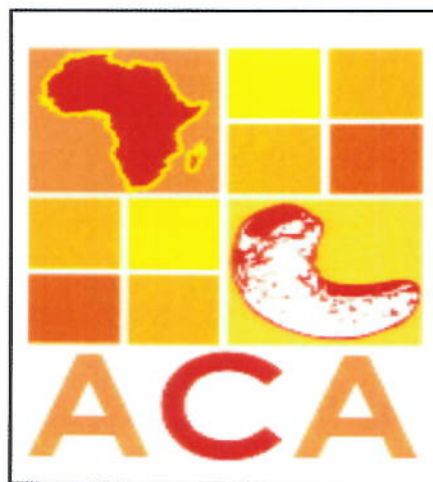


AFRICAN CASHEW ALLIANCE



**FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2011**

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

AFRICAN CASHEW ALLIANCE
STATEMENT OF FINANCIAL POSITION
AS OF 31 DECEMBER 2011

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AFRICAN CASHEW ALLIANCE
STATEMENT OF FINANCIAL POSITION
AS OF 31 DECEMBER 2011

CORPORATE INFORMATION

**EXECUTIVE COMMITTEE
(DIRECTORS)**

President: Idrisa Kilangi, Tanzania (elected)
Vice-President: Luis Soeiro, Mozambique (elected)
Vice-President: Abou Bakr Adjibade (elected)
Minata Koné (elected to replace Cherif Hibrahima, ACA President
elected in 2010, deceased on 1 March 2011)
Ram Mohan, Gambia (elected)
Kees Blokland (elected), Netherlands
Parthiban Theodore (elected), India

SPENDING OFFICER

Christian Dahm

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

West Africa Trade Hub
C/O West Africa Trade Hub
P O Box 1630
Accra, Ghana

BANKERS

Merchant Bank Ghana Ltd.
Ecobank Ghana Ltd.
Fimbank Malta

AFRICAN CASHEW ALLIANCE
STATEMENT OF FINANCIAL POSITION
AS OF 31 DECEMBER 2011

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 2011

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 2011.

Financial Statements

The results for the period 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

Accra

19th March, 2013

AFRICAN CASHEW ALLIANCE
STATEMENT OF FINANCIAL POSITION
AS OF 31 DECEMBER 2011

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 2011, 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 2011, and the changes in net assets and its cash flows for the year then ended, in conformity with Ghana Accounting Standards and comply with the Companies Code, 1963 (Act 179).

Trust Associates

Chartered Accountants
Accra

19th March, 2013

AFRICAN CASHEW ALLIANCE
STATEMENT OF FINANCIAL POSITION
AS OF 31 DECEMBER 2011

	Notes	2011 US\$	2010 US\$
Assets			
Cash and Cash Equivalent	7	146,516	77,715
Accounts Receivables	5	49,106	64,036
		-----	-----
Total Assets		195,622	141,751
		=====	=====
Liabilities			
Accounts Payable	6	13,126	16,823
Net Assets			
Unrestricted Net Assets		105,953	77,203
Restricted Net Assets		76,543	47,725
		-----	-----
		182,496	124,928
		-----	-----
Total Liabilities and Net Assets		195,622	141,751
		=====	=====



Director



Director

The accompanying notes are an integral part of these financial statements

AFRICAN CASHEW ALLIANCE
STATEMENT OF ACTIVITIES
YEAR ENDED 31 DECEMBER 2011

	2011 Unrestricted US\$	2011 Temporarily Restricted US\$	TOTAL US\$	2010 TOTAL US\$
Support, Revenue and Gains				
Membership dues	57,600	-	57,600	31,299
USAID		133,000	133,000	125,000
ACI		473,314	473,314	448,000
Private sponsorships	340,990	-	340,990	87,577
	-----	-----	-----	-----
Total Support, Revenue and Gains	398,590	606,314	1,004,904	691,876
	-----	-----	-----	-----
Expenses				
Activities				
Consulting, Technical Assistance and Training	54,157	169,884	224,041	28,888
Information Dissemination & Communication	24,742	55,179	79,921	41,439
Conferences	184,524	52,429	236,953	234,864
National Meetings	-	-	-	41,798
	-----	-----	-----	-----
Total Programme Services	263,423	277,492	540,915	346,989
	-----	-----	-----	-----
Support Services				
Secretariat Team Compensation	74,632	222,354	296,986	306,937
Administrative Support	31,785	77,651	109,436	176,277
	-----	-----	-----	-----
Total Support Services	106,417	300,005	406,422	483,214
	-----	-----	-----	-----
Total Expenses	369,840	577,496	947,336	830,203
	-----	-----	-----	-----
Change in Net Assets	28,750	28,818	57,568	(138,327)
Net Assets at 1 Jan	77,203	47,725	124,928	263,255
	-----	-----	-----	-----
Net Assets at 31 December	105,953	76,543	182,496	124,928
	=====	=====	=====	=====

The accompanying notes are an integral part of these financial statements

AFRICAN CASHEW ALLIANCE
STATEMENT OF CASH FLOWS
YEAR ENDED 31 DECEMBER 2011

	2011	2010
	US\$	US\$
Change in Net Assets	57,568	(138,327)
Adjustment to reconcile change in net assets to net cash from operating activities		
Change in Accounts Receivable	14,930	(34,804)
Change in Accounts Payable	(3,697)	6,264
	-----	-----
Net Cash from Operating Activities	68,801	(166,867)
Cash and Cash Equivalent at 1 January	77,715	244,582
	-----	-----
Cash and Cash Equivalent at 31 December	146,516	77,715
	=====	=====

The accompanying notes are an integral part of these financial statements

AFRICAN CASHEW ALLIANCE**STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED 31 DECEMBER 2011**

	2011 USAID US\$	2011 ACI US\$	2011 Private US\$	2011 Total US\$	2010 US\$
Personnel	65,222	130,400	108,183	303,806	229,463
Fringe benefits	33,499	45,310	43,439	122,248	77,473
Travel	28,627	82,346	46,548	157,521	209,162
Consultants	-	109,587	26,320	135,907	41,439
Supplies	1,500	12,649	6,951	21,100	20,489
Contracted Services	3,742	64,335	137,971	206,048	234,643
Equipment	-	279	427	706	17,534
	-----	-----	-----	-----	-----
	<u>132,590</u>	<u>444,906</u>	<u>369,840</u>	<u>947,336</u>	<u>830,203</u>

Travel includes Conventions & conferences US\$46,037 (2010: US\$136,074) and National meetings US\$ nil (2010: US\$ 41,798).

Contracted services include notional charges for space rental and property and equipment usage amounting to US\$19,927 (2010: US\$ 28,060)

The accompanying notes are an integral part of these financial statements

AFRICAN CASHEW ALLIANCE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2011

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 comply with Ghana Accounting Standards for the accrual basis of accounting. The measurement base applied is the historical cost convention.

The financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period.

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, GTZ 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 2011

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

Accounts receivables

	2011	2010
	US\$	US\$
Advances to staff	49,106	64,036
	<u>=====</u>	<u>=====</u>

AFRICAN CASHEW ALLIANCE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2011

6. Accounts Payables

	2011	2010
	US\$	US\$
Accrued expense	5,000	12,000
Sundry creditors	8,126	4,823
	<u>-----</u>	<u>-----</u>
	<u><u>13,126</u></u>	<u><u>16,823</u></u>

7. Cash and cash equivalent

	2011	2010
	US\$	US\$
Cash and cash equivalent		
Bank and cash	<u>146,516</u>	<u>77,715</u>

8. Related Party Transaction

Related party transaction amounted to US\$19,927 for 2011 in respect of space provided by African Cashew Initiative, the parent body (2010: US\$28,060).

9. Commitments and Contingencies

There were no known significant commitments and contingencies at the year end
(2010: nil).