

**FINANCIAL STATEMENTS FOR THE YEAR
2011 ENDED 31 DECEMBER 2011**

RUAF FOUNDATION

KvK 32102434

Leusden May 2012

RUAF FOUNDATION
Leusden

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RUAF FOUNDATION, LEUSDEN

DIRECTORS REPORT

The RUAF Foundation was founded on May 13, 2004 (while the RUAF network is in operation since 2000).

The RUAF-From Seed to Table programme was finalized in June 2011. Also the food security survey in 5 countries for UN Habitat (with IDRC funding) and the Urban Agriculture project in Sierra Leone with COOPI (contract transferred from ETC) were finalized.

The urban agriculture and food security projects in Monrovia, Liberia, implemented in cooperation with CARE and Welt Hunger Hilfe (funding EU) and the study in 3 countries on the socio-economic impacts of urban agriculture for the World Bank were continued.

The proposal by the Sustainable Agriculture Alliance (a consortium led by ETC and including RUAF as one of the 6 partners) was rejected by the Ministry of Foreign Affairs (DGIS-MFS), which meant that RUAF now misses a very substantial part of the planned income during the coming next 5 years, with substantial effects especially on the urban agriculture development activities of RUAF's regional and local RUAF partners. But we also announced the creation of a virtual RUAF coordination office (by April 2013) in order to reduce costs and to enable continuation of a number of central functions (networking, global lobbying, RUAF website, UA-Magazine, UA-databases, developing joint proposals, etcetera). The RUAF coordination also intensified acquisition efforts which led to some new projects (e.g. with UN Habitat, with WUR/EC) most of which are starting in 2012.

This financial statement covers the period from 1-1-2011 till 31-12-2011.

For the larger programmes (notably RUAF-FStT) the RUAF Foundation applies the rule that the regional RUAF partners (constituting members of RUAF Foundation) have to contribute a substantial part of the total budget of the RUAF programme in the form of their own staff time and concrete contributions (in cash or in staff time, materials, transport) obtained from third parties, especially Municipalities and international NGOs, supporting the regional RUAF programme (based on a cooperation agreement between the regional RUAF partner and those third parties). Such contributions are carefully registered and included in the financial reports on the RUAF programme concerned to the global coordination of the programme at RUAF Foundation in Leusden (and included in the consolidated reports to DGIS and other donors), but are not included in the annual accounts of the RUAF Foundation in Leusden (since these contributions are made locally and don't pass through the bank account of the RUAF Foundation in Holland).

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RUAF FOUNDATION, LEUSDEN

BALANCE SHEET ON 31 DECEMBER 2011

	31-dec-11	31-dec-10
	euro	euro
1 CURRENT ASSETS		
Receivables	250.380	363.387
Cash at bank and in hand	<u>92.284</u>	<u>442.775</u>
	342.664	806.161
2 CURRENT ACCOUNTS	0	0
TOTAL ASSETS	<u>342.664</u>	<u>806.161</u>
	31-dec-11	31-dec-10
	euro	euro
3 CAPITAL		
Foundation capital	0	0
Reserves	<u>0</u>	<u>0</u>
	0	0
4 CURRENT ACCOUNTS	142.438	63.774
5 CURRENT LIABILITIES	200.226	742.387
TOTAL CAPITAL, PROVISIONS AND LIABILITIES	<u>342.664</u>	<u>806.161</u>

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RUAF FOUNDATION, LEUSDEN

PROFIT AND LOSS ACCOUNT FOR THE YEAR 2011

	2011 euro	2010 euro
6 TURNOVER	993.793	1.928.050
7 COST OF SALES	<u>970.950</u>	<u>1.896.979</u>
8 OPERATING EXPENSES		
Office staff costs	19.532	18.795
Other operating expenses	<u>5.354</u>	<u>12.277</u>
Total operating expenses	24.886	31.072
OPERATING RESULT	<u>-2.043</u>	<u>0</u>
9 FINANCIAL (INCOME)/EXPENSE	-2.043	0
RESULT ON ORDINARY ACTIVITIES	<u>0</u>	<u>0</u>
TAX on ordinary activities	0	0
RESULT FOR THE FINANCIAL YEAR	<u><u>0</u></u>	<u><u>0</u></u>

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RUAF FOUNDATION, LEUSDEN

GENERAL NOTES TO THE FINANCIAL STATEMENTS

Principal activities

The mission of the RUAF Foundation is to contribute to urban poverty reduction, employment generation and food security and to stimulate participatory city governance and improved urban environmental management, by creating enabling conditions for empowerment of male and female urban and peri-urban farmers and by facilitating the integration of urban agriculture in policies and action programmes of local governments, civic society organisations and private enterprises with active involvement of the urban farmers, livestock keepers and other relevant stakeholders.

Accounting principles

Unless stated otherwise, all assets and liabilities are stated at face value.

Foreign currencies

Assets and liabilities denominated in foreign currencies are translated into EUROS at the rates of exchange prevailing at balance sheet date.

Resulting exchange rate differences are included in the profit and loss account

Intangible and tangible fixed assets

The intangible and tangible fixed assets are stated at acquisition cost after deduction of straight-line depreciation, based on the estimated useful life of the asset.

Accounts receivable

Accounts receivable are stated at face value. The accrued income is stated at direct cost.

Provisions

Provisions are formed for obligations and risks that are connected with business operations.

Principles for the determination of the result

Net turnover

Net turnover represents the invoiced value of services rendered and goods delivered to third parties, less value added tax.

The turnover as presented in these financial statements is the turnover of the RUAF Foundation as far as based on income received through its bank account in the Netherlands. The regional partners contribute directly to the programme. The turnover based on contributions received in the South by the regional partners in the RUAF network (constituting members) as well as their own contributions to the realization of the RUAF-FStT programme, is presented in the supplementary information. These financial contributions are not registered through the bankaccounts of RUAF Foundation in Leusden for reasons of efficiency. They make an integrated part of the RUAF-FStT programme (for which RUAF Foundation receives the DGIS-MFS-I funding) and related financial reporting. In the overall programme report RUAF accounts for the total amount contributed and spent on the programme by both RUAF and its partnerorganisations.

Taxation

Taxation on operating profit resulting from the ordinary activities are calculated at the rates prevailing for the year under review, taking into account tax exemptions and other allowances.

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RUAF FOUNDATION, LEUSDEN

NOTES TO THE BALANCE SHEET

	31-dec-11	31-dec-10
1 CURRENT ASSETS		
1,1 <u>Receivables</u>		
Accrued income	71.534	37.828
Debtors	172.612	7.750
Advances to projects	0	304.173
Others	1.278	6.259
Tax VAT	<u>4.956</u>	<u>7.378</u>
Total Receivables	250.380	363.387
Accrued income (= net amounts: project expenses corrected for advance received)		
	balance 1-jan-11	advances received
	project expenses	balance 31-dec-11
Contribution Ruaf partners to RUAF Foundation	0	0
SSAUP Worldbank	37.740	-21.077
CARE	44	-44
CARE WHH Liberia	-56.693	102.078
COOPI	44	-44
	<u>-18.865</u>	<u>71.534</u>
1,2 <u>Cash at bank and in hand</u>		
Rabobank Current Account	16.823	32.733
Rabobank Interest Account	<u>75.461</u>	<u>410.042</u>
Total Cash at bank and in hand	92.284	442.775
2 CURRENT ACCOUNTS		
ETC Foundation	<u>0</u>	<u>0</u>
Total current accounts	0	0
3 CAPITAL AND RESERVES		
2,1 Capital		
Capital of the foundation is € 0		
2,2 Reserves		
on 1 January	0	0
result after taxation	<u>0</u>	<u>0</u>
on 31 December	0	0
4 CURRENT ACCOUNTS		
ETC Foundation	<u>142.438</u>	<u>63.774</u>
Total current accounts	142.438	63.774

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RUAF FOUNDATION, LEUSDEN

NOTES TO THE BALANCE SHEET

	31-dec-11	31-dec-10
5 CURRENT LIABILITIES		
Advances from donors	0	699.171
Project creditors	196.726	35.539
Other current liabilities	<u>3.500</u>	<u>7.677</u>
Total current liabilities	<u>200.226</u>	<u>742.387</u>

5,1 Advances from donors (= net amounts; advance received corrected for project expenses on the project)		balance	advances	project	balance
		1-jan-11	received	expenses	31-dec-11
IDRC From Seed to Table (FSTT) 1005410-001	RUAF03	211.084	-211.084		0
DGIS RUAF FSTT MFS Act.14964/DML0085889	RUAF05	414.800	-2.125.103	1.710.303	0
CARE WHH Liberia	RUAF11	0			0
IAGU UA pilot projects	RUAF14	8.844	-8.904	60	0
Worldbank Cities East Africa	RUAF16	7.750	-7.750		0
Total advances from donors		642.478	-2.352.841	1.710.363	0

	31-dec-11	31-dec-10
5,2 Other current liabilities		
Audit expenses	3.500	6.027
Others	<u>0</u>	<u>1.650</u>
Total other current liabilities	<u>3.500</u>	<u>7.677</u>

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RUAF FOUNDATION, LEUSDEN

NOTES TO THE PROFIT AND LOSS ACCOUNT

	2011	2010
6 TURNOVER		
Reimbursed project expenses	970.915	1.896.979
Other income (contribution of RUAF partners)	<u>22.878</u>	<u>31.072</u>
Total turnover	993.793	1.928.050

After incorporation of the contributions received by the RUAF partners in the South (partner cities, other donors) and their own contributions to RUAF-FStT, the contribution for the MFS1 programme is 57%

7 COST OF SALES	970.950	1.896.979
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As RUAF foundation has no own project staff, the costs of sales only exist of reimbursable project expenses

8 OPERATING EXPENSES

8,1 <u>Office staff costs</u>	19.532	18.795
8,2 <u>Other operating expenses</u>		
Advice and auditors expenses	3.875	7.377
Banking costs	158	661
Other costs	1.321	4.239
Total other operating expenses	<u>5.354</u>	<u>12.277</u>

9 FINANCIAL CHARGES

Interest receivable	-2.043	6.259
Interest gain added to program funds	<u>-2.043</u>	<u>-6.259</u>
	-2.043	0

RELATED PARTIES

ETC Foundation is considered to be a related party. Transactions with related parties are included in the profit and loss account for the year for the following amounts:

	2011	2010
Turnover	264.893	347.496
Cost of sales	264.893	347.496
Operating expenses	19.532	18.795

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AUDITORS REPORT

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RUAF FOUNDATION, LEUSDEN

SUPPLEMENTARY INFORMATION

Appropriation of net income for the year

Without the donation of the program partners/boardmembers there would have been a loss. Their contribution has already been accounted for in this financial statement over 2011, resulting in a break-even result.

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RUAF FOUNDATION, LEUSDEN

SUPPLEMENTARY INFORMATION

Total overview turnover 2011

1. Direct flow by RUAF Foundation

Contribution DGIS RUAF05 MFS1	719.006	
Contribution IDRC RUAF03	64.605	
Other revenues	187.304	
		970.915

Contribution RUAF partners exploitation 2011		22.878
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993.793

2. Indirect flow by RUAF partners as presented in the projectreports RUAF 05 and 03

Contributions city partners	99.463	
Contributions RUAF member organisations	162.833	

Total revenues	1.256.089	0
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From which non-DGIS	537.084	
	43%	

Per donor

DGIS	719.006	
IDRC	64.605	
Others	187.304	

Contribution RUAF partners exploitation 2011	22.878	
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Contributions city partners

ETC UA	0
region Latin America (IPES)	0
region South/East Africa (MDP)	17.050
region Francophone West Africa (IAGU)	9.368
region Anglophone West Africa (IWMI GHANA)	10.150
region South East Asia (IWMI INDIA)	12.832
region China (IGSNRR)	4.397
region Middle East (AUB-ESDU)	-1.246
Sierra Leone (COOPI)	46.911

Contributions RUAF member organisations

ETC UA	43.343
IPES	5.497
MDP	19.800
IAGU	16.467
IWMI GHANA	3.597
IWMI INDIA	24.510
IGSNRR	37.187
AUB-ESDU	12.432
COOPI	0

TOTAL	1.256.089
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DGIS	719.006
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Others	537.084
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TOTAL	100%
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DGIS	57%
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Others	43%
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