

59208



CIMMYT

*Sustainable Maize
and Wheat Systems
for the Poor*

1998

***Audited Financial
Statement***

CIMMYT LIBRARY

International Maize and Wheat Improvement Center
Lisboa 27, Apartado Postal 6-641, 06600 México, D.F., México
Worldwide Web site: www.cimmyt.cgiar.org

To the Board of Trustees of
Centro Internacional de Mejoramiento de Maíz y Trigo, A.C.
and Centro Internacional de Mejoramiento de Maíz y Trigo,
International:

We have audited the accompanying combined statements of financial position of Centro Internacional de Mejoramiento de Maíz y Trigo, A.C. (CIMMYT) and Centro Internacional de Mejoramiento de Maíz y Trigo, International (CIMMYT, INT.), not-for-profit organizations, as of December 31, 1998 and 1997, and the related combined statements of activity and cash flows, expressed in United States dollars, for the years then ended. These financial statements are the responsibility of CIMMYT and CIMMYT, INT.'s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with International Standards on Auditing. Those 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 audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CIMMYT and CIMMYT, INT. as of December 31, 1998 and 1997, and the results of their activities and their cash flows for the years then ended in accordance with the Consultative Group on International Agricultural Research (CGIAR) financial guidelines contained in the "Accounting Policies and Reporting Practices" manual, which conform with the accounting principles generally accepted in the United States.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The data presented as supplementary information in Exhibits 1 to 4, expressed in United States dollars, is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



March 5, 1999

CIMMYT (www.cimmyt.mx or www.cimmyt.cgiar.org) is an internationally funded, nonprofit scientific research and training organization. Headquartered in Mexico, the Center works with agricultural research institutions worldwide to improve the productivity, profitability, and sustainability of maize and wheat systems for poor farmers in developing countries. It is one of 16 similar centers supported by the Consultative Group on International Agricultural Research (CGIAR). The CGIAR comprises about 60 partner countries, international and regional organizations, and private foundations. It is co-sponsored by the Food and Agriculture Organization (FAO) of the United Nations, the International Bank for Reconstruction and Development (World Bank), the United Nations Development Programme (UNDP), and the United Nations Environment Programme (UNEP). Financial support for CIMMYT's research agenda also comes from many other sources, including foundations, development banks, and public and private agencies.

FUTURE HARVEST

CIMMYT supports Future Harvest, a public awareness campaign that builds understanding about the importance of agricultural issues and international agricultural research.

Future Harvest links respected research institutions, influential public figures, and leading agricultural scientists to underscore the wider social benefits of improved agriculture—peace, prosperity, environmental renewal, health, and the alleviation of human suffering (www.futureharvest.org).

© International Maize and Wheat Improvement Center (CIMMYT) 1999.

Responsibility for this publication rests solely with CIMMYT. The designations employed in the presentation of material in this publication do not imply the expressions of any opinion whatsoever on the part of CIMMYT or contributory organizations concerning the legal status of any country, territory, city, or area, or of its authorities, or concerning the delimitation of its frontiers or boundaries.

Printed in Mexico.

Correct citation: CIMMYT. 1999. *CIMMYT 1998 Audited Financial Statement*. Mexico, D.F.: CIMMYT.

Combined Statements of Financial Position

Centro Internacional de Mejoramiento de Maíz y Trigo, A.C.

Centro Internacional de Mejoramiento de Maíz y Trigo, International

At December 31, 1998 and 1997 (US\$ 000s)

Assets		1998	1997
Current Assets			
Cash and Cash Equivalents		3,610	4,600
Accounts Receivable:			
Donors	(Exhibit 1)	6,295	5,635
Employees		300	299
Others		1,286	1,572
In-Trust Accounts	(Note 3-j)	35	7
Inventories		190	178
Total Current Assets		11,716	12,291
Fixed Assets			
Property, Plant, and Equipment		32,454	32,154
Less: Accumulated Depreciation		(18,250)	(18,186)
Total Fixed Assets - Net	(Exhibit 3)	14,204	13,968
Total Assets		25,920	26,259

Liabilities and Net Assets			
Current Liabilities			
Accounts Payable:			
Donors	(Exhibit 1)	2,370	2,284
Employees		255	85
Others		475	553
In-Trust Accounts	(Note 3-j)	104	118
Accruals and Provisions	(Note 3-h)	1,096	1,024
Total Current Liabilities		4,300	4,064
Long-Term Liabilities			
Employee Severance Benefits	(Note 3-g)	306	229
Other	(Note 5)	94	-
Total Liabilities		4,700	4,293
Net Assets (Note 5)			
Capital Invested in Fixed Assets		14,056	13,968
Center-Owned:			
Capital Fund		(216)	(121)
Operating Fund		7,380	8,119
Total Net Assets		21,220	21,966
Total Liabilities and Net Assets		25,920	26,259

The accompanying notes are an integral part of these Combined Statements of Financial Position.

Combined Statements of Activity

Centro Internacional de Mejoramiento de Maíz y Trigo, A.C.
 Centro Internacional de Mejoramiento de Maíz y Trigo, International
 For the years ended December 31, 1998 and 1997 (US\$ 000s)

		1998				1997
		Core			Total	Total
		Unrestricted	Restricted	Special		
Revenues (Note 6-a)						
Grants	(Exhibit 1 and 2)	15,229	3,022	11,806	30,057	28,825
Other Revenues	(Note 6-a-II)	1,395	-	-	1,395	1,782
Total Revenues		16,624	3,022	11,806	31,452	30,607
Operating Expenses (Note 6-b-I)						
Research Programs		11,421	2,000	8,238	21,659	0,811
Conferences and Training		613	35	2,088	2,736	2,400
Information Services		1,240	423	13	1,676	1,695
General Administration		2,420	-	91	2,511	2,495
General Operations		2,062	-	13	2,075	2,039
Depreciation	(Exhibit 3)	1,386	-	-	1,386	1,404
Translation Effect		144	-	-	144	134
Total Operating Expenses		19,286	2,458	10,443	32,187	30,978
Recovery of Indirect Costs		(1,833)	556	1,277	-	-
Recovery of Capital Expenditures	(Note 6-b-II)	(94)	8	86	-	-
Total Expenses		17,359	3,022	11,806	32,187	30,978
Deficit of Revenue over Expenses	(Note 5)	(735)	-	-	(735)	(371)
Allocated as Follows:						
Operating Fund	(Note 5)	(735)	-	-	(735)	(371)
Capital Fund		-	-	-	-	-
Total		(735)	-	-	(735)	(371)

Memo Item						
Operating Expenses - by Natural Classification (Note 6-b-I)						
Personnel Costs		11,472	1,700	4,128	17,300	16,561
Supplies and Services		5,147	551	5,530	11,228	10,853
Operational Travel		1,137	207	785	2,129	2,026
Depreciation of Fixed Assets	(Exhibit 3)	1,386	-	-	1,386	1,404
Translation Effect		144	-	-	144	134
Total Operating Expenses		19,286	2,458	10,443	32,187	30,978

The accompanying notes are an integral part of these Combined Statements of Activity.

Combined Statements of Cash Flows

Centro Internacional de Mejoramiento de Maíz y Trigo, A.C.
 Centro Internacional de Mejoramiento de Maíz y Trigo, International
 For the years ended December 31, 1998 and 1997 (US\$ 000s)

		1998	1997
Cash Flows from Operating Activities			
Deficit of Revenues over Expenses	(Note 5)	(735)	(371)
by Operating Activities:			
Depreciation	(Exhibit 3)	1,386	1,404
Employee Severance Benefits		7	68
Decrease (Increase) in Assets:			
Accounts Receivable - Donors		(660)	(2,002)
- Other		257	(1,110)
Inventories		(12)	(44)
Increase (Decrease) in Liabilities:			
Accounts Payable - Donors		86	(2,151)
- Other		24	156
Accruals and Provisions		142	(451)
Net Cash Provided by (Applied to) Operating Activities		495	(4,501)
Cash Flows from Financing Activities			
Fixed Assets Leasing		(25)	-
Net Cash Used in Financing Activities		(25)	-
Cash Flows from Investing Activities (Note 5)			
Acquisition of Fixed Assets		(1,422)	(1,147)
Proceeds from Disposal of Fixed Assets		(38)	117
Net Cash Used in Investing Activities		(1,460)	(1,030)
Net Increase in Cash and Cash Equivalents		(990)	(5,531)
Cash and Cash Equivalents:			
Beginning of the Year		4,600	10,131
End of the Year		3,610	4,600

The accompanying notes are an integral part of these Combined Statements of Cash Flows.

Notes to the Combined Financial Statements

Centro Internacional de Mejoramiento de Maíz y Trigo, A.C.

Centro Internacional de Mejoramiento de Maíz y Trigo, International.

December 31, 1998 and 1997 (in US\$ 000s)

Note 1: Statement of Purpose.

The "Centro Internacional de Mejoramiento de Maíz y Trigo, A.C." (CIMMYT, A.C.) is a private, autonomous, not-for-profit, scientific, and educational institution, chartered under Mexican law. CIMMYT, A.C. does not carry out any activities and only holds the land and buildings where "Centro Internacional de Mejoramiento de Maíz y Trigo, International" (CIMMYT, Int.) carries out its activities.

Note 2: CIMMYT, Int. was formally created through an agreement signed by the United Nations Development Programme (UNDP) and the International Bank of Reconstruction and Development (IBRD), both cosponsors of the Consultative Group on International Agricultural Research (CGIAR), and is a not-for-profit, scientific, and educational organization, which is engaged in the improvement of maize and wheat production worldwide with emphasis on developing countries. A Headquarters Agreement, signed by the Government of Mexico on May 9, 1988, and ratified by the Mexican Senate on December 22, 1988, recognized CIMMYT, Int. as having the status of an international organization. Because of its status as an international not-for-profit organization, CIMMYT, Int. is exempt from income taxes.

Note 3: Summary of Significant Accounting Policies.

CIMMYT, A.C. and CIMMYT, Int. follow accounting policies recommended by the CGIAR. These policies are in

accordance with accounting principles generally accepted in the United States of America for not-for-profit organizations and are summarized below:

a. The financial statements of CIMMYT, A.C. and CIMMYT, Int. are combined for reporting purposes, since their activities constitute a single operation (CIMMYT).

b. CIMMYT uses the accrual method of accounting for transactions, and its accounting records are kept in US dollars. Transactions in other currencies (mainly Mexican pesos) are recorded at a monthly average exchange rate and the assets and liabilities in such currencies are translated into US dollars at the exchange rate as of year end.

c. During periods of cash surplus, CIMMYT makes short-term investments in marketable securities. Those investments denominated in dollars are transacted in the US money market. Interest earned on these investments is credited to income when the security matures or is sold. The marketable securities are recorded at cost, which approximates market and any gain or loss from their sale is recorded at that time. Investments in Mexican pesos are held in a short-term interest-bearing account in a Mexican bank or in government securities. Interest is credited to income as earned.

d. Inventories are stated at the lower of average cost or market.

e. Fixed assets are stated at acquisition cost and funds are set aside for the future replacement of capital assets based on depreciation accounting (see paragraph f).

CIMMYT's buildings at certain locations in Mexico are constructed on land owned by the Mexican government, and they will be donated to the government when CIMMYT ceases operations in Mexico.

f. Depreciation of fixed assets is recorded using the straight-line method, based on the estimated useful lives of such assets.

g. Under Mexican Labor Law, CIMMYT is liable for separation payments to Mexican employees terminated under certain circumstances. CIMMYT records the liabilities from seniority premiums, pension, and retirements in accordance with Statement of Financial Accounting Standards No. 87, "Employers' Accounting for Pensions," using actuarial calculations based on the projected unit credit method. Therefore, the liability is being accrued, which at present value will cover the obligation from benefits projected to the estimated retirement date of CIMMYT's Mexican employees.

In addition, CIMMYT records a reserve for the retirement of international employees, which is calculated based on an actuarial study. Such reserve amounted to US\$ 368 and US\$ 326 at December 31, 1998 and 1997, respectively.

The Center has no other post-retirement or post-employment benefits which would require adjustment under Statement of Financial Accounting Standards No. 106, "Employers' Accounting for Post-retirement Benefits other than Pensions," or Statement of Financial Accounting Standards No. 112, "Employers' Accounting for Post-employment Benefits."

The status of the defined benefit plans, presented in accordance with Statement of Financial Accounting Standards No. 87, is as follows:

Concept	US\$ 000s	
	1998	1997
Actuarial present value of accumulated benefit obligations:		
Vested	200	169
Non-vested	118	102
Subtotal	318	271
Additional amounts related to projected pay increases	10	5
Actuarial present value of projected benefit obligations	328	276
Unamortized net transition asset	(68)	(100)
Unrecognized net (loss) gain	(11)	53
Additional liability adjustment	70	-
Accrued pension liability	319	229

The net periodic pension cost consists of the following:

Concept	US\$ 000s	
	1998	1997
Service cost	17	23
Interest cost	42	60
Amortization of unrecognized net transition liability	11	16
Total net periodic pension cost	70	99

The economic assumptions, net of inflation, which reflect the local economic conditions and particular circumstances, are as follows:

Concept	1998	1997
Discount rate	5%	5%
Salary increases	2%	2%

Separation payments to involuntarily terminated employees are charged to operating expenses in the period in which they are made.

h. Accruals and provisions. The detail in this concept is as follows:

Concept	US\$ 000s	
	1998	1997
Payroll withholding	127	141
Staff accrued benefits	368	326
Reserves Administration	34	-
Reserves Wheat	104	252
Reserves Economics	81	6
Reserves Research	60	128
Severance payments	192	103
Reserves Biotechnology	57	-
Other	73	68
Total accruals and provisions	1,096	1,024

i. Revenue recognition. Core unrestricted grants are given annually and are charged to accounts receivable when CIMMYT is notified of the amount of the donations. The receivable is canceled when the funds are received. Any uncollected portion of the pledge applicable to the current year remains charged to accounts receivable and forms part of the institution's income in that year. If the pledge is later judged to be uncollectible, it is written off against income of the year in which it is canceled.

Pledges in currencies other than US dollars are recorded at their dollar equivalent at the date of deposit.

Core restricted and special project pledges, which are often for more than one year, are treated somewhat differently. The uncollected portion of the pledge is not recognized as a receivable and consequently is not recorded as to income. An account receivable is created and income recorded only when expenses are incurred under the grant. This

treatment matches revenues and expenses in accordance with the level of activities carried out under the grant.

This accounting policy permits CIMMYT to distinguish between income and amounts pledged in core-restricted and special project grants. This is necessary since these grants often cover more than one year's activities or contain provisions for carrying funds forward in cases of underexpenditure. Recognizing the total pledge in a given year as income could result in an overstatement of income.

j. According to CGIAR accounting policies, in-trust funds provided by donors and managed by a Center are not considered part of the Center's revenue (except for the indirect cost recovery component) and expenses. The receipt and payment of these funds is shown on the Statement of Financial Position as either an in-trust account receivable or in-trust account payable.

Note 4: Mexican Peso Transactions. (The amounts in this note are in Mexican pesos [Mx\$] unless otherwise indicated.) At December 31, 1998, CIMMYT had Mexican peso assets and liabilities amounting to Mx\$ 9,444,326 (Mx\$ 9,855,092 in 1997) and Mx\$ 7,376,469 (Mx\$ 5,339,107 in 1997), respectively, which were included in the statement of financial position at their US dollar equivalents, resulting from applying the year-end exchange rate.

During 1998, the value of the Mexican peso compared to the dollar decreased from Mx\$ 8.10 to Mx\$ 9.85 (Mx\$ 7.87 to Mx\$ 8.10 in 1997). The translation effect was US\$ 144 (US\$ 134 in 1997). As of

March 5, 1998, date of issuance of these financial statements, the exchange rate was Mx\$ 9.93 per US\$ 1.00 and the unaudited Mexican peso position was similar to that at year end.

Note 5: Net Assets. According to the CGIAR accounting guidelines, net assets consist of balances such as operating funds, capital-related funds, and funds set up for special purposes. The largest fund is the one related to the total investment in property, plant, and equipment, which is analyzed in Exhibit 3.

In 1998, CIMMYT entered into a capital lease agreement for laboratory and scientific equipment in the amount of US\$ 173, which was capitalized in Property, Plant, and Equipment. Lease payments during 1998 amounted to US\$ 25. At the end of the three-year lease term, title to the equipment will transfer to CIMMYT. As of December 31, 1998 the difference between the balance of Property, Plant, and Equipment and the balance of Capital Invested in Fixed Assets represents the liability at year end.

Other funds had the following activity:

	US\$ (000s)		
	Year Ended		
	December 31, 1998		
	Capital Fund	Operating Fund	Total
Initial balance	(121)	8,119	7,998
Sources:			
Depreciation charges	1,386	-	1,386
Gain on disposal	21	-	21
Other	81	(4)	77
Adjustment	(136)	-	(136)
Uses:			
Acquisitions	(1,447)	-	(1,447)
Decrease from operations	-	(735)	(735)
Ending balance	(216)	7,380	7,164

Note 6: Revenue and Expenses.

a. CIMMYT's revenues are grouped into two categories:

i) Grants. The funds received from donors are used to support CIMMYT core programs. Core programs must fall within the mandate of the Center and be approved by the Board of Trustees. These must also be approved by the members of the CGIAR, who then provide the funding (see Exhibit 2). Core programs are divided into unrestricted, restricted, and special project grants. Unrestricted grants come with only one requirement: that the funds must be used to support core activities. Restricted and special project grants also support core activities, but they must be used for activity mutually agreed upon by CIMMYT and the donor.

ii) Other, which includes:

Concept	US\$ 000s	
	1998	1997
Restaurant	174	184
Snack bar	45	47
Laundry	24	27
Housing	385	389
Other assets sales	136	-
Other	86	259
Interests earned	104	250
Tax recovery	394	583
Revenues from in-trust accounts	47	43
Total other income	1,395	1,782

b. Expenses.

i) The CIMMYT expense breakdown, as shown in the statement of activity, follows the CGIAR presentation guidelines. Expenses by Program and Unit are as follows:

Concept	US\$ 000s	
	1998	1997
Maize	9,275	8,805
Wheat	8,076	9,137
Economics	1,916	1,597
Natural Resources	1,520	1,145
Research Support	969	753
Biotechnology	2,574	1,676
External Relations	1,686	1,715
Administration	2,566	2,572
Plant Operations	1,456	1,430
Auxiliary Services	619	610
Depreciation	1,386	1,404
Translation effect	144	134
Total operating expenses	32,187	30,978

ii) Capital recovery. CIMMYT charges the full cost of capital items funded by restricted and special projects as expenses to those projects in the year of acquisition. Those items are then capitalized and the expense is recovered by crediting core unrestricted activities. The related depreciation is charged to core unrestricted.

Schedule of Grant Revenue

Exhibit 1

Centro Internacional de Mejoramiento de Maíz y Trigo, A.C.
 Centro Internacional de Mejoramiento de Maíz y Trigo, International
 For the period from January 1 to December 31, 1998 (US\$ 000s)

Donors	1998			1997	
	Funds Received	Accounts Receivable	Advance Payment	Grant	Grant
Core Unrestricted					
Australia, Government of	1,164		574	590	696
Austria, Government of	150			150	150
Canadian International Development Agency	1,489			707	782
China, People's Republic of	80	100		100	80
Danish International Development Agency	835			835	1,727
Empresa Brasileira de Pesquisa Agropecuaria, Brazil	90			90	100
European Union		700		450	250
Ford Foundation	400			400	400
Germany, Government of	470			470	455
India, Government of	112			112	75
Japan, Government of	2,342			2,342	2,270
Korea, Republic of	50			50	50
Mexico, Government of	40			40	120
Norwegian Ministry of Foreign Affairs	213			213	117
Pakistan, Government of		200		100	100
Peru, Government of		70		70	
Philippines, Government of	13	19		25	25
Portugal, Government of	500			250	250
Spain, Government of	20			20	20
Swedish International Development Cooperation Agency	319			319	
Swiss Agency for Development and Cooperation		146		146	139
Thailand, Government of		100		100	100
United States Agency for International Development	3,708	642		4,350	4,350
World Bank	3,400		100	3,300	3,700
	15,395	1,977	674	15,229	15,956
Core Restricted and Core Special Project					
Agriculture and Agri-Food Canada	10		10	10	
Agrovegetal, S.A.	100		29	71	
Asian Development Bank	539	32		527	113
Australian Centre for International Agricultural Research	489		42	457	117
Austria, Government of		3		16	7
Bangladesh Rice Research Institute	36	145		122	59
Belgium, Government of				85	305
Canadian International Development Agency	722		374	735	776
Centre de Cooperation Internationale en Recherche Agronomique Pour le Développement		5			3
Centro Internacional de Agricultura Tropical	87	17		71	58
Colciencias-Colombia	100	35		10	153
Colombia, Government of	137	79		138	155
Consultative Group on International Agricultural Research	30		1	29	
Cornell University	50	46		44	76
Danish International Development Agency		8		54	80
Department for International Development, UK	888		20	884	892
European Union	2,913	2,428		2,634	2,664
Ford Foundation	180		147	33	

Cont'd.

Schedule of Grant Revenue

Exhibit 1 (continued)

Centro Internacional de Mejoramiento de Maíz y Trigo, A.C.
 Centro Internacional de Mejoramiento de Maíz y Trigo, International
 For the period from January 1 to December 31, 1997 (US\$ 000s)

Donors	1998			1997	
	Funds Received	Accounts Receivable	Advance Payment	Grant	Grant
Core Restricted and Core Special Project					
France, Government of	43	282		414	425
Fundación Guanajuato Produce A.C.	5	35		39	
Fundación Sonora	15	13		28	
Germany, Government of	788	64		728	575
Grains Research and Development Corporation, Australia	63	113		146	173
Hilton Foundation	60		11	49	
Inter-American Development Bank	778	280		656	1,140
International Centre for Research in Agroforestry	20		1	21	50
International Development Research Centre	76	11		121	58
International Food Policy Research Institute	86	17		83	81
International Fund for Agricultural Development	304	37		416	240
International Plant Genetic Resources Institute	32		17	53	52
Islamic Republic of Iran, Government of	110	126		187	330
Italy, Government of					83
Japan, Government of	1		48	74	47
Korea, Republic of	30		4	51	24
Leverhulme Trust, The	4				44
Mexico, Government of		202		210	192
Miscellaneous research grants	33		43	25	1
Monsanto Company	90			90	75
Nacional Financiera, S. N. C.	1			4	
National Institute of Agricultural Research Uruguay	91		13	92	110
Netherlands, Government of	100			100	199
Netherlands Ministry of Foreign Affairs	248		82	351	215
Nippon Foundation	272		32	230	218
Norwegian Ministry of Foreign Affairs			1	21	19
Novartis Foundation		50		50	
OPEC Fund for International Development	43	15		27	43
Republic of South Africa	100		10	113	28
Rockefeller Foundation	526		62	619	366
Spain, Government of	80		3	77	80
Stanford University	27			27	15
Swedish International Development Cooperation Agency	309		18	268	96
Switzerland, Government of	782		408	1,173	1,052
Telmex	77	1		78	
Tropical Agriculture Research Center, Japan	7		4	1	25
United Nations Development Programme	1,042	58		1,182	997
United Nations Development Programme (Africa)	336		42	277	18
United Nations Development Programme (Seed)	107	57		163	
United States Agency for International Development	575		215	318	78
United States Department of Agriculture	193	74		170	211
University of Oregon	150		59	91	
Wisconsin University	50				51
World Bank		85		85	
	13,950	4,318	1,696	14,828	12,869
Total Grants	29,345	6,295	2,370	30,057	28,825

Cont'd.

Core Restricted and Core Special Projects Pledges and Expenses

Exhibit 2

Centro Internacional de Mejoramiento de Maíz y Trigo, A.C.

Centro Internacional de Mejoramiento de Maíz y Trigo, International

For the Period January 1 to December 31, 1998 (US\$ 000s)

Donor and Program/Project	Grant Period (mo/day/yr)	Grant Pledged	Expenditures		
			Prior Years	Current Year	Total
Agriculture and Agri-Food Canada					
Karnal Bunt Canada	01/01/98-12/31/99	10		9	9
International Wheat Information System ICIS	10/01/98-09/30/01	61		1	1
Total		71		10	10
Agrovegetal, S.A.					
Durum and breeding investigation	09/01/98-08/31/03	500		71	71
Asian Development Bank					
Asia maize training	05/01/95-10/31/98	600	344	170	514
Application of Biotechnology to Maize Improvement in Asia	02/25/98-01/31/01	1,400		357	357
Total		2,000	344	527	871
Australian Centre for International Agricultural Research					
Rice-wheat cropping systems in the Indo-Gangetic region	01/01/95-12/31/97	94 a	95		95
Genetic Information Package for wheat researchers (<i>Triticum</i>), GRIP phase II	01/01/97-12/31/99	87 b	39	37	76
GRIP project	03/01/94-12/31/97	28	28		28
Near-isogenic lines for the assessment of pathogenic variation in the wheat stripe (yellow) rust pathogen	02/01/97-01/31/02	151 c	1	8	9
Improving risk management in maize systems in southern Africa	12/01/97-12/31/00	568 d	26	149	175
The impact of genetic diversity on wheat productivity, comparative analysis	05/01/97-04/30/99	86 e	27	61	88
Sustainable systems training	07/01/98-06/30/99	63 f		18	18
CRC for Molecular Plant Breeding	07/01/97-06/30/04	1,092 g		184	184
Total		2,169	216	457	673
Austria, Government of					
Austrian visiting scientist	01/01/97-12/31/98	23	7	16	23
Bangladesh Rice Research Institute					
World Bank, rice-wheat, Bangladesh	01/01/97-30/06/99	400	59	122	181
Belgium, Government of					
Evaluation of cropping systems on the development of wheat pathosystems	01/01/93-12/31/98	909	825	85	910
Canadian International Development Agency					
East Africa Cereal Program, phase IV	07/15/96-12/31/01	3,219 i	785	700	1,485
Stem borer resistance in maize	01/01/97-06/30/99	108 j	64	35	99
Ghana Grains Development Project, phase III	07/13/90-07/09/97	6,569 k	6,569		6,569
Total		9,896	7,418	735	8,153
Centre de Cooperation Internationale en Recherche Agronomique Pour le Développement					
QTL mapping of virus	10/01/94-12/31/97	12	12		12
Centro Internacional de Agricultura Tropical					
Hillsides project	10/01/97-12/31/98	129	58	71	129
Colciencias-Colombia					
Acid soils tolerance in maize	01/01/97-10/31/99	186	153	10	163
Colombia, Government of					
Acid soils	01/01/96-12/31/99	441	303	138	441
Consultative Group on International Agricultural Research					
Impact of CGIAR Germplasm Improvement on Food Production	10/01/98-09/30/99	60		29	29

Cont'd.

Core Restricted and Core Special Projects Pledges and Expenses

Centro Internacional de Mejoramiento de Maíz y Trigo, A.C.
 Centro Internacional de Mejoramiento de Maíz y Trigo, International
 For the Period January 1 to December 31, 1998 (US\$ 000s)

Exhibit 2

(continued)

Donor and Program/Project	Grant Period (mo/day/yr)	Grant Pledged	Expenditures		
			Prior Years	Current Year	Total
Cornell University					
Rice-wheat operating funds	02/01/97-04/31-99	74	76	43	119
Chakaria Food Systems	10/01/98-09/30/01	189		1	1
Total		263	76	44	120
Danish International Development Agency					
Utilization of wheat genetic resources	07/01/94-06/30/98	209	178	31	209
Support utilization of wheat genetic resources	07/01/94-06/30/99	85	61	23	84
Total		294	239	54	293
Department for International Development, UK					
Development and application of marker assisted transfer of <i>Fusarium moniliforme</i> ear rot resistance to susceptible highland maize	04/01/95-03/31/98	182	162	21	183
Crop establishment and reduced tillage activities in rice-wheat systems in the Indo-Gangetic Plains	04/01/96-03/31/99	195	106	75	181
Components of corn stunt disease	03/01/94-03/31/98	62	62	1	63
Lowland tropical	01/01/97-12/31/98	153	153		153
Mid-altitude	01/01/97-12/31/98	1,390	598	787	1,385
Total		1,982	1,081	884	1,965
European Union					
Policy	01/01/98-12/31/98	101		101	101
Latin America ecoregion	01/01/98-12/31/98	32		32	32
Latin America ecoregion subtropical	01/01/98-12/31/98	33		33	33
Latin America ecoregion highland	01/01/98-12/31/98	240		239	239
Information	01/01/98-12/31/98	501		530	530
Latin America ecoregion	01/01/98-12/31/98	190		189	189
Strengthening economics and policy research in national agricultural research systems (NARSs)	02/14/95-05/31/99	1,392 l	707	280	987
Strengthening wheat breeding and pathology research in NARSs	11/01/94-10/31/99	2,360 m	1,118	375	1,493
Maize and wheat improvement research network for SADC	06/03/94-05/31/99	4,380 n	2,435	855	3,290
Total		9,229	4,260	2,634	6,894
Ford Foundation					
Sustainable agricultural improvement in the Mixteca region of Southern Mexico	07/01/98-06/30/01	180		33	33
France, Government of					
Pathology, maize	01/01/98-12/31/98	93		100	100
Genetic diversity	01/01/98-12/31/98	24		24	24
Minimum tillage agronomy - Mexico	01/01/98-12/31/98	99 o		97	97
Molecular genetics of maize and wheat	01/01/98-12/31/98	71		70	70
Impact and adoption on conservation tillage	01/01/98-12/31/98	44		25	25
Associate Expert to study apomixis	01/01/97-07/10/98	195	97	98	195
Total		526	97	414	511
Fundación Guanajuato Produce, A.C.					
Research activities for wheat, triticale, and barley	09/01/98-08/31/08	39		36	36
Productivity impact in wheat in the Bajío region	10/01/98-03/31/99	10		3	3
Total		49		39	39
Fundación Sonora					
Development of durum wheat varieties	01/01/98-12/31/98	30		28	28

Cont'd.

Core Restricted and Core Special Projects Pledges and Expenses

Exhibit 2

Centro Internacional de Mejoramiento de Maíz y Trigo, A.C.

(continued)

Centro Internacional de Mejoramiento de Maíz y Trigo, International

For the Period January 1 to December 31, 1998 (US\$ 000s)

Donor and Program/Project	Grant Period (mo/day/yr)	Grant Pledged	Expenditures		
			Prior Years	Current Year	Total
Germany, Government of					
Adaptation of maize to acid, aluminum-toxic soils	01/01/96-12/31/98	248	198	49	247
Developing Striga control strategies for cropping systems in Kenya	01/01/95-03/31/00	648 p	350	136	486
Utilization of the genotypic variability of V A M	05/15/94-04/31/97	660	745		745
Development and improvement of heterotically responsive maize gene pools in eastern Africa	01/01/97-12/31/99	533 q	58	253	311
Accelerating adoption of PERC practices, maize	01/01/97-12/31/99	479 r	192	187	379
The role in major phasic development of VM and Ppd genes in the adaptation of wheat to marginal environments	04/01/98-03/31/02	972 s		103	103
Total		3,540	1,543	728	2,271
Grains Research and Development Corporation, Australia					
Sprout tolerant wheat germplasm and resistance to Russian wheat aphid	07/01/97-06/30/02	122 u	20	15	35
Diagnostic tools for genetic resources analysis	10/01/96-06/30/97	37 v	37		37
Protecting the Australian wheat industry from Karnal Bunt	07/01/97-06/30/02	425 w	116	69	185
Root health	01/01/98-12/31/00	155 x		58	58
Mediterranean durum wheats	07/01/98-06/30/99	24		4	4
Total		763	173	146	319
Hilton Foundation					
Agricultural projects at sites in the Mixteca region of Southern Mexico	03/01/98-02/28/01	180		49	49
Inter-American Development Bank					
Bread wheat breeding, Southern Cone	01/01/96-12/31/97	1,200	1,200		1,200
Improving stunt resistance in maize mgmt. research and training	02/03/95-02/02/98	500	431	69	500
Maize in acid soils in Latin America	10/01/97-12/31/00	750	275	230	505
Incorporating technology spillovers in Latin America	10/01/97-12/31/00	750	17	224	241
Fontagro wheat	01/01/98-12/31/98	50		52	52
Fontagro wheat quality	01/01/98-12/31/98	50		57	57
Sustainable production of maize in Central America	06/01/98-06/30/00	200		25	25
Total		3,500	1,923	657	2,580
International Centre for Research in Agroforestry					
Striga in maize	07/01/95-12/31/00	173	152	21	173
Training activities	07/01/95-06/30/97	130	130		130
Total		303	282	21	303
International Development Research Centre					
CG maize genetic diversity conservation in Mexico	01/01/97-12/31/98	183	58	121	179
International Food Policy Research Institute					
Enhancing micronutrients in maize grain Phase II	05/01/96-04/30/99	112	4	48	90
Analysis visual scoring for deficiency symptoms and growth	05/01/96-04/30/99	112	56	35	91
Policies affecting maize production in Mesoamerica	11/15/96-04/15/97	5	5		5
Total		229	103	83	186
International Fund for Agricultural Development					
Regional training in maize crop management	06/01/95-12/31/00	1,211	534	273	807
Developing and disseminating stress tolerant maize for sustainable food security in West, Central, and East Africa	11/01/97-12/31/00	1,000		143	143
Total		2,211	534	416	950
International Plant Genetic Resources Institute					
International crop information system (ICIS)	05/01/96-12/31/98	100	87	12	99
Phase II of ICIS	01/01/98-12/31/98	25		23	23
Development of ICIS and ancillary crop systems	01/01/98-01/31/99	45		18	18
Total		170	87	53	140

Cont'd.

Core Restricted and Core Special Projects Pledges and Expenses

Exhibit 2

Centro Internacional de Mejoramiento de Maíz y Trigo, A.C.

(continued)

Centro Internacional de Mejoramiento de Maíz y Trigo, International

For the Period January 1 to December 31, 1998 (US\$ 000s)

Donor and Program/Project	Grant Period (mo/day/yr)	Grant Pledged	Expenditures		
			Prior Years	Current Year	Total
Islamic Republic of Iran, Government of					
High yielding varieties resistant to cereal diseases	01/01/96-12/31/98	420	311	106	417
Improvement of maize and triticale	01/01/89-12/31/98	538	484	81	565
Total		958	795	187	982
Italy, Government of					
Barley yellow dwarf virus, Phase II	01/01/96-12/31/97	169	169		169
Japan, Government of					
Cafeteria, building	N/A	444	419	15	434
Fellowships program	N/A	1,363	1,302	47	1,349
ABC JIRCAS funds	01/01/98-12/31/98	15		12	12
Total		1,822	1,721	74	1,795
Korea, Republic of					
Rural Development Administration	03/01/96-03/21/98	75	35	40	75
Visiting Scientist	07/01/98-12/31/98	15		11	11
Total		90	35	51	86
Leverhulme Trust, The					
Apomixis: the small farmer's friend	09/01/95-08/31/97	114	114		114
Mexico, Government of					
Rainfed wheat improvement	01/01/97-12/31/98	100	50	51	101
Genetic resources research	01/01/97-12/31/98	80	40	40	80
Highland maize improvement	01/01/97-12/31/98	100	50	50	100
Research in Mexico	01/01/97-12/31/98	40	15	26	41
Field work in the Altiplano and Yaqui Valley	01/01/97-12/31/98	20	7	13	20
Research in apomixis	01/01/97-12/31/98	60	30	30	60
Total		400	192	210	402
Miscellaneous Training and Research Grants					
	N/A	N/A	1	24	25
Monsanto Company					
Wheat Program hybrid wheat research	01/01/97-12/31/02	625	75	90	165
Nacional Financiera S.N.C.					
Collection/characterization of wheat landaces	02/01/94-31/12/98	15	11	4	15
National Institute of Agricultural Research, Uruguay					
Wheat for sustainable agriculture in the Southern Cone	01/01/94-12/31/98	474	344	92	436
Netherlands, Government of					
Drought and salt stress in wheat	11/01/94-10/31/98	218	218		218
Base research support and Asian research support	01/01/97-12/31/98	252	152	100	252
Total		470	370	100	470
Netherlands Ministry of Foreign Affairs					
Maize biotechnology, Zimbabwe	03/01/97-02/28/02	497	101	182	283
Maize biotechnology, Kenya	03/01/97-02/28/02	497	114	169	283
Total		994	215	351	566
Nippon Foundation					
Increasing the availability of quality protein maize (QPM)	03/01/97-03/31/01	1,250	218	230	448
Norwegian Ministry of Foreign Affairs					
Fellowships	01/01/97-12/31/98	41	19	21	40
Novartis Foundation					
Deployment of insect-resistant maize in Africa	12/01/98-12/31/99	500		50	50

Cont'd.

Core Restricted and Core Special Projects Pledges and Expenses

Exhibit 2

Centro Internacional de Mejoramiento de Maíz y Trigo, A.C.

(continued)

Centro Internacional de Mejoramiento de Maíz y Trigo, International

For the Period January 1 to December 31, 1998 (US\$ 000s)

Donor and Program/Project	Grant Period (mo/day/yr)	Grant Pledged	Expenditures		
			Prior Years	Current Year	Total
OPEC Fund for International Development					
Streak virus in early maturing maize	07/01/97-06/30/98	70	43	27	70
Republic of South Africa					
Maize diseases	01/01/97-12/31-98	100	28	63	91
South Africa wheat	01/01/98-12/31/9	50		50	50
Total		150	28	113	141
Rockefeller Foundation					
Integrated approach to assessing soil fertility and climatic interactions in pilot maize-producing areas of Kenya	02/01/94-05/31/98	131	100	32	132
Maize database in Kenya	06/01/94-05/31/98	150	131	19	150
Soil fertility of southern Africa	07/01/94-09/30/99	1,073	672	214	886
Improvement of grain weevil resistance in maize for southern Africa	01/01/96-12/31/00	129	17	26	43
Evaluation of nitrogen-use efficient and other maize genotypes under smallholder soil and management conditions in Zimbabwe	01/01/96-06/30/98	22	10	12	22
Economics of genetic diversity in wheat and maize	12/01/96-07/21/99	84	19	42	61
Improving resistance to Striga in African maize	01/01/97-12/31/99	240	55	99	154
Developing herbicide-resistant maize for Striga control in Africa	01/01/97-12/31/99	180	56	58	114
<i>Striga hermonthica</i> resistance from teosinte to maize	06/01/97-05/31/00	66	1	33	34
Training to provide information	06/01/94-05/31/99	3			
East Africa Regional Maize Nursery	03/01/98-02/28/01	157		43	43
Research exploring the potential contribution of cover agriculture and farmer expertise	06/01/98-12/31/98	40		41	41
Total		2,275	1,061	619	1,680
Spain, Government of					
Durum wheat research project	01/01/96-12/31/98	240	160	77	237
Stanford University					
Nitrogen fertilizer management in Mexico	06/30/95-12/31/98	69	42	27	69
Swedish International Development Cooperation Agency					
Sustainable maize and wheat cropping systems in the South	12/01/96-11/30/97	75	74		74
Development and dissemination of stress tolerant maize for sustainable food security in West, Central, and East Africa	12/01/97-11/30/00	662	22	268	290
Total		737	96	268	364
Switzerland, Government of					
Regional program for Central America and the Caribbean	01/01/95-12/31/98	1,979	1,428	551	1,979
Evaluation and application of molecular probes for incorporating alien-derived resistance to barley yellow dwarf virus (BYDV) into bread wheats	04/01/96-03/30/99	205	101	57	158
Strengthening social science and regional networking in the PRM in Central America	01/10/95-09/30/98	296	236	60	296
Increasing the tolerance of maize in southern Africa to drought and low soil fertility	01/01/96-12/31/99	1,450	556	350	906
Role of intellectual property rights in the design of international agricultural research cooperation	11/15/96-12/31/97	85	86		86
Increasing productivity and sustainability of maize-based cropping systems in the hills of Nepal	07/01/98-06/30/02	1,992		116	116
Seed generation system in Central America	01/01/98-12/31/00	115			
Increasing the tolerance of maize in southern Africa to drought and low soil fertility	10/01/98-09/30/01	353		19	19
Swiss training course	01/01/97-12/31/98	20		20	20
Total		6,495	2,407	1,173	3,580

Cont'd.

Core Restricted and Core Special Projects Pledges and Expenses

Exhibit 2

Centro Internacional de Mejoramiento de Maíz y Trigo, A.C.

(continued)

Centro Internacional de Mejoramiento de Maíz y Trigo, International

For the Period January 1 to December 31, 1998 (US\$ 000s)

Donor and Program/Project	Grant Period (mo/day/yr)	Grant Pledged	Expenditures		
			Prior Years	Current Year	Total
Telmex					
Educational scientific project on genetic resources	01/01/98-12/31/98	77		78	78
Tropical Agriculture Research Center, Japan					
Wheat improvement through biotechnology	12/31/93-12/31/98	98	94	1	95
United Nations Development Programme					
Reducing maize losses to insect pests	01/01/93-12/31/98	5,389	4,207	1,182	5,389
United Nations Development Programme (Africa)					
Developing and disseminating stress tolerant maize for sustainable food security in West, Central, and East Africa	11/01/97-10/31/00	1,656	18	277	295
United Nations Development Programme (Seed)					
Developing and disseminating stress tolerant maize for sustainable food security in West, Central, and East Africa	11/01/97-10/31/00	460		163	163
United States Agency for International Development					
Whole Family Wheat Production Training Program	01/01/97-09/30/01	400	42	150	192
Rice-wheat program in Nepal	01/31/91-07/31/97	191	197		197
Country Almanac Series	10/31/97-09/30/99	175		168	168
Total		766	239	318	557
United States Department of Agriculture					
Regeneration of maize landrace collections in Central and South America	07/26/96-07/27/99	416	147	132	279
Fertilization, irrigation, and trace gas fluxes	07/01/94-06/30/97	171	171		171
Evaluation of wheat germplasm for resistance to Karnal bunt disease	06/09/97-08/31/99	46	18	16	34
Selection of plants for drought tolerance	05/10/97-05/10/00	44	15	8	23
Nitrogen management	07/01/95-06/30/97	20	20		20
Karnal bunt field evaluation	07/01/95-06/30/97	20	22		22
Control of downy mildew in maize in Egypt	05/15/97-05/15/01	94	15	14	29
Total		811	408	170	578
University of Oregon					
OSU winter wheat East European Regional Yield Trial	01/01/98-12/31/99	150		91	91
Wisconsin University					
	01/01/97-12/31/97	51	51		51
World Bank					
Improving the profitability, productivity, and sustainability of the wheat industry in Kazakstan	06/01/98-05/31/99	400		85	85
Total Core Restricted and Core Special Projects		68,244	32,984	14,828	47,812

NOTES: The columns "Grant Period" and "Grant Pledged" are for information only.

a Equivalent to A\$ 126,000
 b Equivalent to A\$ 122,700
 c Equivalent to A\$ 223,885
 d Equivalent to A\$ 900,000
 e Equivalent to A\$ 124,909
 f Equivalent to A\$ 75,000
 g Equivalent to A\$ 1,791,840
 h Equivalent to CAD\$ 4,600,000
 i Equivalent to CAD\$ 4,750,000

j Equivalent to CAD\$ 150,000
 k Equivalent to CAD\$ 8,273,915
 l Equivalent to ECU\$ 1'150,000, ETB 8'602,460
 m Equivalent to ECU\$ 1'950,000, ETB 14'586,780
 n Equivalent to ECU\$ 3'880,000, Zim \$ 35,660,188
 o Equivalent to FF\$ 1,750,000 plus remain 1996
 p Equivalent to DMS 1,024,671
 q Equivalent to DMS 900,000
 r Equivalent to DMS 885,431

s Equivalent to DMS 1,750,000
 t Equivalent to A\$ 142,870
 u Equivalent to A\$ 280,000
 v Equivalent to A\$ 50,000
 w Equivalent to A\$ 598,075
 x Equivalent to A\$ 267,000
 y Equivalent to DFL\$ 500,000
 N/A = not applicable.

Schedule of Fixed Assets

Exhibit 3

Centro Internacional de Mejoramiento de Maíz y Trigo, A.C.
 Centro Internacional de Mejoramiento de Maíz y Trigo, International
 For the year ended December 31, 1998 (US\$ 000s)

	Balance January 1	Acquisitions	1998 Transfers	Adjustment	Disposal	Balance December 31
I. Cost						
A. Land and Buildings						
Land	836	-	-		-	836
Buildings	13,179	156	-	(71)	-	13,264
Subtotal	14,015	156	-	(71)	-	14,100
B. Furnishings and Equipment						
Farming	4,972	28	80	(305)	(16)	4,759
Laboratory and Scientific	2,844	391	-	71	(1)	3,305
Office	1,169	34	-	(94)	(44)	1,065
Auxiliary Units	92	2	-	6	-	100
Computers	3,811	320	-	(581)	(35)	3,515
Vehicles	5,084	598	20	149	(384)	5,467
Taller	66	1	1	10	-	78
Other Assets	81	-	(81)	-	-	-
Fixed Assets in Transit	20	65	(20)	-	-	65
Subtotal	18,139	1,439	-	(744)	(480)	18,354
Total Cost	32,154	1,595	-	(815)	(480)	32,454
II. Accumulated Depreciation						
A. Buildings	6,583	330	-	(434)	-	6,479
B. Furnishings and Equipment						
Farming	3,473	184	-	(48)	(12)	3,597
Laboratory and Scientific	2,140	127	-	(144)	(1)	2,122
Office	807	47	-	(70)	(39)	745
Auxiliary Units	77	4	-	-	-	81
Computers	2,519	302	-	(537)	(26)	2,258
Vehicles	2,527	389	-	282	(293)	2,905
Taller	60	3	-	-	-	63
Other Assets	-	-	-	-	-	-
Total Accum. Depreciation	18,186	1,386	-	(951)	(371)	18,250
III. Net Book Value						
A. Land and Buildings	7,432	(174)	-	363	-	7,621
B. Furnishings and Equipment						
Farming	1,499	(156)	80	(257)	(4)	1,162
Laboratory and Scientific	704	264	-	215	0	1,183
Office	362	(13)	-	(24)	(5)	320
Auxiliary Units	15	(2)	-	6	-	19
Computers	1,292	18	-	(44)	(9)	1,257
Vehicles	2,557	209	20	(133)	(91)	2,562
Taller	6	(2)	1	10	-	15
Other Assets	81	-	(81)	-	-	-
Fixed Assets in Transit	20	65	(20)	-	-	65
Total Net Book Value	13,968	209	-	136	(109)	14,204

Schedule of Indirect Cost**Exhibit 4**

Centro Internacional de Mejoramiento de Maíz y Trigo, A.C.
 Centro Internacional de Mejoramiento de Maíz y Trigo, International
 For the year ended December 31, 1998 (US\$ 000s)

	Direct	Indirect		Direct plus Indirect
		US\$	As % of direct base	
Research Programs:				
Maize	9,275			9,275
Wheat	8,076			8,076
Economics	1,916			1,916
Natural Resources	1,520			1,520
Biotechnology	2,574			2,574
Total Research Programs	23,361			23,361
Research Support:				
Systems and Computing Services		270	1.12%	270
Biometrics		184	0.77%	184
Software Development		26	0.11%	26
Hardware Maintenance		6	0.02%	6
Soils and Plant Laboratory		110	0.46%	110
Seed Health Unit		118	0.49%	118
El Batán Station		317	1.32%	317
Bioinformatics	33			33
Priority Fund	207			207
Total Research Support	240	1,031	4.29%	1,271
Information Services:				
External Relations		246	1.02%	246
Donor Relations Office		57	0.24%	57
Publications		396	1.65%	396
Library		249	1.04%	249
Systemwide Information Network	436			436
Total Information Services	436	948	3.94%	1,384
Administration:				
Administration ⁽¹⁾		2,566	10.68%	2,566
Plant Operations ⁽²⁾		1,456	6.06%	1,456
Depreciation		1,386	5.77%	1,386
Total Administration		5,408	22.50%	5,408
Total	24,037	7,387	30.73%	31,424

⁽¹⁾ Board of Trustees, Director General's Office, Executive Office Research, Finance, Purchasing, Human Resources, and Visitor Services.

⁽²⁾ Building Maintenance and Services, Vehicle Maintenance, Stores, and Greenhouses.

