

AFRICAN UNION

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UNION AFRICAINE

UNIÃO AFRICANA

FINANCIAL REPORT AND FINANCIAL STATEMENTS

OF THE

AFRICAN UNION COMMISSION (AUC)

FOR THE YEAR ENDED 31ST DECEMBER 2015

LIST OF ABBREVIATIONS

ACALAN	Executive Secretariat of the African Academy of Languages, Bamako, Mali
ACSRT	African Centre for the Study and Research on Terrorism - ALGER, Algeria
AMISOM	African Mission in Somalia
Arab League Mission	African Union Permanent Delegation to the League of Arab States – Cairo, Egypt
AU	African Union
AUC	African Union Commission
AUCIL	African Union Commission on International Law
AUMSAR	African Union Mission to the Southern African Region – Lilongwe, Malawi
CELHTO	Centre d'Etudes Linguistiques et Historiques par Tradition Orale (French: Center for Linguistic & Historical Study of Oral Tradition; Niamey, Niger)
ECOSOCC	Economic, Social and Cultural Council
EU & THE ACP Mission	Permanent Observer Mission of the African Union to the EU & THE ACP – Brussels, Belgium
IBAR	The Inter-African Bureau for Animal Resources (IBAR) - Nairobi, Kenya
IAPSC	Inter-African Photo sanitary Council – Yaoundé, Cameroun
NEPAD	New Partnership for Africa's Development
PANVAC	Pan African Veterinary Centre, Debrezeit, Ethiopia
PAP	Pan African Parliament
SAFGRAD	Specialized Office for Promotion of Agricultural Research and Development in the Semi-arid Zones of Africa (SAFGRAD) located in Ouagadougou, Burkina Faso
STRC	Scientific, Technical & Research Commission - Abuja, Nigeria
UN GENEVA	African Union Mission to the United Nations – Geneva, Switzerland
UN NEW YORK	Permanent Observer Mission of the African Union to the United Nations - New York
USA Mission	African Union Representational Mission to the United States of America - Washir gton, DC, USA

Transmittal Statement

In accordance with the AU Financial Rules and Regulations (FRR), I am pleased to submit the Financial Statements of the African Union Commission for the year ended 31 December 2015. The Financial Statements, Accounting Policies and the notes to the Financial Statements have been prepared in compliance with the accrual basis International Public Sector Accounting Standards (IPSAS) and Financial Rules and Regulations of the African Union.

The Financial Statements have been audited by the African Union Board of External Auditors and whose opinion is included in the financial report.

Nkuma

**Dr. Nkosazana Dlamini Zuma
Chairperson of African Union
Commission**

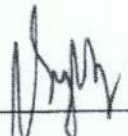
STATEMENT OF MANAGEMENT RESPONSIBILITY

Management is required to prepare financial statements for each financial year which present fairly the state of affairs of the Commission as at the end of the financial year and of the results of activities and cash flows of the Commission for that year. Management is also required to ensure that the Commission keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Commission.

The Commission's management is responsible for the preparation and fair presentation of these financial statements in accordance with the Financial Rules and Regulations and applicable International Public Sector Accounting Standards and for such controls that are determined necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Management accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with AU Financial Rules and Regulations and applicable Accrual basis International Public Sector Accounting Standards. Management is of the opinion that the financial statements present fairly the state of the financial affairs of the commission and cash flows. Management further accepts responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the management to indicate that the Commission will not remain a going concern for at least the next twelve months from the date of this statement



Director,
Programming, Budgeting, Finance & Accounting
African Union Commission



Deputy Chairperson of African Union
Commission

2 December 2016

Report of the Board of external auditors to the on African Union Commission

Report on the financial statements

Introduction

1. We have audited the financial statements of the African Union Commission (AUC) set out on pages 5 to 60, which comprise the statement of financial position as at 31 December 2015, the statement of financial performance, statement of changes in net assets/equity, and statement of cash flows and the statement of budget vs actual comparison for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

The accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (IPSAS) and the requirements of the African Union Financial Rules and Regulations (AUFRR), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Board of Auditor's responsibility

3. Our responsibility is to express an opinion on these financial statements based on my audit. We conducted my audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unqualified audit opinion.

Unqualified Opinion

6. In our opinion, the financial statements present fairly, in all material respects, the

financial position of the African Union Commission as at 31 December 2015 and its financial performance and cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards and the requirements of the Financial Rules and Regulations.

Emphasis of matter

7. We draw attention to the matter below. Our opinion is not modified in respect of this matter.
8. As disclosed in note 2.4 AUC has evoked the transitional provisions to IPSAS on the following:
 - The property, plant and equipment (IPSAS 17) for assets listed in the note 2.4. The implication is that, the Commission did not recognize assets in the balance sheet that are in the process of being valued by experts: New building in HQ donated by Germany, all of the assets in Algiers donated by the host country, Nigerian building donated by the host country and the DRC liaison office assets that are not consolidated. In addition, the land and building in Brussels have not been classified under their respective category of land and building. This practice complies to the requirements of IPSAS.

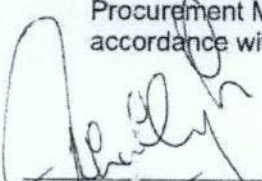
Other matters

Late submission of the Annual Financial Statements

9. The annual financial statements for the year ended 31 December 2015 were submitted on 18 April 2016 which is in contravention to the AUFRRs which stipulates that, the Accounting Officer shall prepare financial statements of the Union for each financial year and submit to the Board of the External Auditors by 31 March of the following year.

Procurement and contract management

10. Sufficient appropriate audit evidence was not provided that goods and services to the value \$287 989 were procured through the procurement and travel unit of the AUC and approved by the AUC tender board as stated in the African Union Commission Procurement Manual. The deviation from the AUC procurement manual was also not in accordance with Article 41 the AU Financial Rules and Regulations.

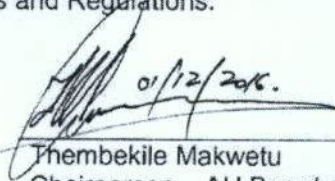

Jan van Schalkwyk
Lead Auditor

31 August 2016



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence


01/12/2016.
Thembekile Makwetu
Chairperson – AU Board of External
Auditors

Financial Statements and Explanatory Notes

AFRICAN UNION COMMISSION

Notes to the Financial Statements for the year ended 31 December 2015

1. AUTHORITY AND OBJECTIVES

Reporting Entity

The African Union Commission is the Secretariat of the Union entrusted with executive functions. It is composed of 10 elected Officials: A Chairperson, a Deputy Chairperson; Eight (8) Commissioners and Staff members. The structure represents the Union and protects its interest under the auspices of the Assembly of Heads of State and Government, the Executive Council as well as the Permanent Representative Committee.

Legal Basis and Scope of the Financial Statements

The Financial Statements of the African Union Commission have been prepared and submitted in line with the Financial Rules and Regulations of the African Union that were adopted by the Assembly of Heads of States of the African Union on 21-28 January 2014 in Addis Ababa, Ethiopia (EX.CL/802 (XXIV)i). These Financial Statements cover the accounts and transactions of the African Union Commission Headquarters in Addis Ababa, Ethiopia and those of the following Regional/Representational Offices that are under the control of the leadership of the African Union Commission:

- i. Permanent Observer Mission of the African Union to the United Nations - New York
- ii. African Union Mission to the Southern African Region – Lilongwe, Malawi
- iii. Permanent Observer Mission of the African Union to the EU & THE ACP – Brussels, Belgium
- iv. African Union Mission to the United Nations – Geneva, Switzerland
- v. African Union Permanent Delegation to the League of Arab States – Cairo, Egypt
- vi. Scientific, Technical & Research Commission - Abuja, Nigeria
- vii. CELHTO – Niamey, Niger
- viii. Fouta Djallon Project – Conakry, Guinea
- ix. Inter-African Phyto Sanitary Council – Yaoundé, Cameroun
- x. The Inter-African Bureau for Animal Resources (IBAR) - Nairobi, Kenya
- xi. African Union Representational Mission to the United States of America - Washington, DC, USA
- xii. SAFGRAD – Ouagadougou, Burkina Faso
- xiii. African Centre for the Study and Research on Terrorism (ACSRT)/ALGER, Algeria
- xiv. PANVAC-Debreziet, Ethiopia
- xv. Executive Secretariat of the African Academy of Languages (ACALAN), Bamako, Mali
- xvi. ECOSOCC, AUCIL and Peace and Security Council financial activities are handled by AUC and thus form part of the financial statement of AUC.

Non- Consolidation of Financial Statement of other Organs of AU

The accounts and financial transactions of the following other organs of the African Union are not incorporated into the financial statements of the African Union Commission:

- i. Pan African Parliament
- ii. African Commission for Human and Peoples Rights
- iii. African Court for Human and Peoples Rights
- iv. Advisory Board on Corruption
- v. NEPAD

However, funds transferred to the above organs are captured as expenses (subventions) in the Financial Statements of the Commission, accounted for in the Statement of Financial Performance. Those other Organs of the African Union are required to prepare and submit their Financial Statements separately and individually.

Development Partners

The African Union Commission has continued to fund much of its program budget through the support from development partners. The major contributing development partners to the African Union Commission are; European Commission, United Kingdom, Sweden, Norway, Germany, Denmark, Spain, China, Japan, United States of America, Italy, Finland, Turkey, South Korea, Netherlands, World Bank, African Development Bank, Africa Capacity Building Foundation, Ford Foundation, Bill and Melinda Gates Foundation, Etc.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

- 2.1 The financial statements of AU Commission have been prepared in accordance with Accrual basis of accounting with International Public Sector Accounting Standards (IPSAS) and the AU Financial Rules and Regulations. The financial statements have been prepared using the historical cost convention with the exception of property, plants and equipment, which are recorded at fair value where actual cost could not be obtained.

AUC has implemented IPSAS in 2014 and it has applied IPSAS 17 transitional period which allows entities up to five years to comply fully with IPSA, which gives AUC up to 2018 to fully comply with IPSAS

The financial statements have been prepared under the assumption that African Union Commission is a going concern, will continue in operation, and will meet its mandate for the foreseeable future (IPSAS 1-Presentation of Financial Statements). The overall accounting principles followed in preparing the financial statements still remain those rules that are laid down in the AU Financial Rules and Regulations.

2.2 In accordance with generally accepted accounting principles, the financial statements necessarily include amounts based on estimates and assumptions by management based on the most reliable information available. Significant estimates include, but are not limited to, amounts for provisions, financial risk on inventories and accounts receivables, accrued charges, contingent assets and liabilities, and degree of impairment of intangible assets and property, plant and equipment. Actual results could differ from those estimates. Changes in estimates are reflected in the period in which they become known.

2.3 Financial Statements

In accordance with IPSAS 1 and AU Financial Rules and Regulations Article 71, a complete set of Financial Statements have been prepared as follows;

- Statement of Financial Position;
- Statement of Financial Performance;
- Statement of Changes in Net Assets/Equity;
- Statement of Cash Flows;
- Statement of Comparison of Budget and Actual Expenditure; and
- Notes to the financial statement, a summary of significant accounting policies, and other explanatory notes supporting the financial statements.

2.4 Property, Plant and Equipment

Property, plant and equipment is measured initially at cost. Cost includes expenditure that is directly attributable to the acquisition of the items. The cost of an item of property plant and equipment is recognized only when it is probable that future economic benefit or service potential associated with the item will flow to the AUC, and if the item's cost or fair value can be measured reliably.

Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

Property, plant and equipment with a value greater than USD 3,000 are recognized as non-current assets in the Statement of Financial Position. Self-constructed asset is subject to a capitalization threshold of USD 30,000.

Subsequent to initial recognition, property, plant and equipment are stated at historical cost, less accumulated depreciation and any impairment losses. African Union Commission considers all assets of this type to be non-cash generating.

Depreciation is calculated on a straight-line basis over the asset's useful life except for land and asset under construction which is not subject to depreciation. Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful life using the straight line method, based on the following rates:

Asset Category	%	useful life Years
Land	-	infinity
Asset Under Construction	-	infinity
Buildings-Fixed	2.00%	50
Building-Temporary and Mobile	14.29%	7
Building-Commercial Finance Lease	2.00%	50
Building-Donated Rights to Use	2.00%	50
Infrastructure Assets	2.00%	50
Transportation Equipment	20.00%	5
Generator	20.00%	5
Medical Equipment	20.00%	5
IT Equipment	25.00%	4
Communications Equipment	14.29%	7
Audio Visual Equipment	14.29%	7
Security and Safety Equipment	14.29%	7
Software Acquired Externally	33.30%	3
Software internally developed	33.30%	3
Licenses and Rights	50.00%	2
Copyrights	33.30%	3
Furniture	10.00%	10
Fixture and Fittings	14.29%	7
Fixture and Fittings Short Lease	20.00%	5
Conference equipment	12.50%	8
Office equipment	25.00%	4
Printing and Publishing Equipment	5.00%	20
Light Wheeled Vehicles	16.67%	6
Heavy Wheeled Vehicles and Engineering Support Equipment	8.33%	12
Specialized Vehicles, Trailers and Attachments	8.33%	12
Heavy Engineering and Construction Equipment	8.33%	12
Light Engineering and Construction Equipment	20.00%	5
Water Treatment and Fuel Distribution Equipment	14.29%	7
Library Reference Materials	33.30%	3
Minor Construction Works	20.00%	5

Depreciation is treated as an expense; and it is charged against revenue in the statement of financial performance.

The component approach has not been applied as African Union could not determine the materiality of the constituent parts.

AUC fixed assets useful values and Residual values were reviewed in 2015 and residual value still considered to be zero.

Transitional Provision

The African Union Commission took advantage of the IPSAS 17 Property plant and equipment transitional provisions in paragraphs 95 and 96 that allow entities 5 years of transitional period to be fully compliant with the standard following the date of first adoption of IPSAS.

AU adopted IPSAS in 2014 and hence will benefit from this measure till 2018.

In accordance with the transitional provision, the Commission did not recognize assets in the balance sheet that are in the process of being valued by experts: New building in HQ donated by Germany, all of the assets in Algiers donated by the host country, and the DRC liaison office assets that are not consolidated. In addition, the land and building in Brussels have not been classified under their respective category of land and building.

2.5 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.

Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

The amortization expense on intangible assets with finite lives is recognized in surplus or deficit as the expense category that is consistent with the function of the intangible assets

2.6 Cash and Cash equivalents

Cash and cash equivalents are financial instruments and defined as current assets. They include cash at hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined in financial rules and Regulations." It includes cheques, irrevocable letters of credit and

other similar financial instruments that are short term, highly liquid, readily convertible to known amounts of cash and subject to insignificant risk of changes in value. "

2.7 Inventories

African Union Commission recognizes Stationery and office supplies, Medicines products and supplies, military products and supplies, Information Technology Materials and accessories, maintenance materials and Printing plants materials as part of its inventories. Inventories are initially taken in at cost unless acquired through a non-exchange transaction where the value of inventory is determined by reference to the donated goods fair value at the date acquisition. Inventories at the end of the financial year are valued using a weighted average method.

After initial recognition, inventories held for distribution or deployment at no charge or for a nominal charge is measured at cost, adjusted when applicable for any loss of service potential.

2.8 Payables

A significant amount of the payables of the African Union Commission are not related to the purchase of goods or services – instead they are unpaid cost claims from troops contributing countries for peace support operations. They are recorded as payables for the amount when a formal and verified request has been received. Upon verification and acceptance of the eligible costs, the payables are valued at the accepted and eligible amount.

Payables arising from the purchase of goods and services are recognized when goods are received and a goods received notes (GRN) is issued at reception for the original amount and corresponding expenses are entered in the accounts when the supplies or services are delivered and accepted by the African Union Commission in accordance with the delivery principles.

2.9 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits or service potential will flow to AUC and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

The sources of revenue for the Union are;

1. Assessed Contributions
2. Voluntary Contributions, gifts and Donations
3. Revenue Generating Activities
4. Miscellaneous Revenue.

Revenue comprises gross inflows of economic benefits or service potential received and receivable by the Organization during the year, which represents an increase in net assets. Following the decision to adopt IPSAS, the Commission with effect from 2012 financial year opted to recognize revenue following the established criteria by IPSAS 9, "Revenue from Exchange Transactions," and IPSAS 23, "Revenue from Non-Exchange Transactions."

Exchange transactions are transactions in which the AUC receives assets or services, or has liabilities extinguished, and directly gives approximately equal value primarily in the form of cash, goods, services, or use of assets to another entity in exchange (IPSAS 9).

In a non-exchange transaction, the AUC either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange (IPSAS 23).

Revenue from non-exchange transactions

Assessed Contributions

In accordance with IPSAS requirements reflecting the nature of AUC's business, revenue from assessed contributions of member states is recognized as non-exchange transactions as per IPSAS 23 (Revenue from Non-Exchange Transactions). Revenue from Assessed Contributions (non-exchange transactions) is recognized at the beginning of the financial year when the Member States' assessed contribution commitment to the Organization is incurred.

Voluntary Contributions

Revenue from voluntary contributions is recognized upon the signing of a binding agreement between the Commission and the third-party providing the contribution. Voluntary contributions without restrictions are treated as non-exchange transactions. Voluntary contributions that include conditions on their use, such that the funds must be returned to the donor (Partner Funds) if such conditions are not met, are initially treated as deferred revenue and then recognized as revenue when the conditions are satisfied. African Union Commission considers that while there are restrictions on the use of contributions, these restrictions do not constitute conditions on transferred assets as defined under IPSAS 23.

Contribution in-kind and in Service

Contributions in-kind and in-service received by AUC are recorded upon receipt from the contributor at an amount equal to their fair market value as determined at the time of acquisition. Donated property, plant and equipment are recognized as an asset with a corresponding entry to revenue. Other in-kind or in-service contributions are recognized as revenue with a corresponding entry to expense.

Miscellaneous Revenue

- Interest income is recognized as it accrues (taking into account the effective yield of the assets) unless the collectability is in doubt.
- Revenue from the use of AU facilities is recognized as revenue when earned

2.10 Expenses

Expenses are decreases in economic benefits or service potential during the financial year in the form of outflows, consumption of assets, or incurrences of liabilities that results in decreases in net assets/equity.

The AUC recognizes expenses at the point where goods have been received or services have been rendered (delivery principle) and not when cash or its equivalent is paid.

2.11 Fund Accounting

A fund is a self-balancing accounting system established to account for the transactions of a specified purpose or objective. Funds are segregated for the purpose of conducting specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The financial statements have adopted the principle of fund accounting for designated funds, showing at the end of the period the consolidated position of all funds. Fund balances represent the accumulated residual of revenue and expenses.

The Fund comprises, General Fund, Reserve Fund, Working Capital Fund and Special Funds.

2.12 Provisions and contingent liabilities

Provisions are recognized for future liabilities and charges where AUC has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

A contingent liability is disclosed unless the possibility that it will be realized is remote. If it becomes probable that a contingent liability will be realized, a provision is recognized in the year in which the change of probability occurs.

2.13 Employee Benefits

Salaries, wages and leave – Short Term

Liabilities for wages and salaries (including non-monetary benefits), accumulated annual leave are recognized in surplus or deficit during the period in which the employee rendered the related services, and are generally expected to be settled within 12 months of the reporting date. The liabilities for these short-term benefits are measured at the amounts expected to be paid when the liabilities are settled.

Post-employment

AUC recognizes post –employment benefits for long-term staff through a defined contribution plan with American Life Insurance Company (ALICO). For short-term staff contribution towards their pension at the official rate is paid as part of their monthly salaries. The short –term employee benefits is recognized by way of provision for known obligations toward staff and this is revised annually for possible increase or decreases.

2.14 Budget versus Actual Comparison

AUC's budget and accounting bases differ. Budgets are prepared and approved on cash basis rather than the full accrual basis of IPSAS.

In accordance with the requirement of IPSAS 24, the actual amounts presented on a comparable basis, is reconciled to the actual amount presented in the statement of Financial Performance identifying separately any basis, timing, presentation and entity differences.

2.15 Related Parties

The key management personnel are the following 10 elected Officials:

-Chairperson

-Deputy Chairperson and

-Eight (8) Commissioners. The eight commissioners represent eight portfolios comprising, Peace and Security, Political affairs, Infrastructure and Energy, Rural Economy and Agriculture, Trade and Industry, Social Affairs, Economic Affairs and Human Resources, science and technology.

2.16 Impairment of Non-Financial Assets

The AUC assets are considered to be non-cash generating assets

For non-financial non-cash-generating assets, the AUC assesses at each reporting date whether there is an indication that a non-cash-generating asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, an estimates the asset's recoverable service amount. An asset's recoverable service amount is the higher of the non-cash-generating asset's fair value less costs to sell and its value in use. Impairment losses are recognized immediately in surplus or deficit.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable service amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in surplus or deficit.

2.17 Financial Instruments and Risk Management

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value in the case of financial assets not recorded at fair value through surplus or deficit, transaction costs that are attributable to the acquisition of the financial asset.

The AUC financial assets consist of short term receivables, short term investments, cash and cash equivalents.

Subsequent measurement

Receivables

After initial measurement, such financial assets are subsequently measured at cost less impairment.

The losses arising from impairment are recognized in the statement of financial performance

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of payables and loans and borrowings, net of directly attributable transaction costs.

The AUC financial liabilities consist of short term payables and deferred partners' fund.

All payables are unsecured and are usually paid within the specified contract period. Due to their short-term nature they are not discounted.

2.18 Foreign Currency Translation

Transactions in foreign currencies are accounted for at the ruling rate of exchange on the date of the transaction.

Balances denominated in foreign currency are reported at the statement of financial position reporting date by applying the UN exchange rate of that month. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

2.19 Statement of Cash Flow

The statement of cash flow is prepared using the indirect method in accordance with options allowed under IPSAS 2.

2.20 Segment Reporting

As required under IPSAS 18, African Union Commission reports on segments based on its regional representational Offices. Subventions and revenue generated at the regional office level, assets and liabilities are reported for each regional office.

3. Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Significant estimates and assumptions that may result in material adjustments in future years include: determination of useful lives and the depreciation/amortization method for property, plant and equipment/intangible assets; impairment on assets; and contingent assets and liabilities.

BOARD OF EXTERNAL AUDITORS

Members Board of External Auditors

1. South Africa (Chair)
2. Uganda
3. Algeria
4. Cape Verde
5. Equatorial Guinea

**AFRICAN UNION COMMISSION
STATEMENT OF FINANCIAL POSITION**

AS AT 31 DECEMBER 2015

Currency - In thousands of US Dollar - US\$'000

ASSETS	Notes	2015	2014
NON-CURRENT ASSETS			
Property, Plant and Equipment	3	413,270	417,226
Intangible Assets	3.1	128	494
Asset Under Construction	3.2	21	156
Long Term Receivables	12	<u>3,011</u>	<u>3,620</u>
		<u>416,430</u>	<u>421,496</u>
CURRENT ASSETS			
Cash and Bank	4	261,457	268,332
Short Term Investments	5	186	7,179
Receivables from Partner Funds	7	74,561	87,935
Receivables from Observer Missions and RECs	8	8,064	17,018
Receivable from AU Organs- Programme	9	875	305
Member States Assessed Contributions	6	66,042	67,213
Advance Payments to Suppliers	10	3,807	8,138
Other Prepayments	11	985	638
Short Term Receivables	12	12,984	9,587
Inventories	13	<u>1,059</u>	<u>1,107</u>
		<u>430,020</u>	<u>467,452</u>
TOTAL ASSETS		<u>846,450</u>	<u>888,948</u>
CURRENT LIABILITIES			
Members States Contributions Received in Advance		3,509	10,816
Partner Funds -Deferred Revenue	20	167,327	195,886
Accounts Payables	14	150,947	129,566
Accruals	19	64,075	77,005
Provisions		<u>15,225</u>	<u>6,015</u>
Total Liabilities		<u>401,083</u>	<u>419,288</u>
NET ASSETS		<u>445,367</u>	<u>469,660</u>
REPRESENTED BY			
Working Capital Fund	15	-	5,000
Reserve Fund	16	311,180	330,334
Special Funds	17	<u>134,187</u>	<u>134,326</u>
FUND BALANCES		<u>445,367</u>	<u>469,660</u>

AFRICAN UNION COMMISSION
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 DECEMBER 2015

Currency - In thousands of US Dollar - US\$'000

	Notes	2015	2014
REVENUE			
Member States' Assessed Contributions	18	131,471	126,051
Net Contribution		131,471	126,051
Partner Funds-Realized		439,340	496,323
Voluntary Contributions-in Kind/Service	30	1,797	368,656
Other Revenue	21	<u>1,249</u>	<u>713</u>
TOTAL REVENUE		573,857	991,743
EXPENSES			
Staff Costs	22	120,952	92,699
Subventions to AU Organs	27	29,869	31,434
Expert Fees		9,299	7,691
Foreign Exchange (Gains)/Loss	29	18,804	20,156
Official Missions		49,884	36,487
Subventions/Grants	28	10,035	9,260
Grants and Donations		649	2,668
Accrued Employee Benefits		9,570	14,540
Provision Bad Debts		2,041	4,745
Depreciation		4,615	5,064
Other Operating Expenses	23	19,598	21,785
Peace Support Operations	24	312,604	411,557
Low Value Asset/Capital Expenditure		3,501	5,454
Financial Charges		370	358
Office supplies and Services		3,984	6,395
Project Costs		<u>1,207</u>	<u>11,038</u>
TOTAL EXPENSES		596,982	681,331
(DEFICIT) / SURPLUS FOR THE YEAR		(23,125)	310,412

AFRICAN UNION COMMISSION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015

Currency - In thousands of US Dollar - US\$'000

	2015	2014
(DEFICIT) / SURPLUS FOR THE YEAR	(23,125)	310,412
OPERATING ACTIVITIES		
Adjustments for Non Cash Movements		
Depreciation	5,340	5,064
Unrealized loss/gain on foreign exchange	(18,694)	10,179
Increase/(Decrease) in Provision for doubtful contribution	2,041	4,745
Accrued Employee Benefit	9,570	-
Donation in Kind	(1,797)	-
Adjustments on Property Plant and Equipment	7,761	-
Decrease/(Increase) in Non Current Car Loan	609	-
Decrease/(Increase) in Outstanding Member States Contributions	1,171	(19,433)
Decrease/(Increase) in Receivables from Partner Funds	13,374	(45,352)
Decrease/(Increase) in Receivables from Observer Missions	8,954	(2,734)
Decrease/(Increase) in Receivables from AU Organs	(570)	(58)
Decrease/(Increase) in Advance Payments to Suppliers	4,331	(689)
Decrease/(Increase) in Other Prepayments	(347)	91
Decrease/(Increase) in Other Short Term Receivables	(3,397)	2,636
Decrease/(Increase) in Inventories	48	252
Increase/(Decrease) in Members States Contributions Received in Advance	(7,307)	9,821
Increase/(Decrease) in Partners Funds	(28,559)	72,140
Increase/(Decrease) in Accounts Payables	21,381	66,623
Increase/(Decrease) in Accruals and provisions	(3,720)	72,318
Increase (decrease) in General Fund	8,880	(29,876)
Increase (decrease) in Reserve Fund	(1,291)	22,486
Net Cash Flows from Operating Activities	(5,347)	478,625

CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Plant, Property and Equipment	(3,382)	(382,251)
Net Cash Flows from Investing Activities	(3,382)	(382,251)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in Special Funds	(139)	9,345
Increase (decrease) in working capital fund	(5,000)	-
Net Cash Flows from Financing Activities	(5,139)	9,345
Net Increase /(Decrease) in Cash and Cash Equivalents	(13,868)	105,719
Cash and Cash Equivalents at 1 st January 2015	275,511	169,792
Cash and Cash Equivalents at 31 st December 2015	261,643	275,511

AFRICAN UNION COMMISSION**STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015***Currency - In thousands of US Dollar - US\$'000*

	Reserve Fund	General Fund	Total Net Assets/Equit y
Balance at January 1, 2015 brought forward	335,596	-	335,596
Prior Year Errors for PPE	(5,776)		(5,776)
Restated Opening Balance	329,820	-	329,820
Change in Net Assets/Equity for 2015			
Movement for current year	4,485	-	4,485
Surplus/(Deficit) for the year		(23,125)	(23,125)
Net Surplus/(Deficit) for the year	4,485	(23,125)	(18,640)
Total	334,305	(23,125)	311,180
Appropriation for the Year	(23,125)	23,125	-
Balance at December 31, 2015 carried forward	311,180	-	311,180

**AFRICAN UNION COMMISSION
STATEMENT OF BUDGET VS ACTUAL COMPARISON**

Currency - In thousands of US Dollar US\$'000

	Budget	Expenditure	Execution
Pillar 1 - Peace and Security	43,564	32,836	75%
Pillar 2 - Dev., Coop, Regional Integration	35,076	13,226	38%
Pillar 3 - Shared Values	12,526	5,735	46%
Pillar 4 - Institution and Capac. Building	40,986	13,226	32%
Pillar 5 - Others	92,172	45,737	50%
Peace Support Operations	371,922	290,012	78%
Operation Budget-AUC	80,229	55,738	69%
TOTAL	676,475	456,510	67%

Reconciliation of difference with expense in statement of financial performance:

Provision for Employee Benefits	9,569
Exchange Loss	18,501
Depreciation	4,706
Low Value Assets	4,847
Provision for Bad Debts	2,041
Project Costs	1,206
Entity Differences	
Expenses under Special Funds	10,035
Regional Offices-Expenses	37,130
Liaison Offices-Expenses	22,568
Transfer to Organs	<u>29,869</u>
Sub-Total	140,472
Balance from above figure	456,510
Total Expense as per statement of Financial Performance	596,982

3. Property, Plant and Equipment

Currency - In thousands of US Dollar - US\$'000

	ASSET UNDER CONSTRUCTION	LAND	BUILDING	MOTOR VEHICLES	COMP. & ACCESSORIES	FURNITURES & FIXTURES	OFFICE EQUIPMENT	GENERATORS / OTHERS	TOTAL
COST									
Gross carrying amount at 1 January 2015	156	284,030	139,720	7,885	6,306	1,523	5,936	2,896	448,452
Prior Year Errors		(2,000)	(25,608)	121	(613)	(295)	(456)	17,963	(10,888)
prior year classification errors			(265)	(414)	(542)	(158)	(296)	(773)	(2,448)
Restated Opening Balance	156	282,030	113,847	7,592	5,151	1,070	5,184	20,086	435,116
Additions	21	1,797	161	658	301	5	386	53	3,382
Other changes	(156)								(156)
Gross carrying amount at 31 December 2015	21	283,827	114,008	8,250	5,452	1,075	5,570	20,139	438,342
ACCUMULATED DEPRECIATION									
Accumulated depreciation at 1 January 2015	-	-	11,554	5,242	3,419	571	2,804	1,926	25,516
Prior Year errors			(2,778)	(262)	(789)	(300)	(534)	(993)	(5,656)
Restated Opening Balance	-	-	8,776	4,980	2,630	271	2,270	933	19,860
Depreciation charge for the year	-	-	2,207	605	743	95	868	673	5,191
Gross carrying amount at 31 December 2015	-	-	10,983	5,585	3,373	366	3,138	1,606	25,051
Net Book Value at 31 December 2015	21	283,827	103,025	2,665	2,079	709	2,432	18,533	413,291
Net Book Value at 31 December 2014	156	284,030	122,271	2,530	2,964	805	2,703	1,923	417,382

Net Book Value as at 31 December 2015 (Based on Location of Assets)	
AUC Headquarters - Addis Ababa, Ethiopia	379,691
Bamako, Mali	97
Brussels, Belgium	4,195
Cairo, Egypt	48
Conakry, Guinea	21
Geneva, Switzerland	1,021
Lagos, Nigeria	26
Lilongwe, Malawi	4
Nairobi, Kenya	2,070
New York, USA	9,651
Niamey, Niger	89
Ouagadougou, Burkina Faso	16
PANVAC	967
Washington, DC, USA	13,420
Yaoundé, Cameroun	20
Burundi AULO	70
Bangui- MISAC	629
Abidjan -AULO	131
CHAD-AULO	107
Comoros-AULO	35
Juba - AULO	70
AMISOM -Mogadishu	383
Madagascar - AULO	72
Libya -AULO	59
Sudan-AULO	80
Liberia -AULO	33
Guinea Bissau-AULO	41
Bamako-AFISMA	245
TOTAL	413,291

In accordance with the transitional provision, the Commission did not recognize assets in the balance sheet that are in the process of being verified and valued by the experts to determine adequate recognition and measurement: New building in HQ donated by Germany, Assets in Algiers donated by the host country, buildings in Lagos, and DRC Liaison office assets and Buildings. In addition, the land and building in Brussels have not been classified under their respective category of land and building.

AU-IBAR: - Property Plant and Equipment

In 2015, the assets for AU-IBAR office were reevaluated based on the report of the consultants IMPAX.

The government of Kenya donated land to AU-BAR for a lease period of 99 years in accordance with the prevailing host government regulation.

3.1 Intangible Assets

These represents the costs of applications software's acquired externally and recognized at their initial costs.

INTANGIBLE ASSETS	
Opening balance 01.01.2015	2,541
Prior year errors	(664)
Restated opening balance	1,877
Additions	30
Gross carrying Cost 31.12.2015	1,907
Accumlated Depr 01.01.2015	2,048
Prior Year errors	(320)
Restated opening balance	1,728
depreciation for 2015	51
Accumlated Depreciation 31.12.2015	1,779
Net book value 31.12.2015	128

3.2 Assets under Construction

In 2014, the financial statements included assets under construction for the expansion of the Medical Centre amounting to USD 105,863 and the renovation of building C at the cost of USD 50,000. These items have been capitalized and incorporated in the building costs as at 31 December 2015. There is 21,000 asset under construction in current year related to Welfare Building in AMISOM

4 Cash and Bank

	2015 US \$'000 Actual	2014 US\$'000 Actual
Cash on hand	406	254
Cash at bank	<u>261,051</u>	<u>268,078</u>
	<u>261,457</u>	<u>268,332</u>

Details of Cash at bank, Cash and short term Investment.

Reserve Fund	18,090	13,347
Special Fund	92,641	47,317
Peace Fund	<u>150,726</u>	<u>214,847</u>
	<u>261,457</u>	<u>275,511</u>

5 Short Term Investments

These represent balances on short-term money market deposits invested with JP Morgan Chase Bank in New York and ING Bank in Brussels, Belgium. The deposits earn varying interest rates and have maturity dates of less than a year. As at 31 December 2015 the Investments stood as follows:

	2015 US\$'000 Actual	2014 US\$'000 Actual
Special and Peace Fund	7	7
Money Market Deposits	179	179
Money Market Deposits	=	6,993
Total Short Term Investments	<u>186</u>	<u>7,179</u>

6 Outstanding Member States Contributions

Outstanding Member States Contributions do not carry any interest and are stated at their nominal value as reduced by appropriate provisions for doubtful amounts.

	2015 US\$'000 Actual	2014 US\$'000 Actual
Current year outstanding contributions	41,442	47,500
Arrears of contributions	25,219	22,823
Provision for doubtful contributions	(619)	(3,110)
	66,042	67,213

Aged Analysis of Outstanding Member States Contributions Currency - In thousands of US Dollar - US\$'000

	Below 2 yrs	2-3 yrs	3-4 yrs	4-5 yrs	5& above	Total
Member States Contributions	65,516	367	366	268	143	66,661
Rate of Provisions (%)	0%	25%	50%	75%	100%	
Provision for doubtful contributions	-	92	183	201	143	619

7 Receivables from Partner Funds

These represent amount spent by the Commission before receiving funds from partners/donors, (pre-finance arrangement as per the agreements) for which the amounts are expected to be received from the respective partners/donors(Appendix C)

	2015	2014
Gross Balance	78,978	87,935
Impairment provision	(4,764)	---
	<u>74,214</u>	<u>87,935</u>

8 Receivables from Observer Missions and RECs

Funds transferred to AU Observer Missions and RECs are recorded as advances, which are cleared when financial returns are received from the respective Observer Missions and RECs.

	2015 US\$'000	2014 US\$'000
Outstanding Transfers to Observer Missions		
Dakar REP Office	208	208
Haiti	2	2
DPAIT/Sudan	19	19
Darfur/Sudan	1,526	1,526
Provision for Bad debt (Darfur/Sudan)	(1,526)	(1,526)
Total Receivables Observer	229	229
Outstanding Transfers to RECs		
IGAD (I & II)	194	194
COMESA (I & II)	20	20
EAC (I & II)	76	76
ECOWAS (I & II)	627	627
SADC (I & II)	115	115
Partners	602	12,322
Regional Offices	358	288
RECs APSA	5,843	-
Total Receivables RECs	7,835	13,642
Program Receivables	=	3,147
Total Receivables Observer Missions and RECs	8,064	17,018

9 Receivables from AU Organs- Programme

This represents advances sent to AU organs following funds received from donors to finance Programmes for which the expenses have not been booked yet.

	2015 US\$'000 Actual	2014 US\$'000 Actual
Inter AU Organ - African Monetary Fund	31	31
Inter AU Organ-Pan African Parliament	33	(3)
Inter AU Organ-African Court on Human & People's Rights	13	(69)
Inter AU Organ- African Commission on H	(180)	-
Inter AU Organ - ABC	(3)	(3)
Inter AU Organ -Malabo AOSTI Regional Office	951	451
Inter Office-AFREC	31	(92)
Inter Office - NEPAD Regional Office	(1)	(10)
	875	305

10 Advance Payments to Suppliers

These represent advances made (recoverable) to suppliers for goods and services, for which the Commission had not received the goods and services as at 31 December 2015.

	2015	2014
Gross Balance	3,807	8,138

11 Other Frepayments

These are made up as follows

	2015	2014
	US\$'000	US\$'000
	Actual	Actual
Rent	-	24
Education	130	410
Insurance	855	204
	<u>985</u>	<u>638</u>

12 Short Term Receivables

	2015	2014
	US\$'000	US\$'000
	Actual	Actual
Receivables from African Union Staff		
Car Loan	2,893	2,165
Travel and Imprest advances	3,280	2,959
Salary and Housing allowance advances	1,240	1,336
Total AU Staff Receivables	7,413	6,460
Sundry receivables	4,420	4,362
Receivables from Member States	1,795	(601)
Receivables from Non-Member States	6,289	6,532
Provision for bad debt - other	(6,933)	(7,166)
Total Sundry and Member States	5,571	3,127
	12,984	9,587

The non current portion of car loan balance \$ 3,011 (2014: \$ 3 620) is reported as non current asset

13 Inventories

Inventories consist of consumable stores, computer accessories, pharmaceutical and other medical supplies as physically counted and valued at 31 December 2015. The inventories were valued using the weighted average method. Inventories amounting to USD 2,164,517 have been recognized as expense in the statement of financial performance during the financial year 2015.

	2015	2014
	US\$'000	US\$'000
	Actual	Actual
Stationery and Office Supplies	517	473
Uniforms & Household Materials	2	2
Fleet Maintenance & Parts	12	13
Refreshments & Beverages	22	17
Maintenance Materials	23	24
Printing Plant Materials	167	195
Information Technology Materials & Accessories	76	81
Medical Product & Supplies	53	109
Military Product & Supplies	197	208
Others	(10)	(15)
	1,059	1,107

14 Accounts Payables from exchange transaction

	2015	2014
	US\$'000	US\$'000
	Actual	Actual
Troop Contributing Countries	3,600	960
Suppliers	137,390	111,483
Credit Union and Staff Association	3,103	2,691
Staff payables	3,691	4,050
Payable to RECs	646	7,375
Sundry and other payables	2,517	3,007
	<u>150,947</u>	<u>129,566</u>

15 Working Capital Fund

This has been established as per article 24 of the AU Financial Rules and Regulations. A Working Capital fund is established out of the reserve fund of the Union to provide advances necessary to meet commitment pending receipt of contributions due from Member States and to provide advances necessary to meet commitment and unforeseen or extraordinary Expenses arising from implementation of resolution and decisions adopted by the Executive Council or the Assembly.

16 Reserve Fund

This has been established as per Article 25 of the AU Financial Rules and Regulations, where any unutilized funds or surplus shall be recorded. It shall be utilized in accordance with a decision of the PRC for urgent or unforeseen Expenses. The minimum balance in the Reserve Fund shall be at least three months' operating budget requirement of the Union.

Where the Reserve Fund is more than three months' operating budget requirement, any supplementary budget that has been approved by the Assembly shall first draw its funds from the Reserve Fund up to the extent that the balance is not less than the threshold stated in above. When the funds in the Reserve Fund float exceed three months' operating budget requirement, any excess funds shall be invested according to Article 49-53 of the Rules and Regulations.

As of 2014, it has the carried forward capital reserve fund plus additional recognized donations in kind.

17 Special Funds

This has been established as per Article 26 of the AU Financial Rules and Regulations for specific purposes so as to further the objectives of the Union. These represent funds operated by African Union for special purposes. The amounts are appropriated from the Budget every year to be used for special purposes. Accumulated balances thereof are carried forward to be used in the next periods.

	2015 US\$'000	2014 US\$'000
Projects and Programs (Regional Offices)	313	283
Special Refugee Contribution Fund	5,679	4,613
Special Emergency Fund for Drought	10,956	9,956
Acquisition of AU Properties	82,615	85,602
Member States -High Level Panel & Minis	824	824
Work on Union Government Proposal	55	55
General Peace Fund (SF005)	7,707	6,872
Solidarity fund (SF007)	3,206	3,268
Acquisition of Washington Office Premises	91	91
Horn of Africa Famine Relief	2,730	2,730
African Women Fund	1,572	1,593
Maintenance Fund	3,230	3,230
AFISMA Trust Fund	15,000	15,000
High Level Panel on Alternative Sources of Financing	209	209
	134,187	134,326

18 Member States' Contributions (Annex H)

	2015	2014
The assessed contributions for the year	<u>131,471</u>	<u>126,051</u>

The Contributions received during the year 31 December 2015 is made up as follows:

	2015 US\$'000 Actual	2014 US\$'000 Actual
Payments for current year assessments/advance	82,767	72,696
Contribution Received in Advance (Bulk from Angola)	-	10,816
Payments of Arrears	51,104	25,168
	133,871	108,680

19 Accruals

The Balance at the end of the year comprises the following:

	2015	2014
Peace Support Operations	32,246	58,974
Employee Benefits	24,057	14,883
<u>Others /Regional Offices</u>	<u>7,772</u>	<u>3,148</u>
	<u>64,075</u>	<u>77,005</u>

20 Deferred Revenue

Deferred revenue derives from legally binding agreements with partners, where partners provide funding to support Programmes. The funds are conditional, and will be returned to the partners in case of inability to perform the services in accordance with the agreement. Such revenue are treated as deferred revenue and then recognized in the Statement of Financial Performance based on the amount of Programmes implemented during the financial Year. The balance for all partner's payables is listed under (Appendix D).

Development Partners

The African Union Commission has continued to fund much of its program budget through the support from our development partners. The major contributing development partners to the African Union Commission includes the following; European Commission, United Kingdom, Sweden, Norway Germany, Denmark, Spain, China, Japan, United States of America, Italy, Finland, Turkey, South Korea, Netherlands, World Bank, African Development Bank, Africa Capacity Building Foundation, Ford Foundation, Bill and Melinda Gates Foundation, etc.

21 Other Revenue

	2015 US\$'000 Actual	2014 US\$'000 Actual
AU Clinic	36	84
Rental Income	202	230
Interest on bank accounts	19	7
Other Income	685	365
Disposal of obsolete Assets	—	6
Interest on Short-term Investments	307	7
	<u>1,249</u>	<u>700</u>

22 Staff Costs

	2015	2014
	US\$'000	US\$'000
	Actual	Actual
Salary and Allowances	111,185	86,062
Staff Common Costs	7,751	4,673
Recruitment/Separation Costs	2,016	1,964
	<u>120,952</u>	<u>92,699</u>

23 Other Operating Costs

	2015	2014
	US\$'000	US\$'000
	Actual	Actual
Rent	8,471	6,273
Communications	1,239	2,376
Repair and Maintenance	859	1,354
Utilities	554	550
Hospitality	181	112
Printing and Binding	242	274
Publication and Periodicals	694	158
Insurance	1,056	1,278
Publicity	242	416
Fuel and Lubricants	623	4,872
Others	998	996
Training	4,431	3,129
Inventory Adjustments	8	(3)
	<u>19,598</u>	<u>21,785</u>

24 Peace Support Operations

	2015		2014	
	US\$'000		US\$'000	
	Actual	Actual	Actual	Actual
Salaries and Allowances	23,700		35,555	
Peace Keepers Allowances	262,205		319,720	
Rations	-		33,863	
Death & Disability Grants	19,205		13,749	
Owned Equipment Fees	15		3,492	
Capital Expenditure/Depreciation	986		2621	
Official Missions	1,923		1,098	
Expert fees	120		53	
Rent	501		411	
Repair and Maintenance	58		35	
Communications	171		153	
Electricity and Water	38		39	
Stationary Supplies and Services	3,313		407	
Bank Charges	18		28	
Loss on Exchange Rate Fluctuation	(168)		(139)	
Hospitality	38		7	
Printing and Binding	7		7	
Publication and Periodicals	392		385	
Insurance	13		20	
Fuel and Lubricants	69		53	
	312,604		411,557	

25 AUC Programs and Projects

	2015			2015
	US\$'000	US\$'000	US\$'000	US\$'000
	MS Actual	PF Actual	RO Actual	Total
Pillar 1 - Peace and Security	1,162	4,555	-	5,717
Pillar 2 - Dev., Regional Integration	1,235	11,991	17,333	30,559
Pillar 3 - Shared Values	138	5,597	-	5,735
Pillar 4 - Institution and Capac. Building	1,863	16,277	-	18,140
Pillar 5 - Others	100	46,281	-	46,381
	4,498	84,701	17,333	106,532

26 Acquisition of AU property

This represents 20% of the arrears of contributions up to 2011. The amount is provided for acquiring African Union assets for the coming years. It was decided that effective 2012 onwards an appropriation of 20% to be made on Surplus for the year for acquisition of Assets.

27 Subventions to AU Organs

These represent funding provided to other African Union Organs. These were provided during the year as follows:

	2015	2014
	US\$'000	US\$'000
	Actual	Actual
Pan African Parliament (PAP)	9,290	11,308
African Court for Human & Peoples Rights	3,424	4,076
African Commission for Human and Peoples Rights	7,842	7,338
ECOSOCC	622	760
Advisory Board of Corruption	634	853
NEPAD	6,478	6,169
AFREC	675	-
Peace and security Council	382	498
African Union Commission on Int. Law (AUCIL)	336	432
African Charter on the Rights and Welfare of the Child	186	--
	<u>29,869</u>	<u>31,434</u>

28 Other Subventions/Grants

	2015	2014
	US\$'000	US\$'000
	Actual	Actual
Refugees and IDPs	1,850	1,640
Special Emergency Fund	1,000	1,000
Peace Fund	6,473	5,741
Special Subvention and Grant	250	469
African Women Fund	<u>462</u>	<u>410</u>
	<u>10,035</u>	<u>9,260</u>

29 Foreign Exchange (Gains)/Loss

This arises from the everyday activities and related transactions made in currencies other than the USD, as well as the year-end revaluation required to prepare the accounts. They contain both realized and unrealized gains and losses.

	2015	2014
	US\$'000	US\$'000
	Actual	Actual
Gain/Loss from Exchange Rate Fluctuation	(24,691)	(2,973)
Less loss(gain) from foreign account revaluation	<u>43,495</u>	<u>23,129</u>
	<u>18,804</u>	<u>20,156</u>

30 Contribution in-Kind/Service

This arose from the voluntary contribution of 1 pieces of land from the Government of the Republic of Kenya captured in the book of accounts at their fair value after proper professional valuation. For comparative years 282,030 and 86,626 for 5 pieces of land from the Government of Ethiopian and 19 Floor New Conference Building from the People's Republic of China respectively. It was captured in the book of accounts at their fair value after proper professional valuation

31. Commitments and contingencies

Contingent liabilities

In the normal course of operations, AUC is subject to claims which have been categorized as administrative law claims; and other claims.

As at 31 December 2015, the AU Administrative Tribunal had 22 pending applications against the AUC and organs of the African Union. Owing to the uncertainty of the outcome of those claims, no impairment or allowance

for loss has been recorded as the occurrence, amount and timing of outflow is not certain. AUC does not expect the ultimate resolution of any of the proceedings to which it is party to have a significant adverse effect on its financial position, performance or cash flows.

32. Related Parties

AUC is the secretariat of the AU responsible for collecting of all funds from member states as well as partners And disbursing fund to AUC and to other organs as per approved budget. The AUC disburses money to the following organs of the AU:

- i. Pan African Parliament
- ii. African Commission for Human and Peoples Rights
- iii. African Court for Human and Peoples Rights
- iv. Advisory Board on Corruption
- v. NEPAD

Transaction with other organs of the AU is not disclosed as related parties as there are at arm length.

33. Prior period errors

1. Valuation and componentization error on Building at AUC HQ. In 2014 the value of AUCC building comprised values of mechanical and electrical works and depreciated the same under a useful value of 50years. The effect of the componentization;

Audit Adjustments (net effects)

Cost of Assets	Dr Infrastructure Assets	18,063,150.00
	Cr Buildings	16,647,200.00
	Cr Reserve Capital	1,415,950.00
Acc Depreciation	Dr Acc Depreciation Buildings	331,728.80
	Dr Reserve Capital	25,850.86
	Cr acc depreciation – Infra s	357,578.66

2. The land and building and other Assets in Algiers office is in the process of being formally supported by legal documents from the host country as well as supporting documents from the office. The amount derecognized is equal to USD 5,155,849 The respective Accumulated depreciation amounts to USD 2,033,376.00

	DR.	CR.
Reserve capital	5,176,849	
Building		3,483,538
Computer & Accessories		480,093
Motor Vehicles		182,463
Office Equipment		455,318
Office furniture & fixture		239,229
Conference Equipment		179,612
Other Equipment		56,765
Generator		99,831
	5,176,849	5,176,849

	DR.	CR.
Acc depreciation – building	373,376	
Acc depreciation – comp & Access.	459,093	
Acc depreciation – Motor Vehicles	182,463	
Acc depreciation – Office Equipment	454,378	
Acc depreciation – Furniture	227,858	
Acc depreciation – Conf Equipment	179,612	
Acc depreciation – Other Equipment	56,765	
Acc depreciation – Generators	99,831	
Capital Reserve		2,033,376
	2,033,376	2,033,376

To reverse cost of Assets as at 01.01.2015

	DR.	CR.
Capital Reserve	1,672,310	
Computer & Accessories		459,092
Motor Vehicles		182,463
Office Equipment		455,318
Office furniture & fixture		239,229
Conference Equipment		179,612
Other Equipment		56,765
Generator		99,831
	1,672,310	1,672,310

To reverse Accumulated Depreciation as at 01.01.2015

	DR.	CR.
Acc depreciation – comp & Access.	459,093	
Acc depreciation – Motor Vehicles	182,463	
Acc depreciation – Office Equipment	454,378	
Acc depreciation – Furniture	227,858	
Acc depreciation – Conf Equipment	179,612	
Acc depreciation – Other Equipment	56,765	
Acc depreciation – Generators	99,831	
Capital Reserve		1,660,000
	1,660,000	1,660,000

3. Items recorded as intangibles while in technical terms the items do not qualify as intangibles derecognized USD 345,962.83
4. Cost of training staff in SAP wrongly added to the cost of the system derecognized USD 318,660.34

The combined entry for 3 and 4

Cost of Asset	Dr Reserve capital	664,623.17
	Cr Software	664,623.17

5. Repair and maintenance costs wrongly capitalized as building items in Brussels Fixed Asset

Cost of Asset	Dr Reserve capital	13,505.23
	Cr Buildings	13,505.23

6. Provision for disability for comparative year was incorrectly included as provision for accrual expenses now it is reclassified as follows.

Dr. Provision for Accrual Expenses	6 015 000
Cr. Provision for Disability	6 015 000

7. Provision for Bad Debt -Darfur/Sudan (Receivables from Observer Missions and RECs) for comparative year was incorrectly included as Provision for Bad Debt Other (Short Term Receivables) for the comparative year now it is reclassified as follows

Dr. Provision for Bad Debt Other	1,525,564.27
Cr. Provision for Bad debt (Darfur/Sudan)	1,525,564.27

8. Car Loan Balance-Non Current portion for comparative was incorrectly included as Car Loan –Short Term Receivables now it's reclassified as follows

Dr. Car Loan Non-Current Asset	3,620,000.00
Cr. Car Loan Current Asset	3,620,000.00

9. Training fee –Other Operating Costs for comparative year was incorrectly included as Training Fee-Staff now it is reclassified as follows

Dr. Training Fee (Other Operating Costs)	3,128,685
Cr. Training Fee (Staff Cost)	3,128,685

10. The net book value of building of Abuja office is adjusted as follows. The title of the building is not in the commission's name.

Dr. Reserve Capital	5,262,023
Cr. Buildings	5,262,023

11. The following reclassifications/adjustment is done on the comparative figures and notes for the consolidation of the 2014 accounts for Liaison Offices (in thousands)

	DR.	CR.
Property, Plant and Equipment	2,550	-
Cash and Bank	10,974	-
Advance Payments to Suppliers	99	-
Other Prepayments	359	-
Short Term Receivables	491	-
Inventories	-	31
Accounts Payables	-	4,828
Accruals	-	84
Receivables from Observer Missions and RECs	-	2,027
Member States Assessed Contributions	-	6,000
Receivables from Observer Missions and RECs	-	4,270
Partner Funds-Deferred Revenue China Contribution for AMISOM	760	-
Special Funds General Peace Fund (SF005)	454	-
Partner Funds-Deferred Revenue EC Contribution to AMISOM XI (400203)	819	-
Partner Funds-Deferred Revenue Republic Of Turkey Contributio (400191)	400	-
Partner Funds-Deferred Revenue Indian Contribution for AMISOM (400147)	99	-
Partner Funds-Deferred Revenue Spanish Contribution (400055)	109	-
Partner Funds-Deferred Revenue Russian Fed. Contribution to P (400185)	127	-
	17,241	17,241

And for the comparative figures of Statement of Financial Performance (in thousands) note 24

	DR.	CR.
Salaries and Allowances	17,278	-
Capital Expenditure/Depreciation	1,731	-
Official Missions	1,098	-
Expert fees	53	-
Rent	411	-
Repair and Maintenance	35	-
Communications	153	-
Electricity and Water	39	-
Stationary Supplies and Services	407	-
Bank Charges	28	-
Loss on Exchange Rate Fluctuation	-	139
Hospitality	7	-
Printing and Binding	7	-
Publication and Periodicals	385	-
Insurance	20	-
Fuel and Lubricants	53	-
Partner Funds-Realized -Peace Fund	-	21,566
	21,705	21,705

12. Lease liability – Cairo office

African Union Commission entered into a lease for CAIRO regional office for period of 5 years from July 2014 at an annual payment of \$ 48 000, escalating by 5% per annum from the third year. That means the total commitment for 5 years USD 254,886 which comes to annual commitment of USD 50,977 amortized in straight line method in accordance with IPSAS 13.

	2015	2014
Not later than one year,	50 977	50 977
Later than one year and not later than five years	127 443	178 420

The provision for 2014 Lease liability is

Dr. Reserve Fund	24,000
Cr. Lease Liability	24,000

34. Key Management Personnel

Key management personnel of the AUC consist of the Chairperson, Deputy Chairperson and (8) Commissioners.

	2015	2014
Number of persons recognised as key management personnel	10	10
Chairperson	192,575.52	192,575.52
Deputy Chairperson	175,932.96	175,935.96
Commissioner for Economic Affairs	183,759.60	183,759.60
Commissioner for Human Res. Science & Tech	188,815.80	188,815.80
Commissioner for Infrastructure & Energy	188,816.28	188,816.28
Commissioner for Political Affairs	184,260.12	184,260.12
Commissioner for Peace and Security	189,065.64	183,759.48
Commissioner for Rural Eco. & Agriculture	184,010.16	184,010.16
Commissioner for Social Affairs	188,816.28	188,816.28
Commissioner for Trade and Industry	184,760.04	184,760.04
Total Remuneration	1,860,812.40	1,855,509.24

In addition to the above remuneration, the key management benefit from others entitlements: Housing, Household Staff, Vehicle, Driver, Telephone and utilities.

35. Comparative Figures

Some of the comparative figures for 2014 are rearranged to facilitate comparison:

AFRICAN UNION COMMISSION

APPENDIX A – STATEMENT OF FINANCIAL POSITION - BY LOCATION OF OFFICES

AS AT 31 DECEMBER 2015

Currency - US Dollar 000

Headquarters/Regional Office	AUC HQ & Liaison Offices	ACSRT	ACALAN	EU & THE ACP	Arab League	Fouta Djallon Project	UN	STRC
Location	Addis Ababa, Ethiopia	Algiers, Algeria	Bamako, Mali	Brussels, Belgium	Cairo, Egypt	Conakry, Guinea	Geneva, Switzerland	Lagos/Auja, Nigeria
ASSETS								
NON-CURRENT ASSETS								
Property, Plant and Equipment	381,775	-	97	4,195	48	21	1,021	26
Car Loan Non-Current	2,143	190	16	36	67	2	11	22
	383,918	190	113	4,231	114	23	1,032	48
CURRENT ASSETS								
Cash and Bank	243,602	68	38	438	49	40	118	64
Short Term Investments	186	-	-	-	-	-	-	-
Outstanding Member States Contributions	66,042	-	-	-	-	-	-	-
Receivable from AU Organs - Programme	875	-	-	-	-	-	-	-
Receivables from Partner Funds	71,320	-	119	-	-	-	-	-
Receivables from Observer Missions & RECS	8,064	-	-	-	-	-	-	-
Advance Payments to Suppliers	3,623	-	6	-	-	-	2	-
Prepayments	787	4	8	1	10	3	-	3
Short Term Receivables	8,808	613	133	152	142	(45)	634	177
Inventories	964	5	-	2	-	1	4	59
	404,270	689	303	593	201	(1)	759	302
TOTAL ASSETS	788,187	879	416	4,824	315	22	1,791	350
CURRENT LIABILITIES								
Members States Contributions Received in Advance	3,509	-	-	-	-	-	-	-
Partner Funds Unexpended	147,897	-	-	38	-	44	-	-
Accounts Payables	147,206	560	49	40	106	8	299	23
Accruals	79,147	29	-	2	3	-	-	9
	377,758	589	49	80	108	52	299	31
NET ASSETS	410,429	289	366	4,744	207	(30)	1,493	319
REPRESENTED BY								
Working Capital Fund	-	-	-	-	-	-	-	-
Reserve Fund	298,396	179	53	4,412	74	59	1,192	339
Special Funds	133,874	21	-	1	-	-	-	-
General Fund	(21,842)	89	313	332	133	(89)	300	(20)
	410,429	289	366	4,744	207	(30)	1,493	319
FUND BALANCES								

AFRICAN UNION COMMISSION
APPENDIX A- STATEMENT OF FINANCIAL POSITION - BY ALLOCATION OF OFFICES
AS AT 31 DECEMBER 2015

Headquarters/Regional Office	AUSARO	IBAR	UN	CELHTO	SAFGRAD	PANVAC	USA	IAPSC	TOTAL
Location	Lilongwe, Malawi	Nairobi, Kenya	New York, USA	Niamey, Niger	Ouagadougou, Burkina Faso	PANVAC Debrezeit	Washington, DC, USA		Total
ASSETS									
NON-CURRENT ASSETS									
Property, Plant and Equipment	5	2,069	9,651	89	15	968	13,420	21	413,419
Car Loan Non-Current	-	116	30	134	147	32	47	18	3,011
	5	2,185	9,681	223	162	1000	13,467	39	416,430
CURRENT ASSETS									
Cash and Bank	65	16,318	17	15	263	167	107	88	261,457
Short Term Investments	-	-	-	-	-	-	-	-	186
Outstanding Member States Contributions	-	-	-	-	-	-	-	-	66,042
Receivable from AU Organs - Programme	-	3,123	-	-	-	-	-	-	875
Receivables from Partner Funds	-	-	-	-	-	-	-	-	74,562
Receivables from Observer Missions & RECs	-	-	-	-	-	-	-	-	8,064
Advance Payments to Suppliers	-	177	-	-	-	-	-	-	3,807
Prepayments	7	-	76	68	1	8	12	-	985
Short Term Receivables	137	838	492	83	77	71	602	71	12,984
Inventories	-	14	1	-	3	4	3	-	1,058
	210	20,469	586	166	343	250	724	159	430,020
TOTAL ASSETS	214	22,655	10,266	389	505	1,250	14,191	197	846,450
CURRENT LIABILITIES									
Members States Contributions Received in Advance	-	-	-	-	-	-	-	-	3,509
Partner Funds Unexpended	-	19,223	-	-	65	60	-	-	167,327
Accounts Payables	(7)	2,374	15	-	27	-	126	122	150,947
Accruals	9	-	26	15	51	9	1	-	79,300
	2	21,597	40	15	142	69	127	122	401,083
Total Liabilities	212	1,058	10,226	373	363	1,181	14,063	75	445,367
NET ASSETS									
REPRESENTED BY									
Working Capital Fund	-	-	-	-	-	-	-	-	-
Reserve Fund	6	3	10,384	219	36	1,242	13,941	36	330,569
Special Funds	-	-	135	126	29	-	-	-	134,187
General Fund	206	1,055	(293)	155	201	(90)	122	39	-19,389
	212	1,058	10,226	373	363	1,181	14,063	75	445,367
FUND BALANCES									

Currency - US Dollar

AFRICAN UNION COMMISSION
APPENDIX A – CONTINUED STATEMENT OF FINANCIAL POSITION – LIAISON OFFICES (CONSOLIDATED WITH HEAD QUARTER)
AS AT 31 DECEMBER 2015

Currency - US Dollar '000

LIAISON OFFICES	BURUNDI	CHAD	COMOROS	COTE D'IVOIRE	DRC	LIBERIA	SUDAN	AFISM CAR
Location	BUJUMBURA	NDJAMINA	MORONI	ABIDJAN	KINSHASA	MONROVIA	KHARTOUM	BANGUI
ASSETS								
NON-CURRENT ASSETS								
Property, Plant and Equipment	74	107	36	130	-	-	124	630
	74	107	36	130	-	-	124	630
CURRENT ASSETS								
Cash and Bank	155	148	1	108	14	7	58	55
Advance Payments to Suppliers	-	-	-	-	1	-	-	-
Prepayments	46	-	1	-	49	13	64	5
Short Term Receivables	114	(83)	8	(8)	23	17	419	108
Inventories	(26)	-	-	-	-	-	-	-
	289	65	10	100	87	37	541	168
TOTAL ASSETS	363	172	47	230	87	37	665	798
CURRENT LIABILITIES								
Partner Funds Unexpended	-	-	-	24	-	-	-	-
Accounts Payables	69	-	13	3	-	-	46	31
Accruals	-	13	38	1	-	-	48	2
Total Liabilities	69	13	51	27	-	-	94	33
NET ASSETS	294	159	(5)	203	87	37	571	764
REPRESENTED BY								
Working Capital Fund	-	-	-	-	-	-	-	-
Reserve Fund	294	159	(5)	203	87	37	571	764
FUND BALANCES	294	159	(5)	203	87	37	571	764

AFRICAN UNION COMMISSION
APPENDIX A – CONTINUED STATEMENT OF FINANCIAL POSITION – LIAISON OFFICES (CONSOLIDATED WITH HEAD QUARTER)
AS AT 31 DECEMBER 2015

CURRENCY US DOLLAR 000

LIAISON OFFICES	JUBA	GUINEA- BISSAU	LIBYA	AFISMA	MADAGAS CAR	AMISOM	TOTAL
Location	JUBA	BISSAU	TRIPOLI	BAMAKO	ANTANANA RIVO	MOGADISHU	
ASSETS							
NON-CURRENT ASSETS							
Property, Plant and Equipment	70	-	60	247	91	382	1,951
	70	-	-	247	91	382	1,907
CURRENT ASSETS							
Cash and Bank	198	20	73	45	292	2,771	3,946
Advance Payments to Suppliers	-	-	-	-	17	91	109
Prepayments	-	-	10	56	-	25	269
Short Term Receivables	(90)	20	22	286	8	2,524	3,368
Inventories	(1)	-	-	-	-	(17)	(44)
	107	40	105	387	317	5,394	7,647
TOTAL ASSETS	177	40	165	634	408	5,776	9,598
CURRENT LIABILITIES							
Partner Funds Unexpended	-	-	-	-	-	-	23
Accounts Payables	43	-	-	11	-	2,623	2,839
Accruals	34	-	-	23	-	1,435	1,594
Total Liabilities	77	-	-	34	-	4,058	4,456
NET ASSETS	100	-	-	600	-	1,718	5,141
REPRESENTED BY							
Reserve Fund	100	40	165	600	408	1,718	5,141
FUND BALANCES	100	40	165	600	408	1,718	5,141

AFRICAN UNION COMMISSION

APPENDIX B – STATEMENT OF FINANCIAL PERFORMANCE - BY LOCATION OF OFFICES

FOR THE YEAR ENDED 31 DECEMBER 2015

Currency – In thousands of US Dollar – US\$ '000

Headquarters/Regional Office	AUC HQ & Liaison Offices	ACSRT	ACALAN	EU & THE ACP	Arab League	Fouta Djallon Project	UN GENEVA	STRC	AUSAR O
Location	Addis Ababa, Ethiopia	Algiers, Algeria	Bamako, Mali	Brussels, Belgium	Cairo, Egypt	Conakry, Guinea	Geneva, Switzerland	Abuja, Nigeria	Lilongwe, Malawi
REVENUE									
Assessed Contribution-Memberstates	131,471	-	-	-	-	-	-	-	-
Subventions to AU Organs	(29,869)	-	-	-	-	-	-	-	-
Subventions to Regional Offices	101,602	-	-	-	-	-	-	-	-
Income Available for the commission	(18,079)	1,965	521	1,312	898	287	3,675	606	461
Partners Funds - Realized	83,523	-	-	-	-	-	-	-	-
Voluntary Contribution in Kind	422,051	-	-	-	-	-	-	-	-
Other Revenue	690	28	5	3	-	3	9	-	-
TOTAL REVENUE	506,264	1,992	527	1,314	898	290	3,684	606	461
EXPENSES									
Staff Costs	101,326	1,894	565	1,417	765	218	3,190	608	370
Other Operating Costs	76,185	146	226	241	155	80	220	94	91
Exchange loss	16,346	7	9	-	-	-	60	3	(2)
Employee Benefits	9,570	-	-	-	-	-	-	-	-
Provision for Bad Debts	2,041	-	-	-	-	-	-	-	-
Other Subventions/Grants	10,035	-	-	-	-	-	-	-	-
Total General Operating Expenses	215,502	2,047	800	1,657	920	298	3,470	703	459
Peace and Security Operations	312,604	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE	528,106	2,047	800	1,657	920	-	-	-	-
EXCESS/(DEFICIT)	(21,842)	(55)	(274)	(343)	(22)	(8)	214	(99)	2

AFRICAN UNION COMMISSION

APPENDIX B- STATEMENT OF FINANCIAL PERFORMANCE - BY LOCATION OF OFFICES

For the year ended 31 December 2015

Currency - in thousands of US Dollar - US\$'000

Headquarters/Regional Office	IBAR	UN NEW YORK	CELHTO	SAFGRAD	PANVAC	USA MISSION	IAPSC	TOTAL
Location	Nairobi, Kenya	New York, USA	Niamey, Niger	Ouagadougou, Burkina Faso	PANVAC	Washington, DC, USA	Yaoundé, Cameroun	
REVENUE								
Member States' Assessed Contributions	-	-	-	-	-	-	-	131,471
Income From Reserve Subventions to AU Organs	-	-	-	-	-	-	-	(29,869)
Subventions to Regional Offices	1,534	2,268	955	862	759	1,144	832	101,602
Income Available for the Commission	17,035	-	-	-	254	-	-	101,602
Partners Funds - Realized	1,797	-	-	-	-	-	-	439,340
Voluntary Contribution in Kind	501	-	-	11	-	-	-	1,797
Other Revenue	20,867	2,268	955	874	1,013	1,144	832	543,989
TOTAL REVENUE								
EXPENSES								
Staff Costs	5,318	1,558	685	741	650	931	716	120,952
Other Operating Costs	13,323	961	150	86	507	483	162	93,109
Exchange loss	2,344	-	24	10	2	-	1	18,805
Employee Benefits	-	-	-	-	-	-	-	9,570
Provision for Bad Debts	-	-	-	-	-	-	-	2,041
Other Subventions/Grants	-	-	-	-	-	-	-	10,035
Total General Operating Expenses	20,985	2,519	859	838	1,159	1,413	879	254,511
Peace and Security Operations	-	-	-	-	-	-	-	312,604
TOTAL EXPENSES								
	20,985	2,519	859	838	1,159	1,413	879	567,114
EXCESS OF REVENUE OVER EXPENSES								
	(118)	(252)	96	36	(147)	(270)	(46)	(23,125)

AFRICAN UNION COMMISSION

APPENDIX B- CONTINUED STATEMENT OF FINANCIAL PERFORMANCE - LIAISON OFFICES CONSOLIDATED WITH HEAD QUARTER

For the year ended 31 December 2015

Currency - In thousands of US Dollar - US\$ 000

LIAISON OFFICES	BURUNDI	JUBA	AMISOM	TOTAL
Location	Bujumbura, Burundi	Juba, South Sudan	Mogadishu, Somalia	TOTAL
REVENUE				
Partners Funds - Realized	1,032	997	20,761	22,790
		9	5	14
TOTAL REVENUE	1,032	1006	20,766	22,804
EXPENSES				
Staff Costs	779	616	14,692	16,087
Other Operating Costs	254	390	6,074	6,718
TOTAL EXPENSES	1,032	1,006	20,766	22,804
EXCESS OF REVENUE OVER EXPENSES	--	--	--	--

AFRICAN UNION COMMISSION**APPENDIX C - STATEMENT OF RECEIVABLE FROM PARTNERS - ACTIVITIES
PREFINANCED BY THE COMMISSION
AS AT 31 DECEMBER 2015***Currency - In thousands of US Dollar - US\$'000*

Account ID	Partners/Fund Name	Balance
200071	Vanbreda- Medical Refund	(8)
300035	Italian African Peace Facility	(7)
300066	AU/UNDP Capacity Building Project	135
300069	French Special Assist. to AU	346
300078	Common Wealth-Hub and Spokes	108
300080	JFA	1,398
300084	ACBF Trust Fund to AU	7
300087	GTZ-PASU-SPPME	75
300112	World Bank	179
300170	AUC JPA-Capacity Building	1,545
300215	USAID	611
300236	WB-Capacity Building RECs	498
300237	AFDB Grant to PAN African University	2,706
300241	EC 30M Euro Support Program	1,385
300251	Equatorial Guinea Support to AU Summit	83
300268	World Bank Capacity Building	1,127
300275	EC 2M Support for ASEOWA	396
300290	UN Foundation Grant UNF -15-715	2
400024	EU cont. for Cap. Build. I	556
400055	Spanish Contribution to AMISOM	109
400092	EU Support to Early Rapid Response	644
400121	PSD Joint Salary Fund	4,213
400151	JFA Partners to AULO	2,981
400191	Turkey Contribution to AMISOM	238
400192	EC Contribution to AMANI II	661
400194	EU 9 th Contribution to AMISOM	1,846
400215	EC Contribution to AMISOM XII	17,723
400231	EC AMISOM XIII Contribution	3,316
400235	EU Contribution to AMISOM XIV	32,713
400242	EU Interim APSA Support Program	497
xox	Regional Offices Receivables	3,242
Subtotal		79,325
Provision for Bad Debts		(4,764)
Total		74,561

AFRICAN UNION COMMISSION

APPENDIX D - STATEMENT OF DEFERRED REVENUE – FUND UNEXPENDED FOR AS AT 31 DECEMBER 2015

Currency - In thousands of US Dollar - US\$'000

Account ID	Partners Name	Balance	
		2,015	2,014
200025	Helpage International	(7)	(7)
200026	Foundazione Internazionale Trieste	(4)	(4)
200027	National Society of Black Physicist	(2)	(2)
200028	UNECA	(25)	(50)
200029	Org'n Int'l Du Travail	(24)	(24)
200030	Esp. Coop. Inter'l. Para	(117)	(117)
200035	ILO Support to AU	(51)	(1)
200051	Kuwait Support Fund	(1,803)	(1,803)
200052	AUC Jacques Diouf Prize Fund	(5)	(5)
200053	International Committee of Red	(15)	(15)
200054	International Council of Archives	(1)	(1)
200055	Pledge by Government of Liberia	(25)	(25)
200061	Danish Contribution to Women & Gender	(61)	(61)
200063	International Foundation Electoral	(1)	(1)
200071	Vanbreda Medical Refund	(5)	-
200077	Equatorial Guinea-Turkey Summit	(14)	(14)
200546	UNESCO	(8)	(8)
2005'2	Embassy of South Africa	(38)	(38)
300001	AFDB	(50)	(50)
3000'1	GTZ FUND	(92)	(92)
300017	Norway, Sweden Fund	(3)	(3)
300018	SPAIN Fund	(2,627)	(2,289)
300021	UNODC Fund	(22)	(22)
300041	AU UNDP Project(RAF/02/18)	(23)	(23)
300045	GIZ for social affairs	(2)	(2)
300046	Embassy of Greece	(4,880)	(4,880)
300047	Embassy of the Republic of Turkey	(1,487)	(1,049)
300052	Department For International Development	(154)	(154)
300063	TPST FUNDS	(30)	(30)
300065	China Contribution to AU	(2,875)	(1,288)
300067	AU/GTZ Project (Biosafety)	(42)	(37)
300072	UNICEF ESARO	(34)	(34)
300073	N & Swed Labour & Employment	(1)	(1)

300082 EU Contr. to Regional .Integration & Trade	(14)	(14)
300083 IPPF Cont. Reproductive Health	(27)	(26)
300086 French Cont. to ECOSSOC	(61)	(178)
300106 United Nation Environmental Program(UNEP)	(120)	(227)
300107 Algeria Electoral Assistance Fund	(411)	(972)
300108 Denmark-Election Assistance Fund	(16)	(16)
300109 EU Electoral Assistance Fund	(62)	(62)
300125 ADB (ADEA) Contribution	(9)	(33)
300130 ADB-Dakar Djibouti Transport	(11)	(11)
300135 Danish Support to Pillar I, III, &	(1,877)	(1,876)
300136 Marie Stopes International	(7)	(8)
300137 Sweden-Electoral Assistance Fund	-	(4)
300138 UNDP Contribution to Women & Gender	(168)	(168)
300155 FHI Development(USA)	(87)	(87)
300160 World Bank Contribution to CAADP	(52)	-
300165 Cameroon Contribution for "Yaoundé Decl'n	(300)	(300)
300171 AUC-JPA- Shared Values	(1,110)	(1,134)
300172 African Internet exchange system	(2,912)	(3,968)
300175 UNHCR	(38)	(38)
300180 French Electoral Support Fund	(49)	(49)
300185 Ford Foundations	(164)	(279)
300190 ROCK feller Foundations	(150)	(150)
300195 International Food Policy Research Institute	(45)	-
300200 SIDA for PAU	(127)	(326)
300205 Azerbaijan	(50)	(50)
300210 World Bank CIDO	(26)	(177)
300211 UNAIDS (new)	(98)	(98)
300215 USAID Disbursement to AU	-	(76)
300225 South Africa Voluntary	(3,269)	(4,046)
300226 Sweden Contribution to ARIC	(242)	(242)
300227 The Government of Australia	(210)	(210)
300230 Bill & Melinda Gates Foundation	(651)	(568)
300233 DFID Electoral Assistance Fund	(224)	(224)
300236 WB Cont. for Capacity Building	-	(141)
300240 Administrative Costs from Partners	(14,908)	(15,069)
300243 Partnership for Aflatoxin Control Africa	(1,355)	(509)
300244 South Korea Contribution to AUC	(859)	(667)
300256 JPA Election	(1,561)	(717)
300257 JPA Governance	(357)	(1,517)
300260 AUC-JPA-Capacity Building II	(2,401)	(2,837)
300262 GIZ Support to PAU	(3)	(119)
300263 AU Support to Ebola Outbreak	(10,047)	(4,267)
300264 UN Foundation Fund	(365)	(109)

300265	AU/ACBF Bridge Fund	(17)	(8)
300267	Bio diversity International Support	(13)	(25)
300270	Nigeria Election Assistance Fund	(152)	-
300271	Ford Foundation support to End	(103)	(119)
300272	African Rehabilitation Institute	(3)	(3)
300273	Kazakhstan support to African Women	(39)	-
300274	African Development bank support fo	(97)	-
300275	Sweden Support to Trade and Industr	(119)	-
300278	EC Support for PANAF AUCapEO	(1,113)	-
300279	ECA support for Trade and Industry	(80)	-
300280	SUPPORT TO AUC-GIZ - FA-2015-832023	(38)	-
300281	AU-ACBF II Special account	(267)	-
300282	EU support for ACP DRR programme	(1,306)	-
300283	DFID Support to Trade and Industry	(390)	-
300285	US Drug Control Grant.	(448)	-
300286	GIZ Support to the African Governan	(9)	-
300287	WHO support for AUC-PMPA	(3)	-
300292	Open Society Initiative for SA	(25)	-
300293	HUAWEI Support to Infrastructure an	(50)	-
300294	Italy Capacity Building for small h	(218)	-
300296	UNHRC Support to ACERWC	(15)	-
400015	China Contribution for AMISOM	(1,945)	(855)
400017	China Second Contribution	-	(1,200)
400023	EU cont. for Cap. Build. II	(1,826)	(1,826)
400028	EU Contribution to Comoros	(779)	(779)
400034	Finland Contribution	(764)	(855)
400039	German-African Border Project	(170)	(152)
400042	Ireland Contribution to AMISII	(182)	(182)
400043	Italian Contr.Somalia (AMISOM)	(1,690)	(3,237)
400050	Japanese Contribution	(36)	(37)
400054	Spanish Contribution to AMISOM	-	(2)
400071	Japanese Contribution-Different	(302)	(302)
400075	Sweden Contr. to AMISOM	(85)	(85)
400083	UNDP Contribution to Peace & Securi	(707)	(707)
400091	EU contribution to 3rd AMISOM	-	(379)
400092	European Contribution to RAPID	-	(3,333)
400093	Danish Contribution to AMISOM	-	(92)
400097	GTZ Grant for ASF Police Component	(152)	(122)
400110	GTZ Contribution to AMISOM	-	(6)
400112	Italy Contribution to AUHIP	(143)	-
400121	Joint Salary Fund Mechanism for PSD Short term staff	-	(769)
400125	Japan Contribution for Year of peac	(15)	-

400140	Luxemburg contribution to SSR	(57)	(57)
400145	EC Contribution for APSA	(3,780)	(10,652)
400147	Indian Contribution to AMISOM	(586)	(586)
400151	JFA- AU Liaison offices	-	(1,230)
400155	Norwegian Contribution to AUHIP	(72)	(19)
400160	GIZ Contribution to PSD website	-	(12)
400165	EU Contribution to AMISOM VII	(905)	(526)
400177	EU Support To Training Institute	(4,633)	(6,257)
400185	Russian Fed. Contribution to PSO&RR	(583)	(577)
400190	GIZ Support to Establishment of APS	(106)	(132)
400191	Turkey Contribution to AMISOM	58	238
400192	EU AMANI II	-	(853)
400195	EU 10th Contribution to AMISOM	-	(3,043)
400196	AFISMA – Pledged Funds	(16,437)	(16,436)
400197	Australian Contribution to Quick Impact Project	(64)	(129)
400198	GIZ-KFW Contribution	-	(10)
400199	Netherlands Contribution to CEWS	(286)	(311)
400200	UK Contribution to ASI-C Building& SV	(114)	(225)
400201	UK Contribution to CEWS	(118)	(352)
400202	Member State Contribution AFCONE	(681)	(628)
400203	EC Contribution to AMISOM XI	(4,427)	(4,980)
400206	Austrian Contribution Gender PSD	(458)	(675)
400210	USA Contribution to Defense & Security	(10)	(10)
400211	EU Support to AFISM-CAR	(2,052)	(32,473)
400212	UK Contribution to MISCA	-	(3,306)
400213	AFISM-CAR Pledge	(5,601)	(5,635)
400214	APP-III Danish Program for Peace	(2,660)	(1,781)
400217	UK Contribution to Post Conflict Situation	(176)	(397)
400218	Kenya Contribution to ASF	(900)	(1,000)
400219	UK Contribution to Gender PSD Program	(1,457)	(664)
400221	EC Support to C3IS	(14,268)	(14,313)
400222	EC Contribution to LRA III	(296)	(1,197)
400223	UK Contribution to PCRD	(686)	(799)
400226	International Organization of Migration	(31)	(25)
400227	Pillar Gender PSD Program(GPSP)	(20)	(389)
400228	Italy Contribution to Panel of the	(147)	-
400229	UK Contribution to Special Envoye	(76)	-
400230	UK Contribution to MNJTF	(6,515)	-
400232	Italy Contribution to Tana Forum	(6)	-
400234	Norwegian Contribution to Gender	(482)	-
400236	UK Contribution P Meditation	(920)	-
400237	Norwegian Contribution to MISAHHEL	(80)	-

400238 SWITZERLAND contribution PSD	(9)	-
400239 ERM II	(4,939)	-
499007 IGAD-APSA	(658)	-
499014 EASFCOM-Support to Training Centres	(278)	-
499016 IGAD – ERM	(45)	-
Unearned Revenue Head Quarter	(39)	-
Regional and Liaison Offices	(19,454)	(17,650)
	(167,327)	(195,886)

AFRICAN UNION COMMISSION
APPENDIX E-STATEMENT OF FINANCIAL PERFORMANCE – ECOSOC
FOR THE YEAR ENDED 31 DECEMBER 2015

Currency - In thousands of US Dollar - US\$'000

	Notes	2015	2014
REVENUE			
Member States' Contributions		622	760
TOTAL REVENUE		622	760
EXPENSES			
Expert Fees		27	20
Official Missions		537	654
Rentals/Hire		45	56
Other Operating Expenses		13	30
TOTAL EXPENSES		622	760
EXCESS/(DEFICIT) OF REVENUE OVER EXPENSES		0	0

AFRICAN UNION COMMISSION
APPENDIX F-STATEMENT OF FINANCIAL PERFORMANCE- PEACE AND SECURITY
COUNCIL
FOR THE YEAR ENDED 31 DECEMBER 2015

Currency - in thousands of US Dollar - US\$'000

	Notes	2015	2014
REVENUE			
Member States' Contributions		382	498
TOTAL REVENUE		382	498
EXPENSES			
Expert Fees		118	146
Official Missions		257	322
Rentals/Hire		3	21
Other Operating Expenses		<u>4</u>	<u>9</u>
TOTAL EXPENSES		<u>382</u>	<u>498</u>
EXCESS/(DEFICIT) OF REVENUE OVER EXPENSES		0	0

AFRICAN UNION COMMISSION**APPENDIX G-STATEMENT OF FINANCIAL PERFORMANCE- AUCIL****FOR THE YEAR ENDED 31 DECEMBER 2015***Currency - In thousands of US Dollar - US\$'000*

	Notes	2015	2014
REVENUE			
Member States' Contributions		336	432
TOTAL REVENUE		336	432
EXPENSES			
Expert Fees		130	157
Official Missions		193	266
Rentals/Hire		9	4
Other Operating Expenses		<u>4</u>	<u>5</u>
TOTAL EXPENSES		<u>336</u>	<u>432</u>
EXCESS/(DEFICIT) OF REVENUE OVER EXPENSES		0	0

AFRICAN UNION COMMISSION APPENDIX H**STATEMENT OF FINANCIAL PERFORMANCE- AFRICAN CHARTER ON THE RIGHTS AND WELFARE OF THE CHILD****FOR THE YEAR ENDED 31 DECEMBER 2015***Currency - In thousands of US Dollar - US\$'000*

	Notes	2015
REVENUE		
Member States' Contributions		186
TOTAL REVENUE		186
EXPENSES		
Expert Fees		64
Official Missions		106
Rentals/Hire		4
Other Operating Expenses		<u>12</u>
TOTAL EXPENSES		<u>186</u>
EXCESS/(DEFICIT) OF REVENUE OVER EXPENSES		0

AFRICAN UNION COMMISSION**APPENDIX G-STATEMENT OF FINANCIAL PERFORMANCE- AUCIL****FOR THE YEAR ENDED 31 DECEMBER 2015***Currency - In thousands of US Dollar - US\$'000*

	Notes	2015	2014
REVENUE			
Member States' Contributions		336	432
TOTAL REVENUE		336	432
EXPENSES			
Expert Fees		130	157
Official Missions		193	266
Rentals/Hire		9	4
Other Operating Expenses		4	5
TOTAL EXPENSES		336	432
EXCESS/(DEFICIT) OF REVENUE OVER EXPENSES		0	0

AFRICAN UNION COMMISSION APPENDIX H**STATEMENT OF FINANCIAL PERFORMANCE- AFRICAN CHARTER ON THE RIGHTS AND WELFARE OF THE CHILD****FOR THE YEAR ENDED 31 DECEMBER 2015***Currency - In thousands of US Dollar - US\$'000*

	Notes	2015
REVENUE		
Member States' Contributions		186
TOTAL REVENUE		186
EXPENSES		
Expert Fees		64
Official Missions		106
Rentals/Hire		4
Other Operating Expenses		12
TOTAL EXPENSES		186
EXCESS/(DEFICIT) OF REVENUE OVER EXPENSES		0

**AFRICAN UNION COMMISSION APPENDIX I
STATEMENT OF PARTNERS FUND POSITION**

Currency - in thousands of US Dollar - US\$'000

	Peace Fund	Progr. Fund HQ	Progr. Fund RO	Total
Balance at January 1, 2015 brought forward				
Deferred Revenue	(143,513)	(37,031)	(17,656)	(198,200)
Realized Revenue - Receivables	74,889	11,219	1,827	87,935
Net Deferred Revenue	(68,624)	(25,812)	(15,829)	(110,265)
Movement during the year				
Fund received from Partners	(465,753)	(58,112)	(11,492)	(535,357)
Expenditure (recognized as revenue)	340,615	85,072	13,410	439,097
Transfer/Adjustments	173,224	(53,914)	(7,104)	112,206
Net Movement	48,086	(26,954)	(5,186)	15,946
Balance at December 31, 2015 carried forward				
Deferred Revenue	(85,688)	(63,352)	(19,430)	(168,533)
Realized Revenue - Receivables	65,150	10,586	(1,522)	74,214
Net position	(20,538)	(52,766)	(20,952)	(94,319)

AFRICAN UNION COMMISSION APPENDIX I**STATEMENT OF CHANGES IN WORKING CAPITAL AND SPECIAL FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2015***Currency - In thousands of US Dollar - US\$'000*

	Working Capital Fund	Special Funds
Balance at January 1, 2015 brought forward	5,000	134,779
Change in Net Assets/Equity for 2015		
Movement for current year	(5,000)	(592)
Balance at December 31, 2015 carried forward	--	134,187

AFRICAN UNION COMMISSION
APPENDIX J ASSESSED CONTRIBUTION

			2015	
		Customer	Scale	Assessment
1	The Republic Democratic of Algeria	10000	12.904	16,965,029.03
2	The Republic of Angola	10001	5.275	6,935,099.83
3	The Republic of Benin	10002	0.374	491,701.86
4	The Republic of Botswana	10003	1.004	1,319,969.71
5	The Republic of Burkina Faso	10004	0.475	624,487.66
6	The Republic of Burundi	10005	0.100	131,471.09
7	The Republic of Cameroon	10006	1.442	1,895,813.07
8	The Republic of Cape Verde	10007	0.113	148,562.33
9	The Central African Republic	10050	0.103	135,415.22
10	The Republic of Chad	10008	0.437	574,528.65
11	The Republic of Comoros	10046	0.031	40,756.04
12	The Republic of Congo	10009	0.612	804,603.05
13	The Republic of Cote D'ivoire	10010	1.306	1,717,012.39
14	The Democratic Republic of Congo	10011	0.599	787,511.81
15	The Republic of Djibouti	10012	0.076	99,918.03
16	The Republic of Egypt	10013	12.904	16,965,029.03
17	The Republic of Equatorial Guinea	10014	0.752	988,662.57
18	The state of Eritrea	10015	0.113	148,562.33
19	The Federal Democratic Republic of Ethiopia	10016	1.419	1,865,574.72
20	The Republic of Gabon	10017	1.165	1,531,638.16
21	The Republic of Gambia	10018	0.050	65,735.54
22	The Republic of Ghana	10019	1.993	2,620,218.76
23	The Republic of Guinea	10020	0.270	354,971.93
24	The Republic of Guinea Bissau	10047	0.045	59,161.99
25	The Republic of Kenya	10021	1.784	2,345,444.19
26	The Kingdom of Lesotho	10043	0.161	211,668.45
27	The Republic of Liberia	10022	0.042	55,217.86
28	Libya	10048	12.904	16,965,029.03
29	The Republic of Madagascar	10023	0.457	600,822.87

30	The Republic of Malawi	10024	0.269	353,657.22
31	The Republic of Mali	10025	0.494	649,467.17
32	The Islamic Republic of Mauritania	10026	0.199	261,627.46
33	The Republic of Mauritius	10027	0.688	904,521.08
34	The Republic of Mozambique	10028	0.519	682,334.94
35	The Republic of Namibia	10029	0.757	995,236.13
36	The Republic of Niger	10030	0.290	381,266.15
37	The Federal Republic of Nigeria	10031	12.904	16,965,029.03
38	The Republic of Rwanda	10032	0.300	394,413.26
39	The Saharawi Arab Democratic Republ	10055	0.037	48,644.30
40	The Republic of Senegal	10049	0.014	18,405.95
41	The Republic of Seychelles	10033	0.761	1,000,494.97
42	The Republic of Sierra Leone	10052	0.058	76,253.23
43	The Republic of South Africa	10034	0.142	186,688.94
44	The Somali Federal Republic	10035	0.059	77,567.94
45	The Republic of South Africa	10035	0.059	16,965,029.03
46	Republic of Southern Sudan	10044	12.904	821,694.29
47	The Republic of Swaziland	10060	0.625	4,544,955.4
48	The Kingdom of Togo	10036	3.457	333,936
49	The Republic of Tunisia	10037	0.254	227,44
50	The Republic of Uganda	10037	0.173	3,745.6
51	The Republic of Tanzania	10039	0.173	1,214
52	The United Republic of Tanzania	10045	2.849	1,5
53	The Republic of Zambia	10040	0.924	1,5
54	The Republic of Zimbabwe	10038	1.215	1,5
		10041	0.837	1,
		10042	0.361	1,
	Total		100.00	13

30	The Republic of Malawi	10024	0.269	353,657.22
31	The Republic of Mali	10025	0.494	649,467.17
32	The Islamic Republic of Mauritania	10026	0.199	261,627.46
33	The Republic of Mauritius	10027	0.688	904,521.08
34	The Republic of Mozambique	10028	0.519	682,334.94
35	The Republic of Namibia	10029	0.757	995,236.13
36	The Republic of Niger	10030	0.290	381,266.15
37	The Federal Republic of Nigeria	10031	12.904	16,965,029.03
38	The Republic of Rwanda	10032	0.300	394,413.26
39	The Saharawi Arab Democratic Republ	10055	0.037	48,644.30
40	The Republic of SAO TOME & PRINCIPE	10049	0.014	18,405.95
41	The Republic of Senegal	10033	0.761	1,000,494.97
42	The Republic of Seychelles	10052	0.058	76,253.23
43	The Republic of Sierra Leone	10034	0.142	186,688.94
44	The Somali Federal Republic	10035	0.059	77,567.94
45	The Republic of South Africa	10044	12.904	16,965,029.03
46	Republic of Southern Sudan	10060	0.625	821,694.29
47	The Republic of the Sudan	10036	3.457	4,544,955.47
48	The Kingdom of Swaziland	10037	0.254	333,936.56
49	The Republic of Togo	10039	0.173	227,444.98
50	The Republic of Tunisia	10045	2.849	3,745,611.26
51	The Republic of Uganda	10040	0.924	1,214,792.84
52	The United Republic of Tanzania	10038	1.215	1,597,373.70
53	The Republic of Zambia	10041	0.837	1,100,413.00
54	The Republic of Zimbabwe	10042	0.361	474,610.62
Total			100.00	131,471,086.74