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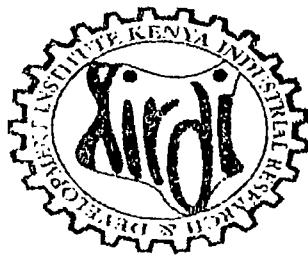
KENYA NATIONAL AUDIT OFFICE

**REPORT  
OF  
THE CONTROLLER  
AND AUDITOR GENERAL**

**ON**

**THE FINANCIAL STATEMENTS OF  
KENYA INDUSTRIAL RESEARCH AND  
DEVELOPMENT INSTITUTE FOR THE  
YEAR ENDED 30 JUNE 2006**





**KENYA INDUSTRIAL RESEARCH AND  
DEVELOPMENT INSTITUTE (KIRDI)**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30TH JUNE 2006**

**P.O Box 30650 -- 00-100**

**NAIROBI.**

**Kapiti Road, South C**

**Tel No (020) 603842**

**Fax No 607023**



**KENYA INDUSTRIAL RESEARCH AND DEVELOPMENT INSTITUTE**  
Accounts for the year ended 30<sup>th</sup> June 2006

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**KENYA INDUSTRIAL RESEARCH AND DEVELOPMENT INSTITUTE**  
Accounts for the year ended 30<sup>th</sup> June 2006

**Board of Management's Report**

The Board of Management has the pleasure in submitting the Financial Statement of the Institute for the year ended 30th June 2006.

**Legal Status**

The Kenya Industrial Research and Development Institute (KIRDI) is a statutory research organization established under the Science and Technology Act chapter 250 revised edition of 1979. KIRDI is the country's principal national institution responsible for industrial research and Development. It falls under the ministry of Trade and Industry.

**The KIRDI vision and mission**

The vision of the institute is to be a centre of excellence in Industrial Research and Development

Its mission is to undertake Industrial Research and Development and disseminate findings that will have a positive impact on the national development.

**Board of Management**

The current Board of Management comprises of:

**(a) Appointed Members**

Lt Gen (Rtd) John Koech (Chairman)

Hon .Robert Kochalle retired on 30 June 2006

Prof. Henry K Maritim

Prof. Peter Misiko.

Prof. Ellias Mbaka

Mr. Chris Kirubi

Dr. P M Muturi, CEO and Secretary to the Board. Retired on 18th June 2006

Prof. Tom P Ogada CEO and Secretary to the Board, as from 19th June 2006

Dr Maurice Mangoli (replaced Hon R Kochalle as from 1<sup>st</sup> July 2006)

Dr Wycliffe A M Alusiola (replaced Prof. P Misiko as from 1<sup>st</sup> July 2006)



**KENYA INDUSTRIAL RESEARCH AND DEVELOPMENT INSTITUTE**  
**Accounts for the year ended 30<sup>th</sup> June 2006**

**(b) Ex-Officio Members**

Permanent Secretary  
Ministry of Ministry of Trade and Industry.

Permanent Secretary  
Ministry of Finance.

Permanent Secretary  
Ministry of Roads and Public Works.

Inspector of State Corporations.  
Office of the President

Executive Secretary  
National Council for Science and Technology

**Other Relevant Information**

- Principal Bankers:**
1. National Bank of Kenya  
Harambee Avenue  
Nairobi
  2. Barclays Bank of Kenya  
N I C Branch  
Nairobi

**Principal Advocates:**

Guserwa and Co. Advocates  
P.O Box 8384 – 00200, NAIROBI

Maangi Kitonga & Co Advocates  
P.O. Box 41880 - 00100, NAIROBI

**Registered Office :** Kapiti Road South- C



**KENYA INDUSTRIAL RESEARCH AND DEVELOPMENT INSTITUTE**  
Accounts for the year ended 30<sup>th</sup> June 2006

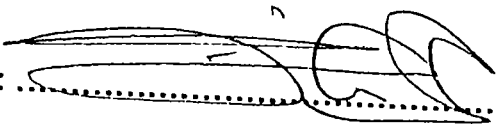
**STATEMENT OF BOARD OF MANAGEMENT'S RESPONSIBILITY**

The science and Technology Act (Cap) requires the Board of Management to prepare financial statements for each financial year, which include a balance sheet showing in detail the assets and liabilities of the Institute, a statement of income and expenditure, and such other statements that the Board may deem necessary. It also requires the Board to ensure the Institute keeps proper books of account and other books and records in relation to the Institute and to all undertakings, funds, investments, activities and property of the Institute. The Board is responsible for safeguarding the assets of the Institute.

The Board accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with generally accepted accounting practice and in the manner required by the Science and Technology Act, chapter 250 revised edition of 1979. The Board is of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Institute and of records which may be relied upon in the preparation of the financial statements, as well as adequate systems of internal financial control.

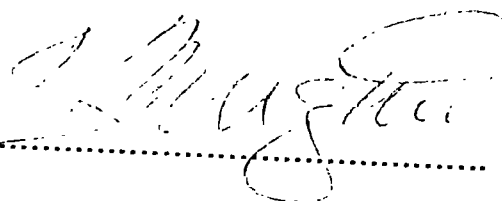
Nothing has come to the attention of the Board to indicate that the Institute will not remain a going concern for at least the next twelve months from the date of this statement.

Chairman: LT GEN. (RTD) J. KOECH

Signature: 

Date: 8<sup>th</sup> Feb 2007

Director: PROF. T. P. M. OGADA

Signature: 

Date: 8<sup>th</sup> February 2007





## KENYA NATIONAL AUDIT OFFICE

### REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF KENYA INDUSTRIAL RESEARCH AND DEVELOPMENT INSTITUTE FOR THE YEAR ENDED 30 JUNE 2006

I have audited the financial statements of Kenya Industrial Research Institute for the year ended 30 June 2006 in accordance with the provisions of Section 14 of the Public Audit Act, 2003. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit. The financial statements are in agreement with the books of account.

#### **Respective Responsibilities of the Board of Management and the Controller and Auditor General**

The Board is responsible for the preparation of financial statements which give a true and fair view of the Institute's state of affairs and its operating results. My responsibility is to express an independent opinion on the financial statements based on my audit.

#### **Basis of opinion**

The audit was conducted in accordance with the International Standards on Auditing. Those standards require that the audit be planned and performed with a view to obtaining reasonable assurance that the financial statements are free from material misstatement. An audit includes an examination, on a test basis, of evidence supporting the amounts and disclosures in the financial statements. It also includes an assessment of the accounting policies used and significant estimates made by the Board, as well as an evaluation of the overall presentation of the financial statements. I believe the audit provides a reasonable basis for my opinion.

#### **1. Financial performance**

The financial performance of the Institute deteriorated during the year under review as it recorded an increased deficit of Kshs 25,567,806 from Kshs 15,545,563 the previous year, which depleted the general reserves from Kshs 91,215,253 the previous year to Kshs 57,576,946 as at 30 June 2006. Although management attributes the poor financial performance to a budget cut by the Government during the year under review, the trend, if not checked, could throw the financial position in jeopardy.

## 2. Accounts receivable

Included in the accounts receivable balance of Kshs 21,743,301 as at 30 June 2006 is an amount of Kshs 4,169,360 being outstanding trade debtors balance brought forward from 1980/81 financial year for which chances of recovery are remote. Some of these debtors are now under receivership while others are no longer in business. The Institute has not provided for this uncertainty or given any evidence of efforts being made to recover these long outstanding debts. In addition, the financial statements accounts receivable figure of Kshs 21,743,301 does not agree with the corresponding notes 3 and 4 which reflect total amount of Kshs 22,091,559. Although the difference of Kshs 348,257 has been explained by management as the value of withholding V.A.T from suppliers' invoices paid in advance to Kenya Revenue Authority, before settlement of the related creditors, the prepayment figure of Kshs.348,257 is excluded from the balance sheet. Accordingly, the correctness and validity of the total accounts receivable balance of Kshs 21,743,301 as at 30 June 2006 could not be confirmed.

### Opinion

Except for any adjustments that might be necessary arising from the foregoing reservations, in my opinion, proper books of account have been kept and the financial statements give a true and fair view of the state of affairs of the Institute as at 30 June 2006 and of its deficit and cash flows for the year then ended and comply with the Science and Technology Act (Cap 250).

  
**P. N. KOMORA**  
**CONTROLLER AND AUDITOR GENERAL**

Nairobi

28 February 2007



**KENYA INDUSTRIAL RESEARCH AND DEVELOPMENT INSTITUTE**  
**Accounts for the year ended 30<sup>th</sup> June 2006**

BALANCE SHEET FOR THE YEAR ENDED 30TH JUNE 2006			
ASSETS	NOTES	2005/2006 (Kshs)	2004/2005 (Kshs)
<b>NON- CURRENT ASSETS</b>			
Property and Equipment	2a	160,208,308	166,922,708.00
Work in Progress	2a	131,228,578.00	126,492,775.00
		<b>291,436,886</b>	<b>293,415,483.00</b>
<b>CURRENT ASSETS</b>			
Stores and Inventories		48,179,799	52,330,082.85
Accounts Receivables	3&4	21,743,301	22,202,297.55
Cash and Cash Equivalents.	6	35,082,687	39,038,119.10
Deposits	5	454,138.00	454,138.00
		105,459,925	114,024,637.50
		<b>396,896,811</b>	<b>407,440,120.50</b>
<b>GENERAL FUND AND LIABILITIES</b>			
<b>Accumulated Funds</b>			
Capital Grants G O K		248,553,407.00	227,717,264.00
Projects Grants		1,542,206.00	2,009,053.90
General Reserve	8	57,576,946	91,215,253.00
Donations UNIDO		83,515,167.00	83,515,167.00
		<b>391,187,726</b>	<b>404,539,737.90</b>
<b>CURRENT LIABILITIES</b>			
Accounts payable		5,709,085.00	2,900,382.10
		<b>396,896,811</b>	<b>407,440,120.00</b>

PROFESSOR T. P. M. OGADA  
 DIRECTOR

Signature: .....

Date: .....

8<sup>th</sup> February 2007

LT.GEN. (TRD) J. KOECH  
 CHAIRMAN

Signature: .....

Date: .....

8<sup>th</sup> Feb 2007



**KENYA INDUSTRIAL RESEARCH AND DEVELOPMENT INSTITUTE**  
**Accounts for the year ended 30<sup>th</sup> June 2006**

**INCOME & EXPENDITURE STATEMENT**

	NOTES	2005/2006 KSHS.	2004/2005 KSHS.
<b>INCOME</b>			
Re-Current Grant	9a	115,496,460.00	125,951,509.80
Other Income	9b	13,872,149.00	9,787,738.05
		<b>129,368,609.00</b>	<b>135,739,247.85</b>
<b>EXPENSES</b>			
Staff Cost	10	103,895,912.00	97,348,681.75
Administration Expense	11	23,514,890.00	25,398,013.50
Insurance Expense	12	690,455.00	639,732.00
Project Consultancy Expense	13	4,284,337.00	3,807,107.75
Technical Expense	14	1,099,715.00	2,705,603.20
Maintenance Expenses	15	3,020,738.00	3,825,354.00
Traveling And Subsistence Expenses	16	2,965,714.00	3,311,431.60
Depreciation Expenses	2a & 2b	15,021,732.00	14,198,164.20
		<b>154,936,415.00</b>	<b>151,284,811.00</b>
<b>SURPLUS/ (DEFICIT) FOR THE YEAR</b>			
General Reserve B/F		-25,567,806.00	-15,545,563.15
Balance C/D		91,215,253.00	106,959,816.15
		<b>57,576,946.00</b>	<b>91,215,253.00</b>

**NB:**

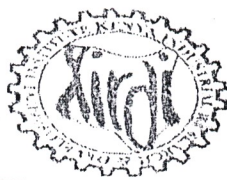
During the year, the Institute experienced a KShs.10 million budget cut.



**KENYA INDUSTRIAL RESEARCH AND DEVELOPMENT INSTITUTE**  
**Accounts for the year ended 30<sup>th</sup> June 2006**

**CASHFLOW STATEMENT**

	2005/2006 (Kshs)	2004/2005 (Kshs)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		-
<b>Adjustment for items not involving moments of cash</b>	(25,567,806.00)	15,544,563.15
Depreciation expenses	15,464,654.00	14,198,164.20
Provision	540,000.00	378,778.95
Adjust loose tools		62,229.05
Surplus deficits before working capital changes	(9,563,152.00)	-905,390.95
<b>WORKING CAPITAL CHANGES</b>		
Stock	4,150,284.00	708,650.70
Debtors	458,996.00	-1,841,207.20
Deposits		-60,000.00
Creditors And Accruals	(2,808,703.00)	(9,000,667.05)
Net Inflow From Operating Activities	(7,762,575.00)	11,098,614.50
<b>Cash Flow From Investing Activities</b>		
Purchase Of Property And Equipment	-9,335,804.00	21,947,144.00
Adjustment Stock	217,668.00	
Net Used In Investing Activity	(12,020,973.00)	21,947,144.00
<b>Cash Flow From Financing</b>		
Capital Grant	20,836,143.00	55,000,000.00
Prior Year Adjustment	-8,070,501.00	(3,213,926.55)
Net Increase/Decrease In Cash	-3,995,432.00	18,297,804.15
Cash at beginning of the year	39,038,119.00	20,297,804.15
<b>Cash at the end of the year</b>	<b>35,082,687.00</b>	<b>39,038,119.10</b>



**KENYA INDUSTRIAL RESEARCH AND DEVELOPMENT INSTITUTE**  
**Accounts for the year ended 30<sup>th</sup> June 2006**

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS FOR THE PERIOD ENDING 30 JUNE 2006**

	DONATIONS	CAPITAL GRANT	REVALUATION RESERVE	REVENUE RESERVE
	Kshs	Kshs	Kshs	Kshs
As at 1st July 2004	84,334,861.25	172,717,264.00	187,378,457.00	
Government Grant		55,000,000.00		-77,918,930
Project Grants	1,272,359.65			
Prior Year Adjustment				
Stock Adjustment				-3,213,926.25
Special Reserve Adjustment				
Surplus for the year				
Stock Adjustment				-15,923,343.10
Revaluation Reserve Adj.				-708,650.70
Prov for Audit/Bad debts			(187,378,457.00)	187,378,457.00
<b>As at 30th June 2005</b>	<b>85,607,221.00</b>	<b>227,717,264.00</b>	<b>NIL</b>	<b>1,601,646.95</b>
Government Grants		20,836,143.00		91,215,253.00
Project Grants	-549,848.00			
Prior year Adjustment				
Stock Adjustment				8,070,501.00
Special Reserve Adjustment				
Surplus/Deficit for the Year				
Prov for Audit/Bad debts				(-25,567,806.00)
<b>As at 30 June 2006</b>	<b>85,057,373.00</b>	<b>248,553,407.00</b>	<b>187,378,457.00</b>	<b>57,576,946.00</b>
<b>Donations</b>				
Projects	1,542,206.00			
UNIDO Tools	83,515,167.00			
	<b>85,057,373.00</b>			





KENYA INDUSTRIAL RESEARCH AND DEVELOPMENT INSTITUTE  
Accounts for the year ended 30<sup>th</sup> June 2006

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2006

**1. Principle accounting policies**

The institute is a non profit making body and the accounts are prepared on the basis of government accounting procedure as modified to include the revaluation of certain assets.

**(a) Fixed Assets (Non-Current Assets)**

The fixed assets are stated at cost or as revalued on existing use basis from when the institute started self accounting i.e. 1<sup>st</sup> July, 1980.

**(b) Depreciation**

Provision is made for depreciation on the straight-line method designed to write off the original cost or valuation of fixed assets other than land, and work in progress over the actual life of the asset. A whole year's depreciation is charged on assets acquired nine months or more prior to the closure of the financial year and none to those acquired three months or less to the end of the financial year. The annual rates for this purpose are: -

1. Building .....	2%
2. Machines .....	12.5% or as per valuer's recommendation
3. Motor vehicles .....	25%
4. Office furniture & equipment ...	12.5% or as per valuer's recommendation
5. Computers .....	30%

**(c) Income**

The major source of income of this institute are the grants from the government and the nominal charges of analysis fees from industrial manufactures and potential entrepreneurs who need laboratory reports on their products. Income is recognized on an accrual basis.

**(d) Bad Debts**

Bad debts are written-off after all efforts to collect them have been exhausted.

**e) Currency**

Financial Statement has been presented in Kenya Shillings.



**KENYA INDUSTRIAL RESEARCH AND DEVELOPMENT INSTITUTE**  
**Accounts for the year ended 30<sup>th</sup> June 2006**

**f) Stores and Inventory**

Stock is valued at cost with the exception of donations which is reported at Revaluation.

**g) Retirement Benefits/Gratuity**

The Institute operates a retirement benefit scheme which is managed by Trustees under Retirement Benefits Regulations (RBA) regulations. Further monthly remittances are made to a custodian for staff serving on Contract Terms which is eventually paid as gratuity at the expiry of the Contract.



**KENYA INDUSTRIAL RESEARCH AND DEVELOPMENT INSTITUTE**  
Accounts for the year ended 30<sup>th</sup> June 2006

note 2 a

**FIXED ASSET SCHEDULE 2005/2006**

	Land Shs	Work in progress Shs	Buildings Shs	Machinery and Equipment Shs	Computers Shs	furniture and fittings Shs	Total Shs
Value/ Cost as at 1/7/2005							
Addition during the year	26,865,000	126,492,775	108,547,000	94,112.00	1,594,680	20,657,293	386,264,457
Adjustment/Disposal		4,735,803		480,457	936,305	3,183,238	9,335,803
<b>TOTAL as at 30th June 2006</b>	26,865,000	131,228,578	108,547,000	94,592,166.00	2,530,985	23,840,531	395,600,260
Accumulated Depreciation b/f							
Depreciation for the year			21,709,400	48,154,032	-	14,989,542	92,848,974
Total Dep.			2,170,940	5,872,754	759,295	2,511,381	11,314,370
<b>Net book value As at 30 June 2006</b>	26,865,000	131,228,578	84,666,660	40,565,380	1,771,690	8,554,220	291,879,838
Net book value as at 30 June 2005	26,865,000	126,492,775	86,837,600	45,957,677	-	7,262,431	293,415,483

Note 2 b

Amortization of Loose Tools	=	4,150,284.00
Dep for other Assets	=	<u>11,314,370</u>
<b>Total</b>	=	<b>15,464,654</b>



**KENYA INDUSTRIAL RESEARCH AND DEVELOPMENT INSTITUTE**  
**Accounts for the year ended 30<sup>th</sup> June 2006**

**Note 3**

	2005/2006 (Kshs)	2004/2005 (Kshs)
<b>DEBTORS</b>		
Balance 1980/81 to 30th/06/2002	4,169,360.00	4,169,359.85
Payroll deductions	1,933,088.00	2,389,387.95
Pension Scheme	2,141,279.00	2,389,387.95
	<b>8,243,727.00</b>	<b>8,700,026.45</b>

**Note 4**

<b>ADVANCES AND PREPAYMENTS</b>		
Traveling imp rest(local)	1,162,377.00	862,421.20
Traveling imp rest(overseas)	213,090.00	321,413.65
Temporary imp rest	6,733,766.00	7,196,734.60
Standing imp rest	750,327.00	467,858.90
Salary advance	1,142,094.00	929,422.55
Salary in advance	1,130,180.00	1,063,364.15
Excess medical insurance	(63,206.00)	2,336,312.05
Excess medical	2,106,204.00	
Plot Scheme	324,744.00	324,743.80
<b>VAT</b>	<b>348,257.00</b>	
	<b>13,847,832.00</b>	<b>13,502,270.90</b>

**Note 5**

	2005/2006 (Kshs)	2004/2005 (Kshs)
<b>DEPOSITS (utilities)</b>		
Fuel	66,000.00	66,000.00
Oxygen	30,000.00	30,000.00
Hospital	10,000.00	10,000.00
Electricity- Kisumu	308,138.00	308,318.00
Electricity-South -C campus	40,000.00	40,000.00
	<b>454,138.00</b>	<b>454,138.00</b>



**KENYA INDUSTRIAL RESEARCH AND DEVELOPMENT INSTITUTE**  
**Accounts for the year ended 30<sup>th</sup> June 2006**

	2005/2006 KShs.	2004/2005 KShs.
<b>Note 6</b>		
<b>Cash and Bank Balance</b>		
HQ (Main Account)	1,369,457.00	2,202,819.95
LDC	99,737.00	767,051.0
EDSC	2,392,823.00	1,594,871.75
KSPSP	145,556.00	350,982.45
LABS	1,186,488.00	859,134.50
BBK A/C	29,543,232.00	32,928,833.45
NIC	345,395.00	334,425.10
	<b>35,082,687.00</b>	<b>39,038,119.10</b>
<b>Note 7</b>		
<b>Accounts Payable (Creditors)</b>		
Payroll deductions		
Other creditors	2,247,166.00	1,321,621.05
Medical Insurance	2,858,713.00	
Provision for Audit fee	63,207.00	
	540,000.00	
	<b>5,709,086.00</b>	<b>1,321,621.05</b>
<b>Note 8</b>		
<b>Projects</b>		
Horticulture – ADB	55,803.00	55,802.65
Horticulture – IFAD	201,623.00	760,756.30
Coffee OTA Project	606,713.00	-26,120.95
Potato ASARECA	247,259.00	-275,935.75
ATPS	-21,362.00	220,485.05
IFS	318,632.00	318,632.80
CIP	-23,462.00	-23,462.00
ATPS ICT	176,956.00	176,955.80
Sorghum Project	-19,956.00	
	<b>1,542,206.00</b>	<b>1,207,113.90</b>
<b>Note 9 a</b>		
<b>Recurrent Grant</b>	<b>2005/2006</b>	<b>2004/2005</b>
	<b>115,496,460.00</b>	<b>125,951,510</b>
<b>Note 9 b</b>		
<b>Other Income</b>		
Rent Sundry Revenue - HQ		
LABS	2,128,867.00	1,693,520.30
EDSC	2,166,860.00	1,637,508.90
LDC	4,110,623.00	2,014,743.05
NIIC	4,896,485.00	4,125,616.20
KSSP	16,970.00	242,461.60
Closure of Project Grants	552,344.00	73,884.00
		884,940.00
	<b>13,872,149.00</b>	<b>10,762,674.05</b>



**KENYA INDUSTRIAL RESEARCH AND DEVELOPMENT INSTITUTE**  
Accounts for the year ended 30<sup>th</sup> June 2006

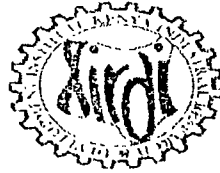
**EXPENSES**

	<b>2005/2006 (Kshs)</b>	<b>2004/2005 (Kshs)</b>
<b>Note 10. STAFF COST</b>		
Basic salary	44,370,861.00	40,861,299.65
House Allowance	30,225,114.00	30,112,299.65
Other Personal Allowance	7,621,060.00	4,217,329.60
Medical Allowance	3,578,649.00	3,989,233.55
Medical Expenses	3,203,670.00	3,325,665.60
Passage and Leave	632,730.00	665,400.00
Training Expenses	471,757.00	1,348,776.80
Group Life, GPA	1,712,535.00	1,683,900.00
Fees Commission and Honoraria	1,049,904.00	701,380.60
Gratuity, Pension and NSSF	11,029,631.00	10,443,207.40
	<b>103,895,912.00</b>	<b>97,348,492.85</b>
<b>Note 11 ADMINISTRATIVE COSTS</b>		
Transport Operation Expenses	3,091,141.00	3,041,615.10
Postal and Telecom Expenses	441,262.00	403,774.00
Telephone Expenses	890,733.00	2,460,966.50
Official Entertainment	1,458,546.00	1,506,966.35
Exp.Of Conferences, Com and Board	4,208,363.00	5,335,314.45
Electricity	2,651,414.00	1,907,735.10
Gas Purchase	238,933.00	417,759.45
Water and Conservancy	477,886.00	328,507.30
Publishing and Printing	1,020,623.00	696,172.40
Purchase and Consumables	980,000.00	1,762,713.15
Uniform and Clothing	49,856.00	138,403.00
Library Expense	122,063.00	494,455.00
Purchase of Stationery	1,535,490.00	1,497,341.30
Advertising and Publicity	858,388.00	1,508,321.90
Show Expenses and Market Research	495,109.00	579,224.50
Rent and Rate(Non-Residential)	177,823.00	159,375.00
Computer Expenses	1,565,888.00	1,329,953.75
Hire Of Transport and Machinery	552,176.00	49,259.00
Misc.and Other Charges	1,163,560.00	885,544.00
Misc.Operating Expenses (project)	830,757.00	55,201.00
Purchase of Plant and Equipment	164,877.00	485,773.60
Contribution to Other Bodies		192,761.65
HIV/AIDS Campaign		160,876.00
Prov. For Audit fee	540,000.00	0.00
<b>TOTAL</b>	<b>23,514,890.00</b>	<b>25,389,013.50</b>



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<b>Note 12 INSUARANCE EXPENSES</b>	<b>2005/2006 (Ksh)</b>	<b>2004/2005 (Ksh)</b>
Insurance Of Properties	690,455.00	639,732.00
<b>Note 13 Project and Consultancy Services</b>		
Contracted Services (Project)	4,284,337.00	3,807,107.75
<b>Note 14 Technical Expenses</b>		
Purchase of Lab Chemicals	1,099,715.00	766,674
Purchase of Research Materials	0	1,937,929.20
	1,099,715.00	2,704,603
<b>Note 15 Maintenance Expense</b>		
Maintenance of Office Equipments	1,226,209.00	2,233,200.55
Maintenance of Build and Stations	396,400.00	1,592,153.45
Maint of Office Furniture and Equip	1,398,129.00	
	3,020,738.00	3,825,354.00
<b>Note 16 Traveling and Subsistence</b>		
Traveling and Accommodation	2,965,714.00	3,311,431.60
<b>Note 17 INCOME</b>		
Recurrent Grant	115,496,460.00	125,951,509.80
Other Revenue	13,872,149.00	9,787,738.05
	<b>129,368,609.00</b>	<b>135,739,247.85</b>



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**Note 18 INCORPORATION**

The Kenya Industrial Research and Development Institute (KIRDI) is a Statutory Organization established under the Science and Technology Act Cap.250, and is domiciled in Kenya.

**Note 19 Stock**

Loose tools b/f .....	52,330,82
Less amortization .....	<u>4,150,284</u>
	48,179,799