

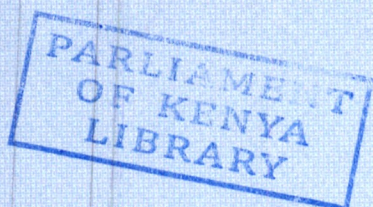
REPUBLIC OF KENYA



KENYA NATIONAL AUDIT OFFICE

Paper Laid
By the Hon. Aden Duale
Opp. MP Leader of the
Majority Party, on
25/3/2014
at 2.30pm
B.

Volume 6



REPORT

OF

THE AUDITOR-GENERAL

ON

**THE FINANCIAL STATEMENTS OF
NATIONAL COUNCIL FOR SCIENCE AND
TECHNOLOGY**

FOR THE YEAR ENDED

30 JUNE 2013





NATIONAL COUNCIL FOR SCIENCE AND TECHNOLOGY

**ANNUAL REPORT AND
FINANCIAL STATEMENT FOR**

THE YEAR ENDED 30TH JUNE, 2013



**NATIONAL COUNCIL FOR SCIENCE AND TECHNOLOGY ANNUAL REPORT
AND FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE, 2013**

TABLE OF CONTENTS

GENERAL INFORMATION	1
THE CHIEF EXECUTIVE OFFICER'S REPORT	2
STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES	3
ROLE OF THE NATIONAL COUNCIL FOR SCIENCE AND TECHNOLOGY	4
THE COUNCIL MEMBERS	6
REPORT OF THE AUDITOR GENERAL	7
STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2013	8
STATEMENT OF COMPREHENSIVE INCOME	9
STATEMENT OF CHANGES IN ACCUMULATED FUNDS	10
STATEMENT OF CASH FLOW	11
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 TH JUNE 2013	13



**NATIONAL COUNCIL FOR SCIENCE AND TECHNOLOGY ANNUAL REPORT
AND FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE, 2013**

GENERAL INFORMATION

a) **National Council for Science and Technology (NCST)** is a semi-autonomous statutory body established in 1977 by the Science and Technology Act Cap 250 of the laws of Kenya and domiciled in Kenya.

b) Principal Activity

The Principal activity of the (NCST), is to advise the Government on all matters relating to scientific and technological activities and research necessary for the proper development of the Republic and for the coordination of research and experimental development.

c) Banker

Kenya Commercial Bank
Kipande House
Kenyatta Avenue

d) Currency

The currency used is Kenya shillings.

e) Registered Office

Utalii House 9th Floor
Uhuru Highway
P.O. Box 30623 – 00100
NAIROBI, KENYA



NATIONAL COUNCIL FOR SCIENCE AND TECHNOLOGY ANNUAL REPORT AND FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE, 2013

THE CHIEF EXECUTIVE OFFICER'S REPORT

The 2012/2013 Financial Year was a year of increased income. The Council received a total sum of Kshs.660 million against Kshs.518 million for the previous year. This enabled the institution to maintain normal operations and maintenance. However, our creditors account increased by a sizeable amount of Kshs.26 million.

The strategic control measures put in place saw the Council through the entire Financial period and managed to post a surplus of Kshs.5 million.

I remain happy for the continued support from the parent Ministry, the Board of Management and all our stakeholders both from within and without the institution whose cooperation and commitment to the Council has proved invaluable to our continued support to Researchers, Research students and Innovators and will in future yield a resourceful out-put to the country.

I wish to thank all staff of the Council for their dedication and commitment which have been very instrumental in the Council's positive showing.

There remains much more to be done but I am hopeful that with the Government's promise of the 2% of GDP funding for Research, more will be achieved.



**PROF. SHAUKAT ABDULRAZAK, Ph.D, FAAS, FTWAS, FASI, MBS
SECRETARY/CEO**

**NATIONAL COUNCIL FOR SCIENCE AND TECHNOLOGY ANNUAL REPORT
AND FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE, 2013**

STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES

National Council for Science and Technology is required by the Science and Technology Act (Cap 250 of the Laws of Kenya) to prepare a Report and Financial Statements for each Financial Year. The report and statement should give a true and fair view of the state of affairs of the Council's surplus or deficit for that year. The Law also requires the council to ensure that proper accounting records, which disclose with reasonable accuracy the financial position of the Council, are kept.

In view of the foregoing, the Council accepts responsibility for the report and financial statements for the Financial Year 2012 – 2013. The statement has been prepared using appropriate accounting polices. It is supported by reasonable and prudent judgements and estimates inconformity with international accounting and financial requirements reporting standards. Thus, the Council is of the opinion that financial statements give a true and fair view of the state of financial affairs of the NCST at 30th June, 2013 and its surplus for the year ended.

The Council has been responsible for the maintenance of accounting records that has been relied upon the preparation of the financial statements, (as well as adequate systems of internal controls). Nothing has come to the attention of the Council to indicate that it will not remain a going concern for at least the next twelve months from the date of this statement.

**PROF. SHAUKAT ABDULRAZAK, Ph.D, FAAS, FTWAS, FASI, MBS
SECRETARY/CEO**

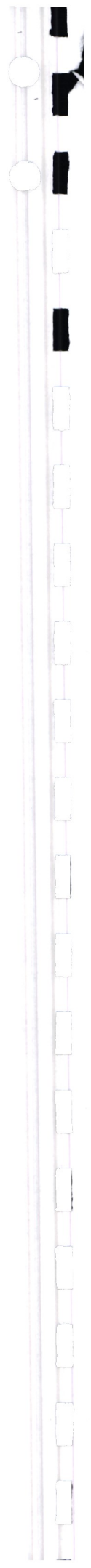
SIGNATURE: 

DATE: 09/09/13

**PROF. VASEY MWAJA, Ph.D
CHAIRMAN**

SIGNATURE: 

DATE: 09/09/13



NATIONAL COUNCIL FOR SCIENCE AND TECHNOLOGY ANNUAL REPORT AND FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE, 2013

ROLE OF THE NATIONAL COUNCIL FOR SCIENCE AND TECHNOLOGY

The National Council for Science and Technology currently operates under the Ministry of Higher Education, Science and Technology.

The Council's main objective is to advise, promote and coordinate on matters of science, technology and innovation for the proper development of the republic of Kenya. To effectively pursue the above mentioned objective, the Council is organized in committees and science schedules as outlined below:-

NCST Governance

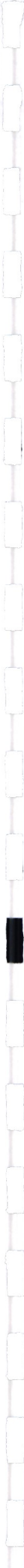
The Council comprises of:-

- Twelve members appointed by the Minister each of whom is a scientist of eminence in scheduled sciences. In making such appointments, the Minister ensures that each scheduled science is represented by at least one member who is suitably qualified
- The Permanent Secretaries of the scheduled ministries.

NCST operations are overseen by committees for specific scientific fields and one of coordination for research activities, the Research Committee. The current science based specialists committees of the council are:-

- Health and Biological specialist committee
- Agriculture and Environment specialist committee
- Industrial, Physical, Information and communication committee
- Social science and Research co-ordination specialist committee

The Chief Executive Officer of the NCST is the Secretary who oversees the day to day running of the organization based on the following vision, mission and core values.



NATIONAL COUNCIL FOR SCIENCE AND TECHNOLOGY ANNUAL REPORT AND FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE, 2013

Vision


A National advisory institution of excellence on matters of Science, Technology, innovation and research.

Mission

To be the preferred institution for services in policy development, coordination, promotion and advice on matters of Science and Technology and innovation for the purpose of integrating it into the social-economic development of the Nation of Kenya.

Core Values

- Integrity
- Professionalism
- Transparency
- Accountability
- Team Work
- Equity



PROF. SHAUKAT ABDULRAZAK, Ph.D, FAAS, FTWAS, FASI, MBS
SECRETARY/CEO

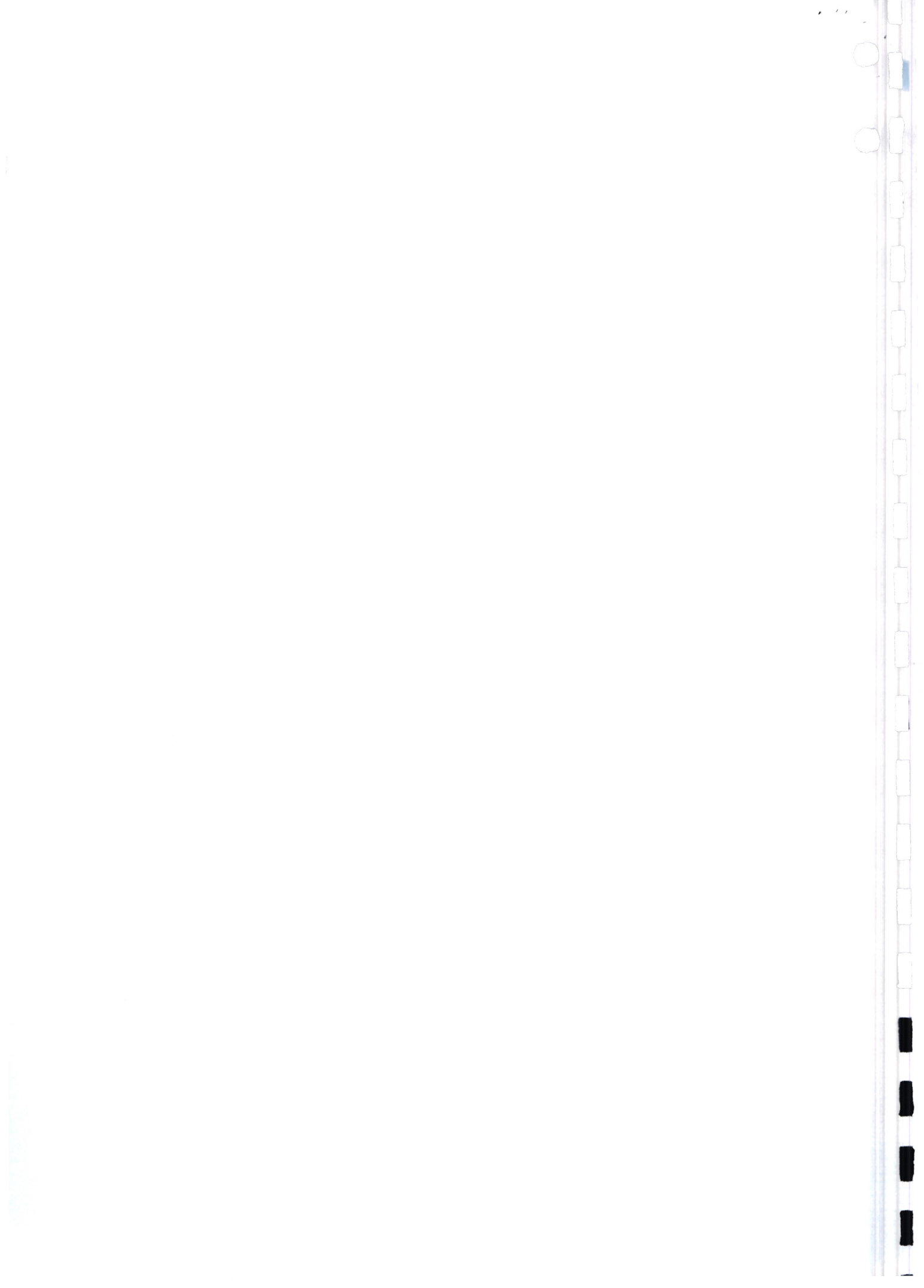
NATIONAL COUNCIL FOR SCIENCE AND TECHNOLOGY ANNUAL REPORT AND FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE, 2013

THE COUNCIL MEMBERS

Vasey N. Mwaja (Prof.)- Chairman	Date of appointment 19th April, 2010
Julius Mburugu (Mr.)	Date of appointment 19th April, 2010
Ephraim Amiani Mukisira (Dr.)	Date of appointment 19th April, 2010
Lucy Wachui Irungu (Prof.)	Date of appointment 19th April, 2010
James Kahindi (Prof.)	Date of appointment 19th April, 2010
Kirana M. Bhatt (Prof.)	Date of appointment 19th April, 2010
Nzula Kitaka (Dr.)	Date of appointment 19th April, 2010
Ruth Anyango Odhiambo (Ms.)	Date of appointment 19th April, 2010
Benard Aduda (Prof.)	Date of appointment 19th April, 2010
Ali Salim Islam (Dr.)	Date of appointment 19th April, 2010
Elijah Omwenga (Dr.)	Date of appointment 19th April, 2010

SENIOR MANAGEMENT STAFF

Shaukat A. Abdulrazak (Prof.)	Secretary/Chief Executive Officer
Moses Rugutt (Dr.)	Deputy Council Secretary
Vitalis Awuor (Mr.)	Chief Science Secretary
David Njubi (Dr.)	Chief Science Secretary
Stephen Karimi (Dr.)	Chief Science Secretary
Simon Langat (Dr.)	Chief Science Secretary
Hussein Said (Mr.)	Chief Science Secretary
Margaret Maimba (Mrs.)	Chief Science Secretary
Harrison Macharia (Mr.)	Chief Science Secretary
Boniface Wanyama (Mr.)	Principal Science Secretary
Edwardina Ndhine (Dr.)	Principal Science Secretary
James O. Akello (Mr.)	Principal Accountant





KENYA NATIONAL AUDIT OFFICE

REPORT OF THE AUDITOR-GENERAL ON NATIONAL COUNCIL FOR SCIENCE AND TECHNOLOGY FOR THE YEAR ENDED 30 JUNE 2013

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of National Council for Science and Technology set out on pages 8 to 18, which comprise the statement of financial position as at 30 June 2013, and the statement of comprehensive income, statement of changes in accumulated funds and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and 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 Council Members' Responsibility for the Financial Statements

The Council Members are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Members are also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 13 of the Public Audit Act, 2003.

Auditor-General's Responsibility

My responsibility is to express an opinion on these financial statements based on the audit and report in accordance with the provisions of Section 15 of the Public Audit Act, 2003. The audit was conducted in accordance with the International Standards on Auditing. Those standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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 Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council Members, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

Basis for Qualified Opinion

1. Inventories

The inventories balance of Kshs.10,750,329 as at 30 June 2013 includes stock of partitioning materials worth Kshs.5,746,188 removed from the Council's offices at Emperor Plaza Building way back in 1997 to the Ministry of Public Works which have not been accounted for. According to information available, the materials disappeared from the Ministry's go-down in Industrial Area where they had been kept apparently for safe custody. Although the matter has been indicated as being under investigation by the Criminal Investigations Department, the progress of such investigations has not been made available for audit review.

Under the circumstances, it has not been possible to confirm the carrying value of inventories balance as at 30 June 2013.

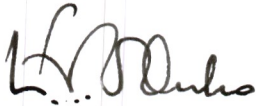
2. Work in Progress – Delay in Completion of Work

The Ministry of Higher Education, Science and Technology entered into a contract with a contractor on behalf of the Council for the construction of office block, hostel and swimming pool and associated civil works at Kabete at a contract sum of Kshs.990,990,990. The contractor took possession of the site on 2 April 2012 and the work was to be completed in 22.5 months from the date of site possession. A review of the project status report however revealed that as at 30 June 2013, total work certified amounted to Kshs.428,126,406 equivalent to 43% of the contract sum, while 72% of time had lapsed, an indication that the work was behind schedule.

Further, the contract provided for a 22% interest per annum on any certificate not paid within thirty days from the date of approval. A review of outstanding payment certificates revealed that interest amounting to Kshs.9,119,118 arising from delay in payment of certified work had accrued as at 30 June 2013. This wasteful expenditure could have been avoided had the Ministry settled bills on time.

Qualified Opinion

In my opinion, except for the effect of matters described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Council as at 30 June 2013, and of its financial performance and cash flows for the year then ended, in accordance with International Financial Reporting Standards and comply with the Science and Technology Act, Cap. 250 of the Laws of Kenya.



Edward R.O. Ouko, CBS
AUDITOR-GENERAL

NAIROBI
29 January 2014

**NATIONAL COUNCIL FOR SCIENCE AND TECHNOLOGY
STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2013**

	NOTE	<u>2012/13</u> KSHS	<u>2011/12</u> KSHS
NON CURRENT ASSETS			
Property, Plant Equipment and Computers	2	408,514,691.00	163,627,984.00
CURRENT ASSETS			
Inventories	3	10,750,329.00	5,746,188.00
Trade & Other Receivables	4	110,328,259.00	86,701,064.00
Cash and Cash Equivalents	5	142,627,056.00	124,440,611.00
		263,705,644.00	216,887,863.00
TOTAL ASSETS		<u>672,220,335.00</u>	<u>380,515,847.00</u>
ACCUMULATED FUNDS			
Capital Grant	6	350,545,414.00	99,866,477.00
Revaluation Reserves		86,886,293.00	86,886,293.00
Revenue Reserves		187,715,084.00	182,821,515.00
		625,146,791.00	369,574,285.00
CURRENT LIABILITIES			
Trade & Other Payables	7	28,561,468.00	2,177,338.00
Deposit	14	18,512,076.00	8,764,224.00
		47,073,544.00	10,941,562.00
TOTAL ACC FUNDS AND LIABILITIES		<u>672,220,335.00</u>	<u>380,515,847.00</u>

The Financial Statement was approved by:

**PROF.SHAUKAT ABDULRAZAK Ph.D. FAAS, FTWAS, FASI, MBS
SECRETARY/CEO**

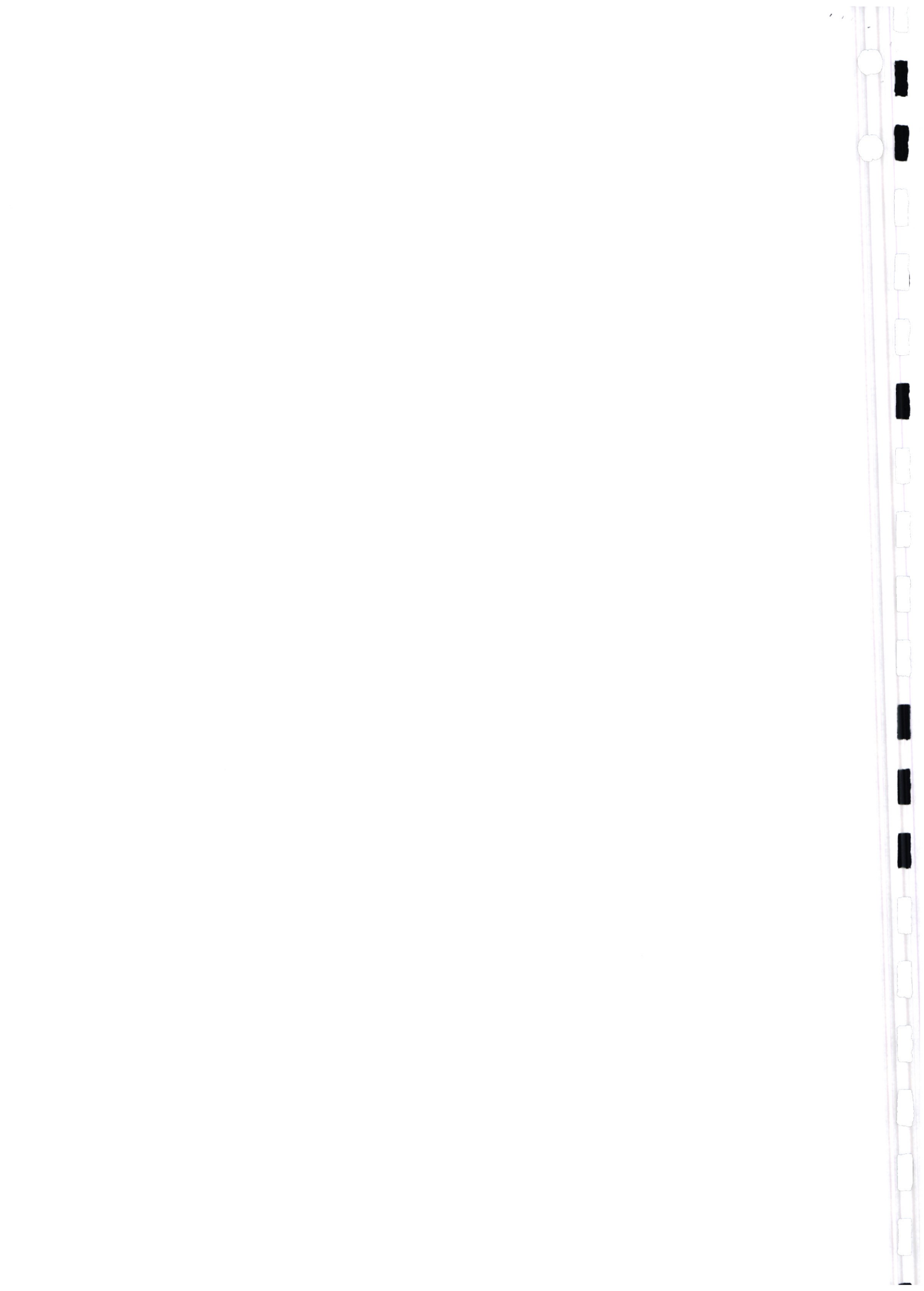
SIGNATURE:

DATE: 09/09/13

**PROF.VASEY MWAJA Ph.D
CHAIRMAN**

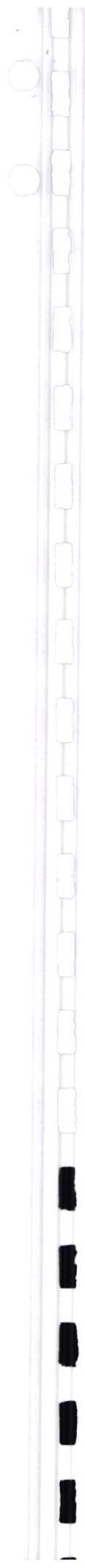
SIGNATURE:

DATE:09/09/13



**NATIONAL COUNCIL FOR SCIENCE AND TECHNOLOGY
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR
ENDED 30TH JUNE 2013**

	NOTE	<u>2012/13</u> KSHS	<u>2012/12</u> KSHS
INCOME	8	659,739,576.00	517,992,062.00
EXPENDITURE			
Staff Costs	9	61,950,573.00	39,124,709.00
Travelling and Accommodation Costs	10	49,466,997.00	36,859,528.00
Administration and Operation Costs	11	123,666,845.00	70,470,057.00
Research Costs	12	390,178,136.00	340,497,887.00
Sub Total		<u>625,622,551.00</u>	<u>486,952,181.00</u>
PROJECT COSTS			
United Nations Educational, Scientific and Cultural Organization (UNESCO)		751,325.00	814,685.00
Comprehensive Nuclear Test-Ban Treaty Organization (CTBTO)		7,970,632.00	8,359,572.00
Bio- Science Innovation policy consortium for E A A Network for Coordination and Advancement of Sub-Saharan Africa- EU Science & Technology Cooperation (CAAST-NET)		1,480,377.00	1,540,514.00
PAERIP project		2,684,453.00	8,323,798.00
Siochiro Shairishi		2,352,441.00	0.00
IST-Africa		850,000.00	1,300,000.00
CAASNET PLUS		1,923,070.00	1,485,476.00
ERA-Africa Projects		5,460,502.00	0.00
Sub Total		<u>29,583,456.00</u>	<u>22,923,256.00</u>
Total		<u>654,846,007.00</u>	<u>509,875,437.00</u>
Surplus		<u>4,893,569.00</u>	<u>8,116,625.00</u>



**NATIONAL COUNCIL FOR SCIENCE AND TECHNOLOGY
STATEMENT OF CHANGES IN ACCUMULATED FUNDS FOR
THE YEAR ENDED 30TH JUNE 2013**

	CAPITAL GRANT	REVALUATION RESERVES	REVENUE RESERVES	TOTAL KSHS
1st July 2010	36,467,362.00	886,293.00	166,358,098.00	203,711,753.00
Revaluation	0	86,000,000.00	0	86,000,000
Additional Capital	6,095,846	0	0	6,095,846
Surplus			8,346,792.00	8,346,792.00
30th June 2011	42,563,208.00	86,886,293.00	174,704,890.00	304,154,391.00
Additional Capital	57,303,269	0	0.00	57,303,269
Surplus	0	0	8,116,625.00	8,116,625.00
30th June 2012	99,866,477.00	86,886,293.00	182,821,515.00	369,574,285.00
Additional Capital	250,678,937.00	0	0	250,678,937.00
Surplus	0	0	4,893,569.00	4,893,569.00
30th June 2013	350,545,414.00	86,886,293.00	187,715,084.00	625,146,791.00



NATIONAL COUNCIL FOR SCIENCE AND TECHNOLOGY
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30TH JUNE 2013

	<u>2012/13</u>	<u>2011/12</u>
	KSHS	KSHS
Cash flow from operating Activities	4,893,569.00	8,116,625.00
Adjustments for items not involving cash movements:		
Depreciation	5,792,230.00	5,273,975.00
Surplus before working capital changes	10,685,799.00	13,390,600.00
Working Capital		
Inventory (increase)	-5,004,141.00	
Grants Receivable (Increase)	-23,627,195.00	-27,893,808.00
Accounts payables (Decrease)	26,384,130.00	-365,003.00
Deposits	9,747,852.00	1,555,261.00
Cash flow from operating activities	18,186,445.00	-13,312,950.00
Cash flow from investing Activities		
Capital Grants	250,678,937.00	57,303,270.00
Purchase of fixed assets (others)	-250,678,937.00	-57,303,269.00
Cash flow from Financial Activities		
Decrease in cash and cash Equivalents	18,186,445.00	-13,312,950.00
Cash and cash Equivalents-Beginning	124,440,611.00	137,753,560.00
Cash and cash Equivalents-Ending	142,627,056.00	124,440,611.00

**NATIONAL COUNCIL FOR SCIENCE AND TECHNOLOGY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2013**

NOTE : 1

SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The Financial Statements have been prepared under the historical cost basis of Accounting and International Financial Reporting Standards (IFRS)

(b) Property, Plant, Computers Equipment and Computers as stated at their historical costs.

Depreciation is calculated on a reducing balance at the following rates:-

ASSETS	RATES
Motor Vehicles	25%
Furniture and fittings	12.50%
Plant, Machinery and Equipment	12.50%
Computers	30%

The Council's policy does not provide for depreciation on assets in the year of acquisition.

(c) Income Recognition

- (i) Grants are recognized using income approach under which a grant is recognized over One or more period.

**NATIONAL COUNCIL FOR SCIENCE AND TECHNOLOGY
NON-CURRENT ASSETS MOVEMENT SCHEDULE**

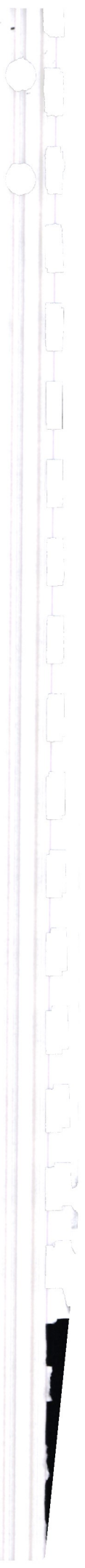
NOTE 2

	Land & Buildings	Furniture & Fittings	Plant & Equipment	work in progress	Motor Vehicle	Computers	Total
cost		12.50%	12.50%		25.00%	30.00% KSHS	
1st July 2011	86,000,000.00	38,408,361.00	4,928,788.00	0	16,289,953.00	11,457,824.00	71,084,926.00
Revaluation		0.00	0.00		0.00	0.00	86,000,000.00
Additions	0	932,500.00	2,293,478.00	49,594,091.00	0	4,483,200.00	57,303,269.00
	86,000,000.00	39,340,861.00	7,222,266.00	49,594,091.00	16,289,953.00	15,941,024.00	214,388,195.00
DEPRECIATION							
1st July 2011		29,898,448.00	2,048,199.00	0	8,044,056.00	5,495,533.00	45,486,236.00
Dep. Charge		1,063,739.00	360,074.00	0	2,061,475.00	1,788,687.00	5,273,975.00
NET BOOK VALUE		30,962,187.00	2,408,273.00	0.00	10,105,531.00	7,284,220.00	50,760,211.00
30th June 2012	86,000,000.00	8,378,674.00	4,813,993.00	49,594,091.00	6,184,422.00	8,656,804.00	163,627,984.00
30th June 2011	86,000,000.00	8,509,913.00	2,880,589.00	0.00	8,245,897.00	5,962,291.00	111,598,690.00
cost							
1st July 2012	86,000,000.00	39,340,861.00	7,222,266.00	49,594,091.00	16,289,953.00	15,941,024.00	128,388,195.00
Revaluation		0.00	0.00	0.00	0.00	0.00	86,000,000.00
Additions	0.00	6,444,654.00	811,220.00	219,001,217.00	23,453,046.00	968,800.00	250,678,937.00
TOTAL	86,000,000.00	45,785,515.00	8,033,486.00	268,595,308.00	39,742,999.00	16,909,824.00	465,067,132.00
DEPRECIATION							
1st July 2012	0.00	30,962,187.00	2,408,273.00	0.00	10,105,531.00	7,284,220.00	50,760,211.00
DEP Charge		1,047,334.25	601,749.13	0.00	1,546,105.50	2,597,041.20	5,792,230.08
30th June 2013	86,000,000.00	13,775,993.75	5,023,463.88	268,595,308.00	28,091,362.50	7,028,562.80	408,514,690.93
30th June 2012	86,000,000.00	8,378,674.00	4,813,993.00	49,594,091.00	6,184,422.00	8,656,804.00	163,627,984.00

NOTE :3

STOCK (PARTITIONS)

This relates to the value of partitioning materials pulled down from NCST's former office. The materials were taken to Ministry of Works Go-down in Industrial Area for Safe Custody. In addition ksh 5,004,141 relates to the value of consumerbles as at 30th June 2013



NATIONAL COUNCIL FOR SCIENCE AND TECHNOLOGY
NOTES TO FINANCIAL STATEMENTS FOR THE
YEAR ENDED 30TH JUNE 2013

NOTE 4
ACCOUNTS
RECEIVABLE

	2012/13	2011/12
Grants Receivable	109,404,634.00	86,701,064.00
CAAST-NET	566,140.00	
Access the World	357,515.00	0.00
TOTAL	110,328,289.00	86,701,064.00

NOTE 5
CASH AND CASH EQUIVALENTS

	2012/13	2011/12
Cash in Hand	292,909.00	51,072.35
Cash at Bank	142,334,147.00	124,389,539.00
TOTAL	142,627,056.00	124,440,611.35

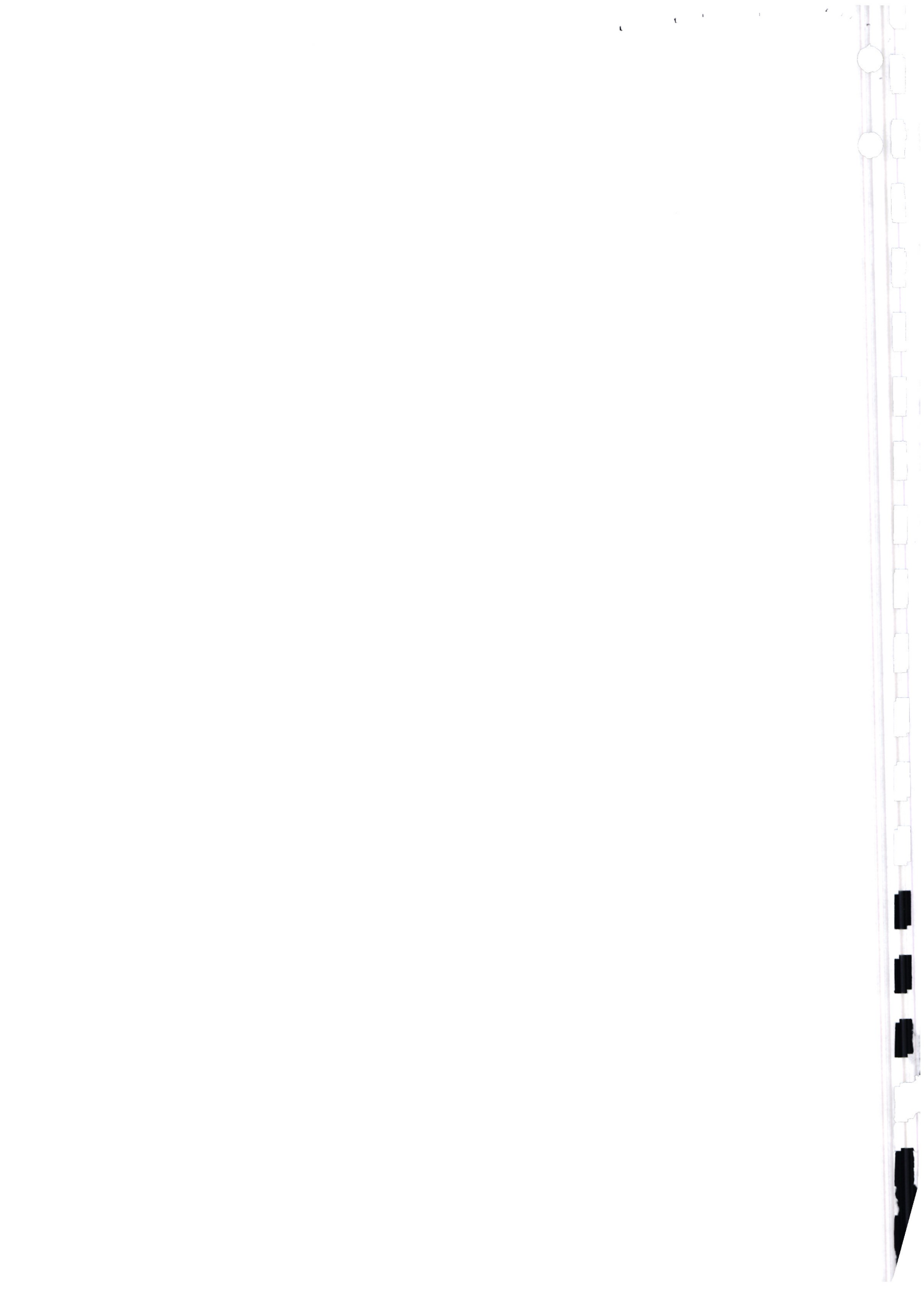
NOTE 6

CAPITAL GRANTS

	2012/13	2011/12
1st July 2010	99,866,477.00	42,563,208.00
Additions	250,678,937.00	7,709,178
work in progress	0	49,594,091
TOTAL	350,545,414.00	99,866,477.00

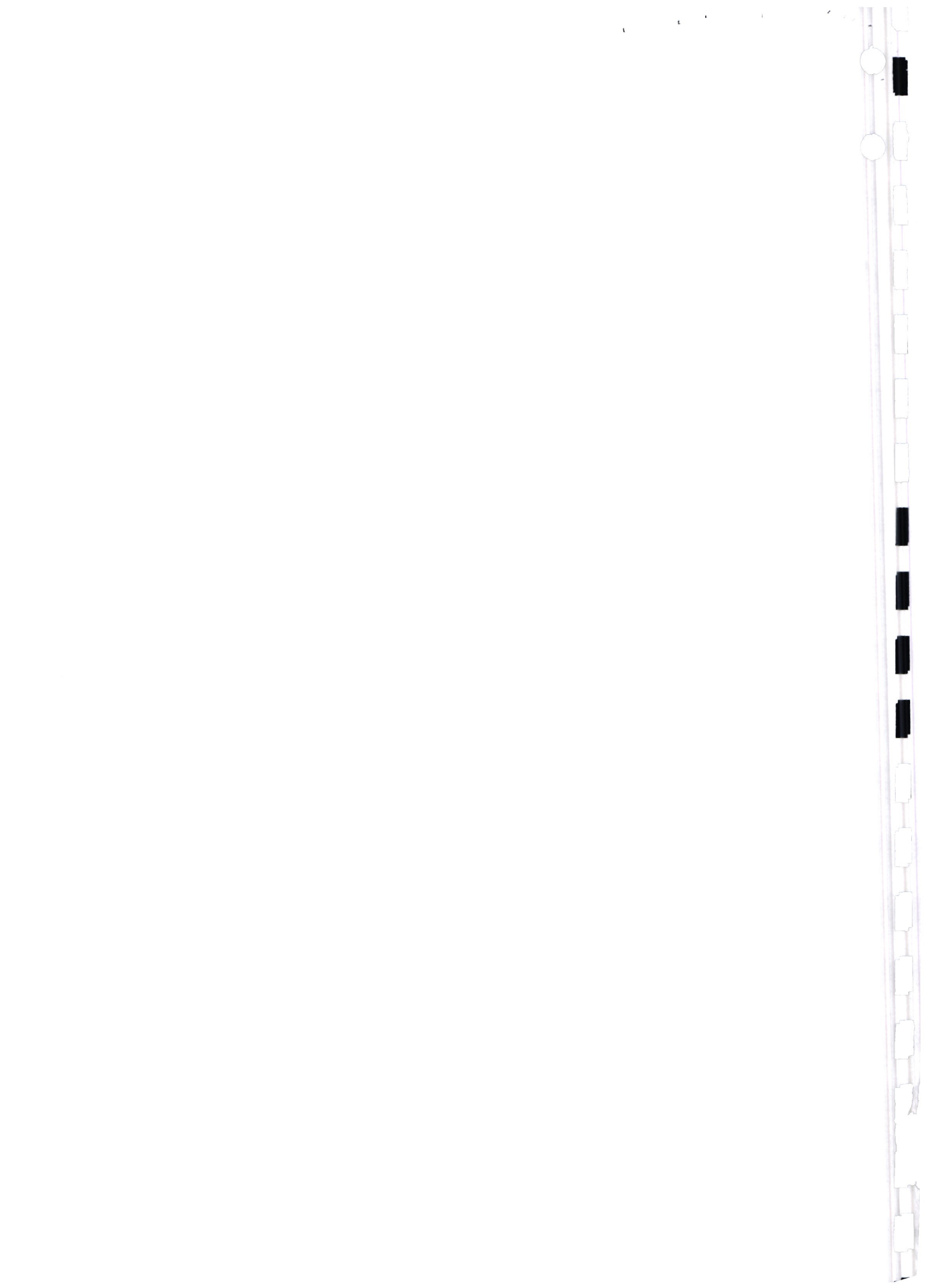
NOTE 7

	2012/13	2011/2012
Kenya Post and Telecommunication	477,160.00	477,160.00
Kenya Power and Lighting Company Ltd	23,728.00	23,728.00
KPL & Co Ltd	1,050.00	1,050.00
Accumulated Provision for Audit Fee	1,200,000	1,200,000.00
Great lakes university of Kisumu	0.00	400,000.00
union of pure and applied science	0.00	21,400.00
KRA	0.00	54,000.00
Milicon's Limited	26,859,530.00	0.00
	28,561,468.00	2,177,338.00



NATIONAL COUNCIL FOR SCIENCE AND TECHNOLOGY
NOTES TO FINANCIAL STATEMENTS FOR
THE YEAR ENDED
30 JUNE,2013 (CONTINUED)

NOTE 8		
INCOME ANALYSIS	2012/13	2011/12
Grants	282,901,928.00	138,523,024.00
Less: Capitalized Grant	28,118,202.00	7,709,178
Recurrent Grant-(Net)	254,783,726.00	130,813,846.00
Research Grants	352,726,847.00	356,258,242.00
Appropriation in Aid (AIA)	13,495,205.00	7,631,345.00
Decrease I provision for Audit fee		
Sub Total	621,005,778.00	494,703,433.00
OTHER RECEIPTS		
United Nations Educational, Scientific and Cultural Organization (UNESCO)	0	2,377,689.00
Comprehensive Nuclear Test-Ban Treaty Organization (CTBTO)	7,838,061.00	8,171,390.00
BIO innovation policy consortium for E.A A Network for Coordination and Advancement of Sub-Saharan Africa- EU Science & Technology Cooperation (CAAST- NET)	1,101,532.00	6,570,498.00
PAERIP Project	0.00	2,431,000
ERA _Africa project	7,341,703.00	0
IST-Africa	1,071,256.00	1,983,871.00
Japanese society of Kenya	850,000.00	0.00
IDRC	13,039,659.00	0.00
CAASNET PLUS	6,056,348.00	0.00
Sub Total	38,733,798.00	23,288,629.00
TOTAL	659,739,576.00	517,992,062.00



NOTE 9
STAFF COSTS

	<u>2012/13</u>	<u>2011/12</u>
Personal Allowances Paid as Reimbursements	6,917,636.00	5,001,877.00
Training Expenses	16,490,383.00	9,041,745.00
Catering Services	3,926,038.00	0.00
Casual Employees	4,094,508.00	0.00
Hospitality Supplies and Services	30,522,008.00	25,081,087.00
TOTAL	<u>61,950,573.00</u>	<u>39,124,709.00</u>

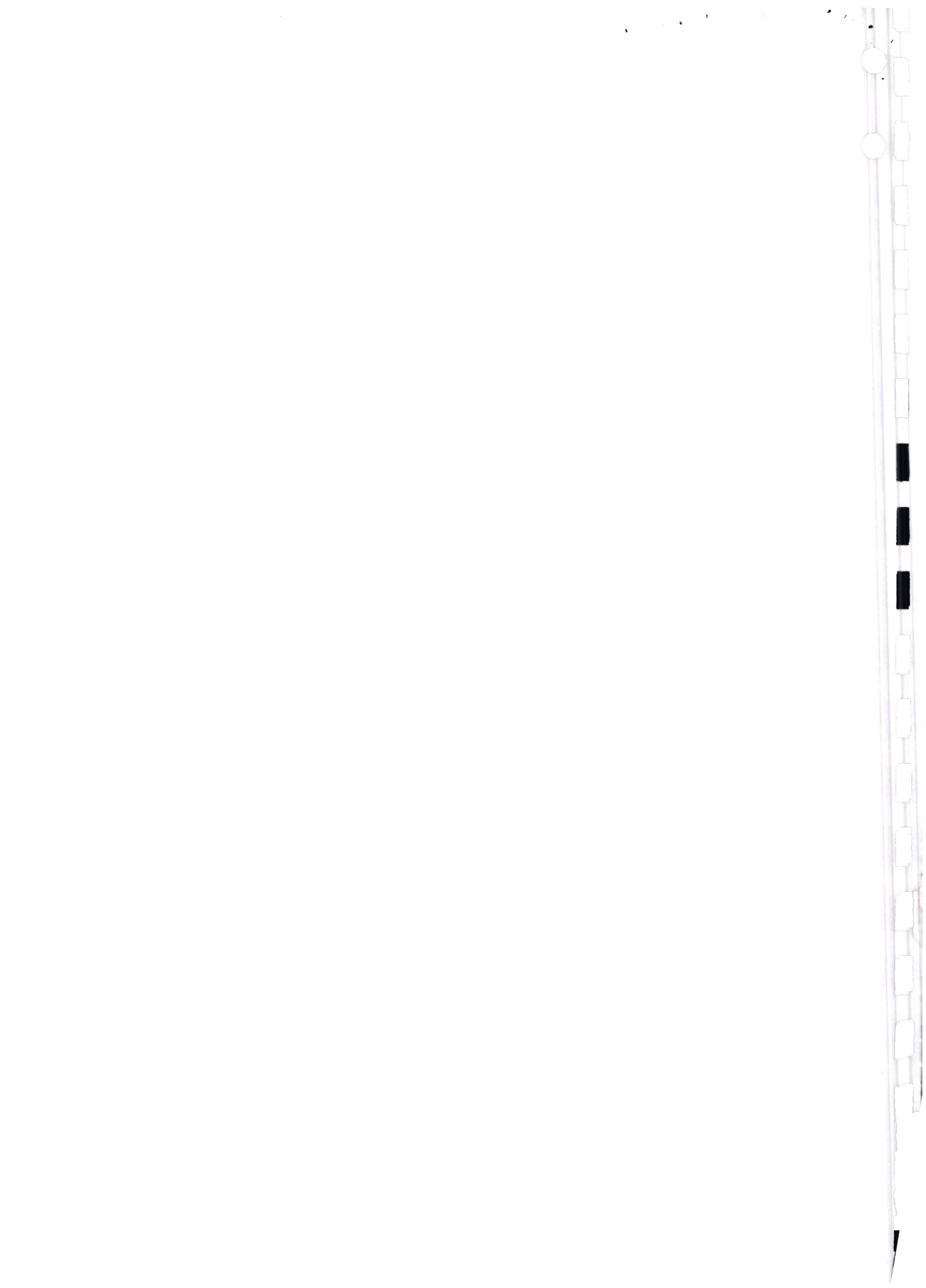


**NATIONAL COUNCIL FOR SCIENCE AND
TECHNOLOGY**

**NOTES TO FINANCIAL STATEMENTS FOR THE
YEAR ENDED**

30 JUNE,2013 (CONTINUED)

NOTE		
10		
TRAVELLING AND ACCOMMODATION COSTS		
	2012/13	2011/12
Domestic Travel and subsistence	26,183,687.00	19,024,651.00
Foreign Travel and Subsistence	23,283,310.00	17,834,877.00
TOTAL	49,466,997.00	36,859,528.00
NOTE		
11		
ADMINISTRATION AND OPERATION COSTS		
	2012/13	2011/12
Utilities Supplies	1,352,110.00	1,006,319.00
Communication Supplies and Services	11,006,638.00	6,665,051.00
Printing, Advertising, Information Supplies and Services	16,038,332.00	16,699,903.00
Contracted Professional Services	21,964,130.00	0.00
Purchase of Software Office and General Supplies	0.00	1,686,574.00
Fuel, Oil and Lubricants	7,405,317.00	5,735,324.00
Maintenance of computer software and network	10,219,230.00	5,268,640.00
Extraneous Allowance	1,895,622.00	0.00
Maintenance of Building and Stations	2,958,308.00	0.00
Rent and Rates	1,148,728.00	0.00
Trade shows and Exhibition	1,327,770.00	0.00
Other Operating Expenses	3,609,825.00	0.00
Board Committee And Conference	11,392,029.00	13,612,406.00
Cleaning Materials	15,790,067.00	0.00
Routine Maintenance of Motor Vehicles	115,910.00	0.00
Routine Maintenance of Other Assets	7,178,854.00	5,246,260.00
Depreciation Charge for the year	3,717,003.00	7,671,837.00
Provision for Audit Fees- KENAO	5,792,230.00	5,273,295.00
Purchase of Specialized Materials	650,000.00	650,000.00
Supplies and accessories for computer & printers	0.00	754,832.00
Maintenance of Furniture and Equipment	104,742.00	0.00
TOTAL	123,666,845.00	70,470,057.00



NATIONAL COUNCIL FOR SCIENCE AND TECHNOLOGY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE, 2013 (CONTINUED)

NOTE 12

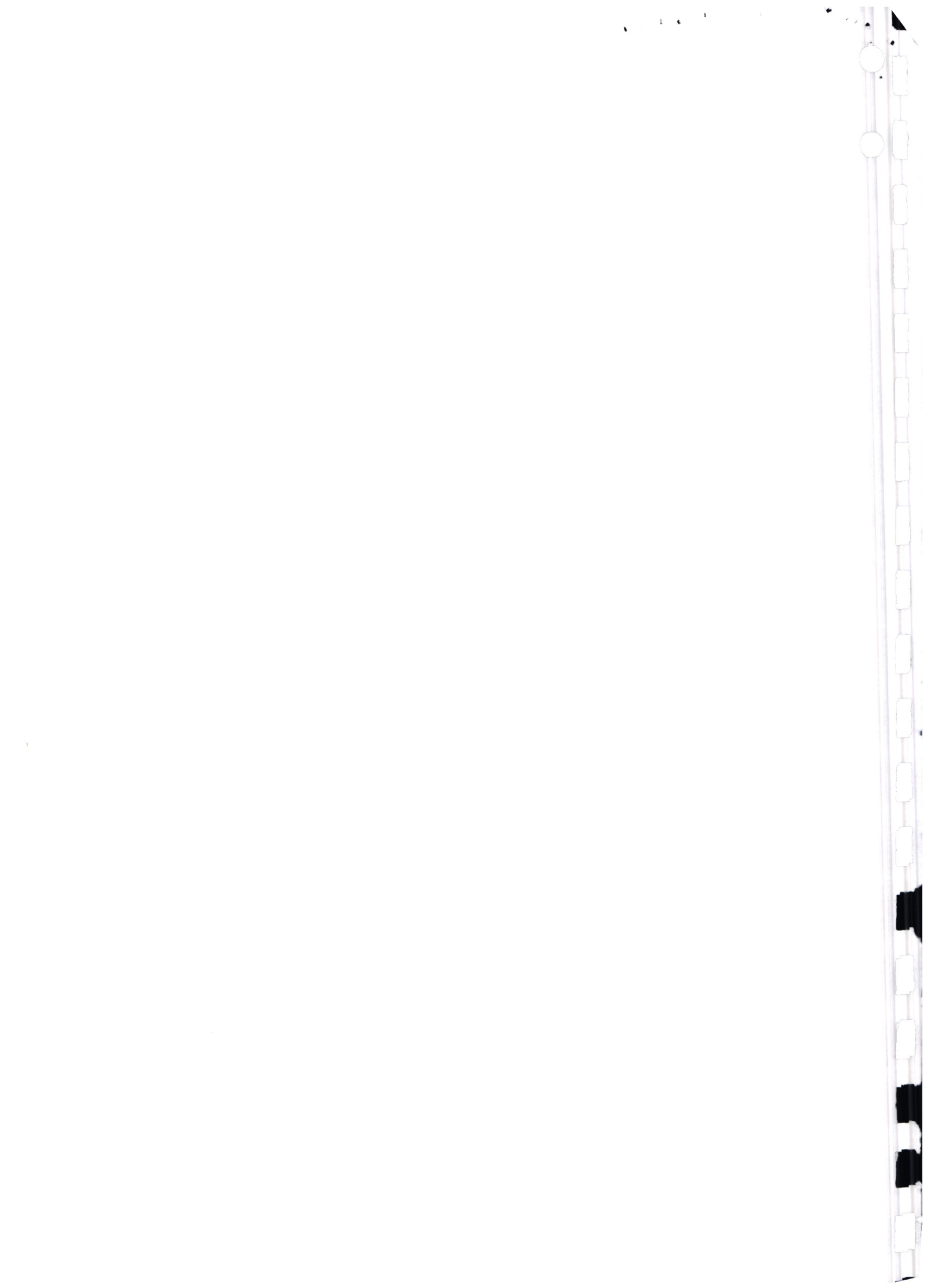
	2012/13	2011/12
Research and Innovation Costs	381,678,136.00	331,997,887.00
Current Grant to Government Agencies	8,500,000.00	8,500,000.00
Sub Total	390,178,136.00	340,497,887.00

OTHER EXPENDITURES

United Nations Educational, Scientific and Cultural Organization (UNESCO)	751,325.00	814,685.00
Comprehensive Nuclear Test-Ban Treaty Organization (CTBTO)	7,970,632.00	8,359,572.00
Bio- Science Innovation policy consortium for E A A Network for Coordination and Advancement of Sub-Saharan Africa- EU Science & Technology Cooperation (CAAST-NET)	2,684,453.00	1,540,514.00
PAERIP project	2,352,441.00	8,323,798.00
Siochiro Shairishi	850,000.00	1,300,000.00
IST-Africa	1,923,070.00	1,485,476.00
CAASNET PLUS	5,460,502.00	0.00
ERA-Africa Projects	6,110,656.00	1,099,211.00
Sub total	29,583,456.00	22,923,256.00
TOTAL	419,761,592.00	363,421,143.00

APPROPRIATION IN AID-(AIA)

	2012/13	2011/12
Research Permit Fees	12,928,205.00	7,617,345.00
Tender Application Fees	567,000.00	14,000.00
TOTAL	13,495,205.00	7,631,345.00



**NATIONAL COUNCIL FOR SCIENCE AND TECHNOLOGY
NOTES TO FINANCIAL STATEMENTS FOR THE
YEAR ENDED
30 JUNE, 2013 (CONTINUED)**

NOTE 14

DEPOSIT BALANCES- PROJECT GRANT

	<u>2012/13</u>	<u>2011/12</u>
Bio-Science Innovation Policy Consortium for E A	147,019.00	192,157.00
United Nations Educational, Scientific and Cultural Organization (UNESCO)	1,626,364.00	2,377,689.00
Comprehensive Nuclear Test-Ban Treaty Organization (CTBTO)	1,752,914.00	1,885,485.00
A Network for Coordination and Advancement of Sub-Saharan Africa- EU Science & Technology IDRC	13,039,695.00	0
CAAS-NET PLUS Cooperation (CAAST- NET)	595,846.00	0
IST-Africa Project	0.00	1,016,781.00
ERA-Africa Project	8,632.00	860,482.00
Bragma	1,232,677.00	630
PAERIP Project	30,369.00	
	78,461.00	2,431,000.00
TOTAL	<u>17,343,668.00</u>	<u>8,764,224.00</u>

18,512,076.00

