

NCRST
NATIONAL COMMISSION
ON RESEARCH SCIENCE & TECHNOLOGY

ANNUAL REPORT 2013-2014

Fostering Excellence through Knowledge and Innovation



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CHAIRPERSON'S STATEMENT

The 2013/14 financial year marks an important milestone for NCRST towards becoming fully functional with a fulltime management team and the Board of Commissioners being able to perform its duties of governance and strategy formulation. Following the appointment of the 16 Member Board of Commissioners in May 2012, the process of recruiting the Chief Executive Officer was initiated. The Chief Executive Officer was appointed and assumed duty in July 2013. In order to facilitate the execution of its function, the Commission established in terms of Section 13 of the Research, Science and Technology Act, 2004, the following Committees:

1. The Executive Committee;
2. The Foundation for Research Science and Technology Committee;
3. Finance, Investments, Audit and Risk Management Committee;
4. The Human Resources and Remuneration Committee; and,
5. The Tender Committee.

The Terms of Reference for each of the above Committees were drafted and subsequently adopted by the Commission during the period under review. This process was preceded by induction training to all Commissioners, with special emphasis on the legal and governance frameworks of the NCRST, inclusive of the provisions of the King III Code. The Commission also approved the Charter of the National Commission on Research,

Science and Technology (NCRST and the Delegation of Authority to Committees of the Commission, Chairperson and CEO.

In parallel with the genesis of the governance framework for the NCRST, the organizational structure replete with job grades (Paterson scale) and remuneration regime were formally approved by the Commission and subsequently, by the appointing authority, the Minister of Education, Dr. David Namwandi. This was then followed by the appointment of key managerial staff over a period from October 2013 to the end of January 2014.

The reporting period (2013/14) was devoted to in-depth and extensive policy review and design for the NCRST. This process produced revised policies in the domains of Financial Management and Procedures, Human Resource Policies and Procedures.

Under the mantra of *'Fostering Excellence through Knowledge and Innovation'* the Strategic Plan of the NCRST was finalized and approved by the Commission. The Strategic Plan resonates powerfully with Vision 2030 – the long-term development frame of the country – and speaks to other relevant national development documents, such as NDP4. The Plan pivots around three (3) strategic themes over the next five years. These are:

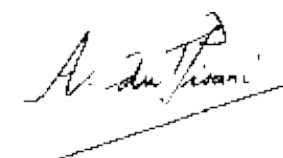
6. Further public understanding of and interest in RSTI in Namibia.

7. Deepen stakeholders cooperation and strategic alignment around RSTI, and
8. Align and integrate a supporting regulatory environment for RSTI in Namibia.

The NCRST continues to ask fundamental questions about its own definition of success. The primary objective of the Commission is to establish a national system that promotes, develops, coordinates and informs Research, Science Technology and Innovation towards a knowledge-based society. The Board of Commissioners is encouraged by the emerging collaboration between NCRST and its key stakeholders. Collaboration is critical to enable the Commission to achieve the goal of reducing fragmentation and duplication of effort within Namibia innovation systems.

I wish to express my deep gratitude for the support received from Minister of

Education, Hon Dr. David Namwandi, and my fellow Commissioners. My deep appreciation extends to the Chief Executive Officer, Dr Eino Mvula and his team for their stewardship of the NCRST.



Prof Andre du Pisani



CEO'S REPORT

The NCRST is pleased to present its Annual Report for the financial year 2013/14. This represents a significant milestone in the existence of the Commission. The 2013/14 financial year was dominated by the completion of the consolidation process and implementation of the Commission's mandate as set out in the Research, Science and Technology Act, 2004 (Act no 23 of 2004).

As a new organization we were required to develop the governance framework to guide the work of the Commission and its Committees and also to develop internal policies in order to ensure compliance to the provisions of the Research, Science and Technology Act, 2004 (Act no 23 of 2004) as well as other statutory requirements. Key policies and procedures that guide the operations of the NCRST were developed and processes were initiated resulting in the successful transfer of functions from the former Directorate of Research, Science and Technology within the Ministry of Education to the NCRST as an autonomous statutory body.

In addition to the work aimed at setting up the organisational foundations, the NCRST continued to carry out work on the coordination, development, and coordination of research, science, technology and innovation in line with its mandate. It is noteworthy highlighting some of major achievements during the reporting period 2013/14, this includes:

1. Finalization of review of Research Proposals for Funding under the Namibia-South Africa Joint calls;
2. Development of Procedure Manual for the operationalization of the *National Research, Science and Technology Fund* (NRSTF);
3. Issuance of First Call for Research Proposals in February 2014;
4. Formulation of the National Programme on Research, Science, Technology and Innovation (2014/15 to 2017/18) with stakeholders consultation as provided for in Section 18 of Research, Science and Technology Act, 2004 (Act no 23 of 2004);
5. Formulation and approval of the strategic plan for the period 2014/15 to 2018/19

The NCRST continues to strengthen its leadership as with high quality leadership team in order to deliver on its mandate, hence the appointment of a competent and dedicated team. Although the National System of Innovation still faces several challenges that need to be addressed, we are confident that with the strong commitment and support of all our stakeholders these challenges are not insurmountable.

I would like to take the opportunity to express deep gratitude to the Board of Commissioners under the leadership of Professor Andre du Pisani for their

guidance and support. My profound appreciation also goes to the Minister of Education, Hon Dr. David Namwandi for his visionary leadership that enables NCRST to deliver on its mandate. I continue to be inspired by the hard-working staff members of NCRST whose tireless effort has brought us where we are

and will take the Commission to greater heights.



Dr. Eino Mvula





PART A: ORGANIZATIONAL OVERVIEW





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CORPORATE OVERVIEW

A

Establish a national system that promotes, develops, coordinates and informs research, science technology and innovation (RSTI) towards a knowledge-based society.

NCRST MANDATE

Government has long recognized the importance of Research, Science and Technology as an engine of economic growth and development, hence the enactment of the Research, Science and Technology Act, 2004 (Act no 23 of 2004). The objectives as outlined in section 1 of the Act are:

- 1) to ensure the co-ordination, monitoring and supervision of research, science and technology in Namibia;
- 2) to promote and develop research, science and technology in Namibia;
- 3) to promote common ground in research, scientific and technological thinking across all disciplines, including the physical, mathematical and life sciences, as well as human, social and economic sciences;
- 4) to encourage and promote innovative and independent thinking and the optimum development of intellectual capacity of people in research, science and technology;
- 5) to ensure dedicated, prioritised and systematic funding for research, science and technology application and development in Namibia;
- 6) to promote linkages between Namibia and international institutions and bodies on the development of research, science and technology.

MISSION

Establish a national system that

promotes, develops, coordinates and informs research, science technology and innovation (RSTI) towards a knowledge-based society.

Explanation: The emphasis is on creating a systematic approach that links and coordinates stakeholders in a delivery funnel towards achieving optimal RSTI relevant deliverables and in that process furthers meaningful progress towards a knowledge based society (socio-economic system/society)

VISION

To achieve 2% of Gross-Domestic Product (GDP) invested in Research and Development (R&D) in Namibia by 2018 to meaningfully support Vision 2030

Explanation: The vision attempts to galvanize the various stakeholders and mechanisms/means that make up the funnel towards the creation of RSTI deliverables into an R&D commitment and spend that as a lead indicator will further promote socio-economic development in the context of a knowledge-based economy.

VALUES

The NCRST strives to further value based behaviour, engaging and relating, decision making and action. Stakeholders interacting with the NCRST and its representatives should consistently experience these values in all interactions

and decisions, and all staff members must consciously practice the values so as to develop a consistent values-based approach.

7. **Integrity** - adherence to moral and ethical principles; soundness of moral character; honesty. Coming across as authentic. Others experience us as being true to what we promise, we are consistent in the way we do things in that this is always based on being truthful, honest and sincere. We are seen to be consistently trustworthy and honest in the way we deal with NCRST work.

8. **Pro-activeness** - anticipatory, change-oriented and self-initiated behaviour in situations, particularly in the workplace. Proactive behaviour involves acting in advance of a future situation, rather than just reacting. Being prepared, anticipating and considering consequences and placing oneself in a position to deal with and manage them. It means taking control and making things happen rather than just adjusting to a situation or waiting for something to happen. Organisationally, it means creating a desired future, and thus taking the initiative to do so. Proactive staff members generally do not need to be asked to act, nor do they require detailed instructions, they are guided by a clear purpose and desire to live

up to responsible action.

9. **Passion for Excellence** - Passion is an intense emotion compelling, enthusiasm, or desire, in this case we have the passion to excel. Doing anything with excellence of course means that we will do the very best that will be able to be done. We will therefore perform to the best of our own ability, and further those abilities so that we can feel deeply satisfied about our achievements. We strive for personal excellence to make significant contributions to NCRST excellence. Indeed performing with excellence will require passion. Although success is never a guarantee, our passion never gives birth to mediocrity. Our excellence starts with getting very clear on the end state we wish to achieve and relentlessly driving towards it every day. We know when to push on (even when you don't have all the information or the perfect solution), but doing it well and constantly refining as we forge ahead.

STRATEGIC THEMES

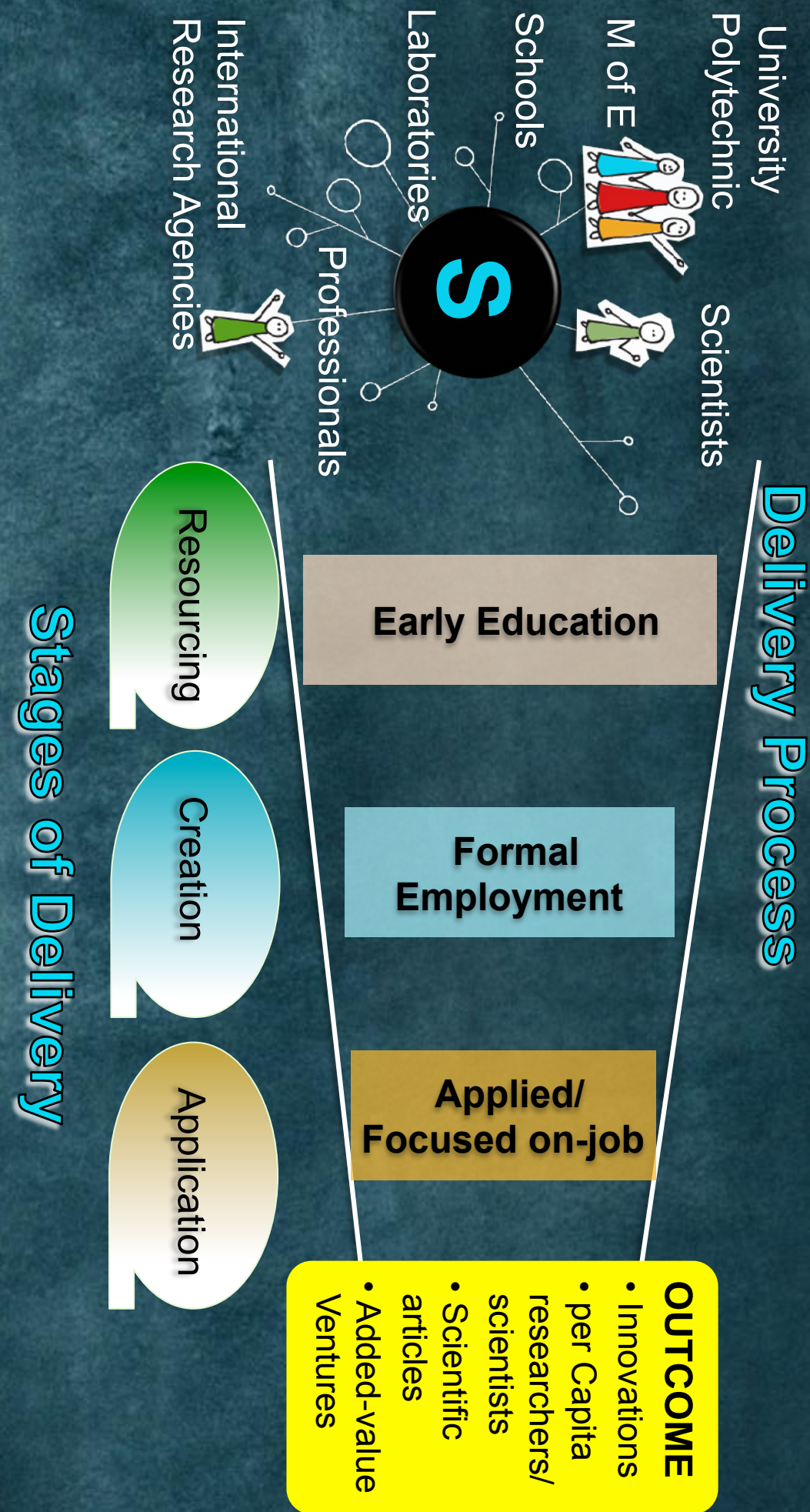
The following themes are of vital strategic importance over the next five years and create distinct focal clusters against which objectives can be defined:

1. **Further Public Understanding** - in order to create interest and a certain pull

We strive for personal excellence to make significant contributions to NCRST excellence.

A

Research, Science & Technology Delivery Funnel



for RSTI in Namibia, public awareness and understanding will be vital – here leverage should be sought in respect targeting segments of the population that will further RSTI progress most favourably (optimal effort-return ratio);

2. Further Stakeholder Cooperation & Alignment – to identify active and potentially active RSTI “players” and create linkages, networks and ventures that will further and optimise RSTI progress within the delivery funnel; and

3. Alignment and integration of Regulatory Environment – to establish a relevant and desirable operating environment underlying legislative and statutory frameworks aligned and integrated towards optimal mobilisation of RSTI in Namibia.

The themes provide guidance in the formulation of appropriate objectives and subsequent targets. At the Commission’s meeting held on 18 July 2013, a business plan covering a period of 3 to 4 months of the operationalization of the NCRST was approved. This short-term business plan served as vehicle to facilitate the operationalization of the NCRST and also facilitated the development of the first five years Strategic Plan for the Organisation. A balanced scorecard approach is adopted to facilitate implementation of the four strategic themes identified. The

NCRST Strategic Plan for the period 2104/15 to 2018/19 was formulated during December 2013 and January 2014, through two workshops held – one in December 2013 and one in January 2014. The selected NCRST staff members (a mixture of managerial and professional staff) worked systematically towards a strategy document. Under the mantra of ‘Fostering Excellence through Knowledge and Innovation’ the Strategic Plan of the NCRST was finalized in March 2014 and approved by the Commission at a Special Meeting of 13 March 2014 and duly submitted to the Minister of Education, Hon David Namwandi. The Strategic Plan follows the Balance Score Card (BSC) approach hence the report will follow the balance scorecard perspectives

The Strategic themes are:

- Perspective 1: Stakeholders Perspective
- Perspective 2: Financial Perspective
- Perspective 3: Internal Business Process Perspective
- Perspective 4: Growth and Learning Perspective

This report covers progress made in terms of initiatives and activities performed to achieve the objectives in line with the approved Strategic Plan.

A balanced scorecard approach is adopted to facilitate implementation of the four strategic themes identified.



BOARD OF COMMISSIONERS STRUCTURE

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BOARD OF COMMISSIONERS STRUCTURE

FUNCTIONS

The National Commission on Research Science and Technology (NCRST) is established in terms of section 4 of the Research Science and Technology Act, 2004 (Act no 23 of 2004). The NCRST is governed by the Commission consisting of (16) members appointed by the Minister and a five member Executive committee which execute the decisions of the Commission.

The function and powers of the Commission in terms of section 5 of the Act are:

- 1) to monitor and supervise the promotion, co-ordination, development and continuation of research, science and technology in all sectors in Namibia, and to minimize overlapping in the fields of research, science and technology;
- 2) to prepare and review a national programme in the manner referred to in section 18;
- 3) to co-ordinate and facilitate the development of research, science and technology on national, regional and local level, and to provide direction and policy guidance to the research, science and technology innovation systems in Namibia;
- 4) to promote broad participation in research, science and technology activities with due regard to the promotion of designated groups or

persons belonging to designated groups;

- 5) to promote the participation of Namibians and research institutes in regional and international research, science and technology projects and events, and, in co-operation with the Minister and Ministers responsible for foreign affairs and finance, to enter into agreements on co-operation and maintenance of relationships with similar foreign institutions in the fields of research, science and technology;
- 6) to promote awareness and national appreciation of the value of research, science and technology to social, cultural and economic development;
- 7) to promote, facilitate and organise seminars, conferences, lectures, workshops and similar events relating to research, science and technology;
- 8) to promote the application of research, science and technology to the development and improvement of industrial and commercial outputs, designs and productivity;
- 9) in co-ordination with the Minister responsible for foreign affairs, to participate in international research, science and technology events of national interest, and to represent Namibia at

research, science and technology conferences, meetings, workshops or any similar event;

- 10) to participate, in co-operation with relevant bodies and institutes, in studies on human resources relating to research, science and technology activities, and where appropriate, to promote the growth and development of human resources for such activities;
- 11) to collect and distribute, in accordance with this Act, financial, human and other resources for the efficient management and promotion of councils and research institutes and to solicit and make priorities for funding in respect of-
 - (i) research, science and technology purposes;
 - (ii) a framework for expense on research, science and technology;
 - (iii) the building and maintenance of research, science and technology capacity by way of selective funding of training and development; and
 - (iv) national facilities for research, science and technology;
- 12) to co-ordinate the use of moneys of the Fund and investments,

and to facilitate, separately or in co-operation with the private sector, the use of public good research outputs, and to stimulate proposals of broad national interest for research;

- 13) to provide research grants, loans, bursaries and similar financial aid in research, science and technology;
- 14) to collect, disseminate and promote any research, science and technology results, statistics, reports, literature, data, services or any other information, including the establishment and maintenance of information systems to support -
 - (i) the monitoring and evaluation of the overall management and functioning of the science and technology system and the national system of innovation; and
 - (ii) the continuous revision of science and technology policies to address changing and new circumstances;
- 15) to undertake, in co-operation with the appropriate institutions and other bodies, the development and exploitation of any research, science and technology invention, and to provide advice and

assistance to innovators and inventors in the registration and protection of their innovations and inventions;

- 16) to identify and validate national research and development priorities in or relating to research, science and technology;
- 17) to identify and raise awareness with any authority, institution, body or person, of any need relating to the establishment, transformation or dissolution of any relevant research, science or technology body or policy or other relevant matter, including the co-ordination of any request for advice in this regard;
- 18) to build capacity, skills and know-how of the staff of the Commission and councils and Namibian people in general;
- 19) to advise the Minister on manners how to secure a sustained basis for the funding of research, science and technology;
- 20) to advise the Minister, the President, Parliament and any other authority or body on the functions and initiatives of the Commission and on any matter relating to research, science and technology;

- 21) to make recommendations to the Minister regarding the amendment of this Act or any other Acts which may contribute to the promotion of research, science and technology; at the request of the Minister, or on its own accord, to enquire into, report on and make recommendations on any matter, or the performance of such other tasks, falling within the objects of this Act.

NCRST COMMISSIONERS

1. Prof Andre du Pisani, Chairperson
2. Dr Johannes D. Shoopala, Deputy Chairperson
3. Mr Markus von Jeney, Member
4. Mr Alfred Ilukena, Member
5. Ms Martha Namundjebo-Tilahun, Member
6. Mr Johannes Aipanda, Member
7. Ms Sharonice Busch, Member
8. Mr Uda Nakamhela, Member
9. Ms Hilma Nangombe, Member
10. Ms Graça D'Almeida, Member
11. Dr Vicky Do Cabo, Member
12. Ms Petrina N. Nakale, Member
13. Mr Franz Uirab, Member
14. Ms Elly Hamunyela, Member
15. Ms Josephine J. /Haubas, Member
16. Ms Antonia Kapia, Member
17. Dr. Eino Mvula, CEO/Member

Prof Andre du Pisani



Dr Johannes D. Shoopala



Mr Markus von Jeney



Mr Alfred Ilukena



Ms Martha Namundjebo-Tilahun



Mr Johannes Aipanda



Ms Sharonice Busch



Mr Uda Nakamhela



Ms Hilma Nangombe



Ms Graça D'Almeida



Dr Vicky Do Cabo



Ms Petrina N. Nakale



Mr Franz Uirab



Ms Elly Hamunyela



Ms Josephine J. /Haubas



Ms Antonia Kapia



During the period under review, the Commission approved the Terms of references of all its Committees.

NCRST COMMITTEES

The Commission shall in terms of Sections 12, 13 and 14 read together with Section 31 of the Act delegate certain functions to the Chairperson of the NCRST (“the Chairperson”), the CEO or any other statutory Committees established under the Act, without abdicating its own responsibilities. The functions may be delegated to the following committees:

- Executive Committee;
- Foundation for Research, Science and Technology (FRST);
- Finance, Investments, Audit and Risk Management Committee (FIARM);
- Human Resources and Remuneration Committee; and
- Tender Committee;

During the period under review, the Commission approved the Terms of references of all its Committees.

EXECUTIVE COMMITTEE (EXCO)

Section 12 (1) of Research Science and Technology Act, 2004 (Act 23 of 2004) (“the Act”) establishes the Executive Committee (EXCO) whose functions is to execute decisions and manage the affairs and activities of the Commission. The EXCO shall consist of five members appointed by the Commission, comprising the following persons as listed in Section 12 (3) of the Act:

- Chairperson of the Commission (the “

Chairperson”)

- Vice-Chairperson of the Commission (the “Vice-Chairperson”)
- Three other Commissioners elected by the Commission
- The Chairperson and Vice-Chairperson of the Commission shall be the Chairperson and Vice-Chairperson of the EXCO respectively.

FOUNDATION FOR RESEARCH, SCIENCE AND TECHNOLOGY

The Foundation for Research, Science and Technology (the “Foundation”) whose functions are as specified in the rules of the Commission is established in terms of section 13 (4) of *Research Science and Technology Act 23 of 2004* (the “Act”). The Foundation shall consist of seven members elected by the Commission from their number to serve on an annual basis, or such longer period as the Minister, on recommendation of the Commission, may determine.

The Foundation shall have the following powers and functions:

- o To advise the Commission in formulating national policies and strategies on Research, Science, Technology and Innovation.
- o To oversee the development of the National Research, Science, Technology and Innovation programme and monitor its implementation as provided for in

Section 18 of the Act.

- o To oversee and approve the allocation of resources necessary to advance and implement the National Research, Science ,Technology and Innovation Programme.
- o To guide the allocation of the resources necessary to advance strategic regional and international collaborations in the field of Research, Science, Technology and Innovation.
- o To evaluate and approve grants for research and innovation.
- o To actively pursue international collaboration and funding opportunities for collaborative research.
- o To ensure that Intellectual Property Rights (IPR) issues emanating from publicly funded research is handled in a fair and equitable manner in line with Section 33 of the Act.

FINANCE, INVESTMENTS, AUDIT AND RISK MANAGEMENT COMMITTEE

The primary purpose of this committee is to assist the Commission in discharging its duties relating to the safeguarding of assets, the operation of adequate systems, control processes and the preparation

of accurate financial reporting, state of compliance with all applicable legal requirements and accounting standards and risk management.

HUMAN RESOURCES AND REMUNERATION COMMITTEE

To oversee compliance with HR related Policies and provide advice on such Policies to the Commission. Initiate and oversee the formulation and review of all HR related Policies and recommend to the Commission for approval with due consideration of guidelines contained in the Labour Act, 2007 and State-Owned Enterprises Governance Act, 2006 (SOE Act) where appropriate.

TENDER COMMITTEE

The primary purpose of the Committee is to assist the Commission in discharging its duties in ensuring that an appropriate procurement system is established and maintained.

In addition to the ordinary and special meetings of the Commission and its Committees, several workshops were also held to review Terms of reference of Committees as well as policies of the NCRST



MANAGEMENT AND SUPPORT STRUCTURE

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MANAGEMENT AND SUPPORT STRUCTURE

Executive Management

	Position	Incumbent	Commenced
1	CEO	Dr. Eino Mvula	1 July 2013
2	GM: Research, Science, Technology & Innovation Coordination and Support	Dr Diina Shuuluka	3 February 2014
3	GM: Innovation and Technology Development (Management of National facilities)	Mr John Sifani	1 December 2013
4	GM: Business Support	Ms Albertina Ngurare	3 February 2014
5	Head: Company Secretariat and Legal Advice	Ms Enid Keramen	6 January 2014
6	Head: Internal Audit	Mr Metlem Kahona	6 January 2014
7	Head: Corporate Communication and Marketing	Ms Elzita E. Beukes	3 February 2014
8	Head: Quality Assurance and Operational Excellence	Mr Matheus Shikongo	13 January 2014

MANAGEMENT STRUCTURE

Office of the CEO

	Position	Incumbent	Commenced
1	CEO	Dr. Eino Mvula	1 July 2013
2	Head: Company Secretariat and Legal Advice	Ms Enid Keramen	6 January 2014
3	Head: Internal Audit	Mr Metlem Kahona	6 January 2014
4	Head: Corporate Communication and Marketing	Ms Elzita E. Beukes	3 February 2014
5	Head: Quality Assurance and Operational Excellence	Mr Matheus Shikongo	13 January 2014

Research, Science, Technology & Innovation Coordination and Support Department

	Position	Incumbent	Commenced
1	GM: Research, Science, Technology & Innovation Coordination and Support	Dr Diina Shuuluka	3 February 2014
2	Manager: Policies, Programmes and Council Services	Dr Simasiku Siseho Deceased 7 April 2014	1 March 2014
3	Manager: Resource Mobilisation and Grant Management	Vacant at 31 march 2014	
4	Manager: Resource Human, Institutional Development and Science Promotion	Ms Angelique Philander	1 March 2014

Innovation and Technology Development (Management of National facilities) Department

	Position	Incumbent	Commenced
1	GM: Innovation and Technology Development (Management of National facilities)	Mr John Sifani	1 December 2013
2	Manager: Resource Innovation and Industrial Research	Ms Lovisa Kamonde	1 March 2014
3	Manager: Natural Science Research	Ms Hilya Shikongo	1 March 2014
4	Manager: Biotechnology-Paterson	Vacant at 31 march 2014	

Business Support Department

	Position	Incumbent	Commenced
1	GM: Business Support	Ms Albertina Ngurare	3 February 2014
2	Manager: Finance	Vacant at 31 march 2014	
3	Manager: Human Resources	Vacant at 31 march 2014	
4	Manager: ICT	Vacant at 31 march 2014	

Establish a national system that promotes, develops, coordinates and informs research, science technology and innovation (RSTI) towards a knowledge-based society.

SUPPORT STRUCTURE

Internal Audit

To provide a professional internal audit function that enables the effective, consistent and thorough auditing of all NCRST processes and systems, within the context of a risk and mitigations framework. Internal Audit has formulated the Audit Charter and Audit Plan for 2014/15 which was considered and approved by the Finance Investment, Audit and Risk Management (FIARM) Committee in March 2013. Internal Audit of the Recruitment and Payroll was conducted during the reporting period. Based on the results of the audit, (eleven) findings were identified to indicate operational weaknesses in the processing and monitoring of recruitment and payroll activities completed from July 1, 2013 to February 28, 2014. The report was presented to the Finance Investment, Audit and Risk Management (FIARM) Committee at its meeting in March 2014.

Company Secretariat and Legal Advice

The division provides a complete legal and company secretarial service, with specialist services bought-in managed to NCRST requirements and standards. Since all other departments are also in a process of emergence and development, this functions ties-in closely with all legal requirements in all other functional areas, assists in mitigating legal risk and provides an effective company secretarial

service to board and management.

Quality Assurance and Operation Excellence

To establish the quality and standards requirements throughout the NCRST and provide support and services to other functions in order to ensure high standards and consistency throughout the NCRST. The NCRST will develop and implement quality management systems based on international Standards, ISO 9001 across the organisation to ensure consistency and reliability of service provision to stakeholders. This would be facilitated by a business process mapping spearheaded by the Head of Quality Assurance and Operational Excellence.

Corporate Communications and Marketing

The function is tasked with positioning the NCRST both internally and externally as an effective and valuable driver of RSTI in Namibia, a key factor in the RSTI delivery channel that has substance and ability to meaningfully further RSTI in Namibia.

Human Resources

The following policies have been approved by the Commission at its meeting held on 30 January 2014. The policies have also been submitted to the Minister of Education, Hon Dr. David Namwandi.

CP01- Policy Development and Document Control Policy
CP02-Standing Rules of the Commission
CP02A- Recruitment and Selection
CP02B- Remuneration Policy
CO02C-Disciplinary and Grievance Policy
CP02E- Training and Development Policy
CP04- Travel Policy
CP05- Medical Aid Policy
CP06- Cellular Phone Policy
CP07- Internal and External Communication Policy

In order to ensure staff competence the NCRST staff will be required to attend conferences and training. A competence based training will be formulated for all staff and coordinated through the Human Resource Division in line with the CP02E- Training and Development Policy.

Following the approval of the Strategic Plan by the Commission, a process of developing the Business Plan for 2014/15 and cascading into individual score card has commenced. The Performance Management Policy (CP09) has been developed and would be taken through the appropriate governance process for approval.

Finance

The NCRST Financial Management Policy (CP03), was reviewed by the Finance, Investments, Audit and Risk Management (FIARM) Committee at its meeting of

29 January 2014 and recommended for approval by the Commission. Most of the amendments have been incorporated, however, the procedural flow charts are yet to be developed. The Financial Management Policy will be submitted to the Commission for consideration and approval at its next meeting in July 2014.

Information Technology

The NCRST has been faced with the challenge of attracting a suitably qualified candidate for the position of the ICT Manager whose primary task would be to establish the ICT infrastructure to support the realization of the organization strategic objectives. This has necessitated the NCRST to enlist the services of IT companies. The following systems and platform have now been established, Pastel Accounting and VIP Payroll system, internet and email connection as well as a website.

We strive for personal excellence to make significant contributions to NCRST excellence.



PART B: PERFORMANCE OVERVIEW





RESEARCH, SCIENCE, TECHNOLOGY AND INNOVATION COORDINATION AND SUPPORT

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RESEARCH, SCIENCE, TECHNOLOGY AND INNOVATION COORDINATION AND SUPPORT

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The Programme will have a proactive approach by forecasting future trends and thus employing interventions in promising research, science and innovation areas to take advantage of promising areas with a long term view.

While interdependent and integrated within the NCRST value chain, the department is concerned with the creation and deepening of RSTI awareness, the development and alignment of the regulatory environment leveraging its possibilities to optimally serve RSTI, and the allocation of grants and support means to directly further the development climate of RSTI. Some key activities under the specific divisions are being highlighted in this report.

POLICIES AND PROGRAMME DEVELOPMENT

The National Commission on Research, Science and Technology (NCRST) has been mandated by the Minister of Education to develop the implementation strategy in the form of the National Programme on Research, Science, Technology and Innovation according to Section 18 of the Research, Science and Technology Act, 2004 (Act No 23 of 2004). As part of this process, on 24 and 25 March this year, the National Commission on Research, Science and Technology held a National Consultative Workshop on the Development of the National Programme on Research, Science, Technology and Innovation Programme (NPRSTI). The workshop attracted close to 150 participants representing institutions of higher learning, government ministries, State-Owned Enterprises, private sector

and NGOs.

The Programme will have a proactive approach by forecasting future trends and thus employing interventions in promising research, science and innovation areas to take advantage of promising areas with a long term view. Other areas of focus will be promoting disciplinary integration through development relevant inter and multi-disciplinary science, technology and innovation research, underpinned by the principle of sustainable development. Thus the focus will be science, technology and innovation research and their intersection with economic, environmental and social aspects of the Namibian society, economic landscape and the environment. Furthermore the law prescribe that the Programme is a three yearly programme approved and endorsed by Cabinet and National Assembly.

RESOURCE MOBILIZATION AND GRANT MANAGEMENT

Establishment of the Research Fund

The National Commission on Research, Science and Technology (NCRST) with assistance of the United Nations Educational, Scientific and Cultural Organisation (UNESCO) has developed the Science, Technology and Innovation (STI) funding mechanisms and monitoring

and evaluation system for Namibia. The establishment of the funding mechanisms and frameworks would promote fairness and equity while striving towards vital and quality research outputs, which are socially and economically relevant for the Namibian people. This cooperation was being carried out as per the Terms of Reference developed between UNESCO and the Ministry of Education in 2012. As part of this process a stakeholders engagement workshop was held in Windhoek in May 2013, which was followed by the Workshop on the draft Science, Technology and Innovation (STI) Funding Mechanism, Monitoring and Evaluation System held on 20 August 2013. A number of stakeholders attended the workshop and provided input in the draft documents. Considering the need to advance research, technology and innovation, section 23 of Research, Science and Technology Act 23 of 2004 creates the "National Research, Science and Technology Fund" and provides basic provisions. Article 24 of the Act defines that the fund is constituted by:

- Financial resources appropriated by Parliament on behalf of the Fund;
- Fees that are received under the Act for the benefit of the Fund;
- Interests or dividends earned on any investment made in terms of subsection 5;

- Financial resources derived from the sale of any asset of the Commission;
- Money borrowed under section 5(2);
- Financial resources received by the way of donations or grants from any source in Namibia, and, subject to the approval of the Minister in agreement with the Minister responsible for finance, from any source outside Namibia;
- Financial resources obtained through the sale of i) publications prepared by or for the Commission; ii) reference material, data and information; and
- Any other financial resources which may accrue to the Commission.

It is also defined that the Commission should manage the Fund in accordance with sound principles, by observing the measures implemented to protect its liquidity.

The Act defines that the money available in the Fund should be used:

- To pay the administrative expenses of the Commission;
- To pay the administrative expenses of every council;
- To fund the costs of any project or other activity of the Commission

The establishment of the funding mechanisms and frameworks would promote fairness and equity while striving towards vital and quality research outputs

B

Out of a total of 60 peer-reviewed research proposals, the NCRST subsequently agreed in mid-January 2014, to fund 42 research proposals

undertaken by the Commission or by any research institute with the approval of the Commission; and

- To pay remunerations and allowances payable by the Commission and such other expenses incurred by the Commission in the performance of its functions.

Research Funding under the Namibia/South Africa bilateral agreement

At the Bilateral Namibia/South Africa Joint Technical Meeting held in Windhoek over two-days in October 2013. This important and productive meeting solidified previously agreed thematic areas of cooperation in research, science, technology and innovation between the two countries and took stock of a number of SADC-wide multilateral frameworks and projects. Out of a total of 60 peer-reviewed research proposals, the NCRST subsequently agreed in mid-January 2014, to fund 42 research proposals under the Joint Third Call (2013). These proposals group within a range of disciplines, such as animal sciences, computer science, education, environmental sciences, food sciences, microbiology, molecular genetics, astronomy, Indigenous Knowledge Systems and oceanography. The NCRST has disbursed close to N\$ 2.8 Mil for the approved research projects for recipients at UNAM, Polytechnic and DRFN. All recipients and their research

institutions have signed the agreements outlining the conditions of the grant and related reporting requirements. The NCRST will ensure adherence to the condition through the reporting and monitoring mechanisms to be established and implemented for the current and future research grants under the Commission.

SCIENCE PROMOTION

National Science, Technology and Innovation Week

This event is organised annually with an aim of providing a comprehensive, multi-faceted, interactive programme made up of some national and international keynote addresses, illustrated talks, workshops, short courses, competitions, demonstrations, displays, exhibitions, sport science events and field trips, to enthrall and inspire our budding young scientists (and their educators). During the period under review, the event was held at the University of Namibia from 15- 19 July 2013 organised and facilitated by the National Commission on Research, Science and Technology (NCRST) in collaboration with the Ministry of Education, the University of Namibia and the Polytechnic of Namibia.

National Science Fair

This event is organised annually in collaboration with the NamPower

Foundation. The purpose of the Science Fair is to popularize science and technology among our students, community and educators. It is a vehicle to encourage student, parents and teachers to take a more active interest in the study of science by providing an opportunity for students to conduct and publicly present an independent scientific inquiry. During the reporting period, the National Science Fair 2013 was successfully hosted at the Sports Klub Windhoek (SKW) from 10 – 12 September 2013.

Mathematics and Science Computer based Learning Centres

This project has been building capacity and upgrading the abilities of senior secondary school learners in order that they enter tertiary studies with a more advanced level of understanding Mathematics and Science fields. The pilot centre has been based in Windhoek but now that the viability has been assessed, further centres are being established throughout Namibia. Three centres in Keetmanshoop, Katima Mulilo and Khorixas respectively have also been established.

The training product used is PLATO software that is internationally recognized as an accredited computer based learning tool. Plato was developed in America by the Roach Corporation in conjunction with the University of Illinois but has been adjusted for Southern African

conditions. Plato courseware is ideally suited to a variety of learning situations, such as alternative education, school to work programmes, workplace training and retraining endeavours, adult basic education developmental studies, and employment preparation programmes. Whether presented in an instructor independent setting, as a supplement to a mainstream programme, or as an advanced course offering, PLATO software can meet the needs of a wide range of learner populations.

The following centres are currently being established; Ongwediva (Oshana region), Rundu (Kavango region) and Gobabis (Omaheke region) as well as finalising the management system for all centres including the future of the project.

Information Society Technologies (IST-Africa)

During the period under review, the National Commission on Research, Science and Technology (NCRST) as the national IST-Africa partner in Namibia organised workshops for stakeholders in Information Society, ICT and Innovation related research and innovation activities in a series of IST-Africa activities during November 2013 in Windhoek:

- IST-Africa Horizon 2020 Training Workshop, Thursday 14 November 2013
- IST-Africa Living Labs Training

National Commission on Research, Science and Technology (NCRST) as the national IST-Africa partner in Namibia organised workshops for stakeholders in Information Society, ICT and Innovation related research and innovation activities in a series of IST-Africa activities

Workshop, Friday 15 November 2013

A comprehensive study of national Information Society, ICT and Innovation related Research Capacity in Namibia

Supported by the European Commission (EC) and African Union Commission (AUC), founded in 2002 and co-funded by the European Framework Programme

since 2005, IST-Africa is a strategic collaboration between IIMC (Ireland) and Ministries and National Councils responsible for Information Society, ICT and/or STI (Science, Technology & Innovation) Adoption, Policy and Research in 18 African Countries. The workshops were held at Nampower Convention Centre and were officially opened by the NCRST Chairperson.



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INNOVATION AND TECHNOLOGY DEVELOPMENT

INNOVATION AND TECHNOLOGY DEVELOPMENT

While interdependent and integrated within the NCRST value chain, the department is concerned with the furthering of innovation and technology within the RSTI funnel. Acting mostly as a catalyst in terms of bringing various partners together and furthering cooperation within Innovation and Technology development and application, there are instances where the department will take a more direct role of involvement, but within a clearly defined time frame and criteria, until the venture can sustain itself.

INNOVATION AND INDUSTRIAL RESEARCH

National Research, Science, Technology and Innovation (RSTI) Valley

The NCRST through the Ministry of Education has requested UNAM to allocate a portion of land measuring 8 ha for the development of the NRSTI Valley and facilitate the process of subdividing the land to provide the required size for the NRSTI. UNAM has approved in principle the allocation of a piece of land South of the Campus (between UNAM and the Western by-pass measuring 7 ha. The UNAM Council is expected to discuss the request at its meeting on 10 April 2014. The land will house

the national facilities in the form of National Research, Science, Technology and Innovation (RSTI) Valley consisting of (a) National Innovation Hub; (b) the National Genetically Modified Organism Testing, Training and Research Facility; (c) the National Science Demonstration Centre. These facilities will allow academia and industry to have access to state-of-the-art laboratories for their research as well as product and technology development. The rationale of this proposed National RSTI valley is to facilitate linkages and collaboration between different stakeholders in RSTI by providing a platform for exchange and transfer of knowledge as well as technology experiences.

Olute Food Research Centre (Pearl Millet)

The Pearl Millet/Mahangu Project is located in Ondangwa, and is a production facility with major outputs in the form of Mahangu flour and instant Porridge. The facility is targeting local communities in particular women. Following the meeting between NCRST and Ministry of Trade and Industry (MTI) regarding the Pearl Millet (Mahangu) project on 20 September 2013, the NCRST has requested MTI to support the project through its Industrial Upgrading and Modernization Programme (IUMP). A list of hard

and soft investment activities has been compiled for consideration under this programme.

NATURAL SCIENCES

Cherenkov Telescope Array

The National Commission on Research, Science and Technology (NCRST), together with delegates from South Africa, held a task force meeting on 1 April 2014 on Namibia's bid for the Cherenkov Telescope Array (CTA). Prior to the meeting, the delegation paid a courtesy call to the Minister of Education, Hon Dr. David Namwandi to appraise him on the CTA project especially in terms of the expectations from the host country and potential benefits presented by hosting the project. The CTA will be the world's biggest gamma ray observatory, ten times more powerful than today's instruments. It will consist of two arrays, one in each hemisphere. A decision on where to host it is due to be taken at a meeting in Munich, Germany from 10 - 11 April 2014.

Square Kilometre Array

Namibia participated in the launch of the MeerKAT Square Kilometre Array (SKA) in South Africa from 24 to 28 March 2014. Namibia is a partner country in hosting the SKA due to its clear skies and conducive environment for Astronomy.

BIOTECHNOLOGY

Modern Biotechnology is regarded as one of the technologies that will change the face of agriculture and many other economic sectors. The ability of this technology to cross species boundaries makes this technology a powerful tool that has to be closely managed and mastered by nations where agriculture is a critical sector of the economy and livelihood of citizens. The Biosafety Act (Act No. 7 of 2006) provides for measures to regulate activities involving the research, development, production, marketing, transport, application and other uses of Genetically Modified Organisms and specified products derived from genetically modified organisms; to establish a Biosafety Council and define its powers, functions and duties; and to make provision for incidental matters.

The selection of nominees to the Biosafety Council has been finalised by the Commission at its special Meeting held on 13 March 2014. In accordance with section 19 of the Research, Science and Technology Act, 2004 (Act 23 of 2004) read together with section 6 (5) (b) of the Biosafety Act, 2006 (Act 7 of 2006), a submission for the approval of the nominees was made on 17 March 2014 to the Minister of Education for approval. The Regulations will be finalised once the Biosafety Council is in place. This

The Biosafety Act (Act No. 7 of 2006) provides for measures to regulate activities involving the research, development, production, marketing, transport, application and other uses of Genetically Modified Organisms

process will include final stakeholders consultation. Upon finalisation of the Regulations, both the Regulations and the commencement date will be *Gazetted*. The Commencement date will also indicate the starting date that GMO’s

will be regulated through the Biosafety Act. While this process is on-going, the Commission has been in the process of setting up the administrative unit to deal with the regulations of GMOs in the country.





PART C: FINANCIAL REPORT





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National Commission on Research, Science and Technology

Financial Statements for the year ended March 31, 2014

General Information

Country of incorporation and domicile	Namibia
Nature of business and principal activities	To coordinate, facilitate and develop research science and technology in Namibia
Commissioners	<p>Professor Andre Du Pisani (Chairperson)</p> <p>Dr. Johannes Shoopala (Vice Chairperson)</p> <p>Dr. Eino Mvula (CEO)</p> <p>Mr. Markus Von Jeney</p> <p>Mr. Alfred Ilukena</p> <p>Ms. Martha Namundjebo-Tilahun</p> <p>Mr. Johannes Aipanda</p> <p>Ms Sharonice Busch</p> <p>Mr Uda Nakamhela</p> <p>Ms. Hilma Nangombe</p> <p>Ms. Graça D'Almeida</p> <p>Dr Vicky Do Cabo</p> <p>Ms Petrina N. Nakale</p> <p>Ms. Elly Hamunyela</p> <p>Mr. Franz Uirab</p> <p>Ms. Antonia Kapia</p> <p>Ms. Enid Keramen</p> <p>Ms. Josephine //Haubas</p>
Business address	<p>Cnr. Louis Raymond & Grant Webster Street</p> <p>Olympia</p> <p>Windhoek</p>
Postal address	<p>Private Bag 13253</p> <p>Windhoek</p> <p>NAMIBIA</p>
Bankers	First National Bank of Namibia
Auditors	<p>Grand Namibia</p> <p>Registered Accountants and Auditors</p> <p>Chartered Accountants Namibia</p>

National Commission on Research, Science and Technology

Financial Statements for the year ended 31 March, 2014

Commissioners' Responsibilities and Approval

The commissioners are required in terms of the Research, Science and Technology Act (Act No. 23 of 2004) to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the institution as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

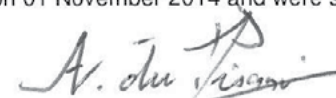
The commissioners acknowledge that they are ultimately responsible for the system of internal financial control established by the institution and place considerable importance on maintaining a strong control environment. To enable the commissioners to meet these responsibilities, the commissioners sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the institution and all employees are required to maintain the highest ethical standards in ensuring the institution's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the institution is on identifying, assessing, managing and monitoring all known forms of risk across the institution. While operating risk cannot be fully eliminated, the institution endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The commissioners are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The commissioners have reviewed the institution's cash flow forecast for the year to 31 March, 2015 and, in the light of this review and the current financial position, they are satisfied that the institution has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the institution's financial statements. The financial statements have been examined by the institution's external auditors and their report is presented on page 4.

The financial statements set out on pages 5 to 18, which have been prepared on the going concern basis, were approved by the on 01 November 2014 and were signed on its behalf by:



Professor Andre Du Pisani (Chairperson)



Ms Sharonice Busch

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National Commission on Research, Science and Technology

Financial Statements for the year ended March 31, 2014

Statement of Financial Position as at March 31, 2014

	Note(s)	2014 N\$	2013 N\$
Assets			
Non-Current Assets			
Property, plant and equipment	3	1,915,675	746,171
Intangible assets	4	193,527	-
		2,109,202	746,171
Current Assets			
Trade and other receivables	6	166,779	-
Cash and cash equivalents	5	32,183,463	9,089,509
		32,350,242	9,089,509
Total Assets		34,459,444	9,835,680
Equity and Liabilities			
Equity			
Retained income		29,152,842	9,089,509
Liabilities			
Non-Current Liabilities			
Deferred income	9	4,870,461	746,171
Current Liabilities			
Trade and other payables	7	243,201	-
Provisions	8	192,940	-
		436,141	-
Total Liabilities		5,306,602	746,171
Total Equity and Liabilities		34,459,444	9,835,680

National Commission on Research, Science and Technology

Financial Statements for the year ended March 31, 2014

Statement of Comprehensive Income

	Note(s)	2014 N\$	2013 N\$
Other Income	11	33,037,178	10,082,908
Operating expenses		(13,018,136)	(1,003,474)
Operating surplus	10	20,019,042	9,079,434
Investment revenue	12	44,290	10,075
Surplus for the year		20,063,332	9,089,509

National Commission on Research, Science and Technology

Financial Statements for the year ended March 31, 2014

Statement of Changes in Equity

	Retained income N\$	Total equity N\$
Profit for the year	9,089,509	9,089,509
Other comprehensive income	-	-
Total comprehensive income for the year	9,089,509	9,089,509
Balance at April 1, 2013	9,089,509	9,089,509
Surplus for the year	20,063,333	20,063,333
Balance at March 31, 2014	29,152,842	29,152,842

Note(s)

National Commission on Research, Science and Technology

Financial Statements for the year ended March 31, 2014

Statement of Cash Flows

	Note(s)	2014 N\$	2013 N\$
Cash flows from operating activities			
Cash receipts from Government		31,759,900	10,000,000
Cash paid to suppliers and employees		(11,317,926)	(920,566)
Cash generated from operations	14	20,441,974	9,079,434
Interest income		44,290	10,075
Net cash from operating activities		20,486,264	9,089,509
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(943,480)	-
Purchase of other intangible assets	4	(244,830)	-
Net cash from investing activities		(1,188,310)	-
Proceeds for Government Grant-Ministry of Education		3,796,000	-
Net cash from financing activities		3,796,000	-
Total cash movement for the year		23,093,954	9,089,509
Cash at the beginning of the year		9,089,509	-
Total cash at end of the year	5	32,183,463	9,089,509

Accounting Policies

1. Presentation of Financial Statements

The financial statements have been prepared in accordance with International Financial Reporting Standards, and the Research, Science and Technology Act (Act No. 23 of 2004). The financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in Namibia Dollars.

1.1 Property, plant and equipment

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits associated with the item will flow to the Institution; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment loss.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Average useful life
Furniture and fixtures	7 years
Motor vehicles	5 years
Office equipment	5 years
Computer equipment	3 years

The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset.

1.2 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Useful life
Computer Software	3 years

1.3 Financial instruments

Initial recognition and measurement

The institution classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial instruments are measured initially at fair value, except for equity investments for which a fair value is not determinable, which are measured at cost and are classified as available-for-sale financial assets.

For financial instruments which are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument.

Subsequent measurement

Financial instruments at fair value through profit or loss are subsequently measured at fair value, with gains and losses arising from changes in fair value being included in profit or loss for the period.

Accounting Policies

1.3 Financial instruments (continued)

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired.

Trade and other receivables are classified as loans and receivables.

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

1.4 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

1.5 Provisions and contingencies

Provisions are recognised when:

- the Institution has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

1.6 Government grants

Government grants are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate.

Government grants related to assets, including non-monetary grants at fair value, are presented in the statement of financial position by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset.

National Commission on Research, Science and Technology

Financial Statements for the year ended March 31, 2014

Notes to the Financial Statements

	2014 N\$	2013 N\$
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2. New Standards and Interpretations

2.1 Standards and interpretations not yet effective

The institution has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the institution accounting periods beginning on or after April 1, 2014 or later periods:

IFRS 9 Financial Instruments

This new standard is the first phase of a three phase project to replace IAS 39 Financial Instruments: Recognition and Measurement. To date, the standard includes chapters for classification, measurement and derecognition of financial assets and liabilities. The following are main changes from IAS 39:

- Financial assets will be categorised as those subsequently measured at fair value or at amortised cost.
- Financial assets at amortised cost are those financial assets where the business model for managing the assets is to hold the assets to collect contractual cash flows (where the contractual cash flows represent payments of principal and interest only). All other financial assets are to be subsequently measured at fair value.
- Under certain circumstances, financial assets may be designated as at fair value.
- Voluntary reclassification of financial assets is prohibited. Financial assets shall be reclassified if the entity changes its business model for the management of financial assets. In such circumstances, reclassification takes place prospectively from the beginning of the first reporting period after the date of change of the business model.
- Financial liabilities shall not be reclassified.
- Investments in equity instruments may be measured at fair value through other comprehensive income. When such an election is made, it may not subsequently be revoked, and gains or losses accumulated in equity are not recycled to profit or loss on derecognition of the investment. The election may be made per individual investment.
- IFRS 9 does not allow for investments in equity instruments to be measured at cost.
- The classification categories for financial liabilities remains unchanged. However, where a financial liability is designated as at fair value through profit or loss, the change in fair value attributable to changes in the liabilities credit risk shall be presented in other comprehensive income. This excludes situations where such presentation will create or enlarge an accounting mismatch, in which case, the full fair value adjustment shall be recognised in profit or loss.

It is unlikely that the standard will have a material impact on the Institutions financial statements

National Commission on Research, Science and Technology

Financial Statements for the year ended March 31, 2014

Notes to the Financial Statements

3. Property, plant and equipment

	2014			2013		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Furniture and fixtures	510,781	(51,629)	459,152	-	-	-
Motor vehicles	1,415,127	(340,666)	1,074,461	829,079	(82,908)	746,171
Office equipment	106,257	(6,704)	99,553	-	-	-
Computer Equipment	326,442	(43,933)	282,509	-	-	-
Total	2,358,607	(442,932)	1,915,675	829,079	(82,908)	746,171

Reconciliation of property, plant and equipment - 2014

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	-	510,781	(51,629)	459,152
Motor vehicles	746,171	586,048	(257,758)	1,074,461
Office equipment	-	106,257	(6,704)	99,553
Computer software	-	326,442	(43,933)	282,509
	746,171	1,529,528	(360,024)	1,915,675

Property, plant and equipment acquired

Aquisitions for the year	1,529,528	829,079
Less: Motor Vehicles bought by the Ministry of Education	(586,048)	(829,079)
Total acquisitions for the year per Statement of Cash Flows	<u>943,480</u>	<u>-</u>

4. Intangible assets

	2014			2013		
	Cost / Valuation	Accumulated amortisation	Carrying value	Cost / Valuation	Accumulated amortisation	Carrying value
Computer software, other	244,830	(51,303)	193,527	-	-	-

Reconciliation of intangible assets - 2014

	Opening balance	Additions	Amortisation	Total
Computer software, other	-	244,830	(51,303)	193,527

5. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	32,183,463	9,089,509
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6. Trade and other receivables

VAT Receivable	166,779	-
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7. Trade and other payables

Payroll Accruals	243,201	-
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National Commission on Research, Science and Technology

Financial Statements for the year ended March 31, 2014

Notes to the Financial Statements

8. Provisions

Reconciliation of provisions - 2014

	Opening balance	Leave Provision	Total
Leave Provision	-	192,940	192,940

Leave pay is only paid out when the employee resigns. Leave pay is paid out based on the days accumulated.

9. Deferred income

Grants related to assets:

Motor vehicles financed by the Ministry of Education	1,074,461	746,171
Opening balance	746,171	-
Motor Vehicles financed by the Ministry of Education	1,074,461	746,171
Development grant- Ministry of Education	3,796,000	-
Closing balance	4,870,461	746,171

10. Operating surplus

Operating surplus for the year is stated after accounting for the following:

Operating lease charges

Premises		
• Contractual amounts	1,244,377	-
Amortisation on intangible assets	51,303	-
Depreciation on property, plant and equipment	360,024	82,908
Employee costs	4,129,303	-

11. Other income

Government Grant	31,672,900	10,000,000
Sundry Income	87,000	-
Deferred Income Recognised	257,758	82,908
Government Grant- Rental	1,019,520	-
Total other income	33,037,178	10,082,908

12. Investment revenue

Interest revenue

Bank	44,290	10,075
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National Commission on Research, Science and Technology

Financial Statements for the year ended March 31, 2014

Notes to the Financial Statements

13. Related parties

Relationships
Commissioners
Ministry of Education
Key Management

Related party transactions

Sitting Allowances

Commisioners	324,943	431,617
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Government Grant

Ministry of Education	31,672,900	10,000,000
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Key Management

Salaries	2,082,457	-
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14. Cash generated from operations

Profit before taxation	20,063,332	9,089,509
Adjustments for:		
Depreciation and amortisation	411,327	82,908
Interest received	(44,290)	(10,075)
Movements in provisions	192,940	-
Release to Deferred Income	(257,758)	(82,908)
Trade and other receivables	(166,779)	-
Trade and other payables	243,201	-
	20,441,974	9,079,434

15. Risk management

Liquidity risk

The Institution's is not exposed to any liquidity risk.

Interest rate risk

The Institution is exposed to interest rate risk as a result of excess cash holdings invested at variable rates.

Credit risk

Credit risk consists mainly of cash deposits. The Institution only deposits cash with major banks with high quality credit standing.

16. Financial assets by category

The accounting policies for financial instruments have been applied to the line items below:

2014

	Loans and receivables	Total
Cash and cash equivalents	32,183,463	32,183,463

17. Financial liabilities by category

The accounting policies for financial instruments have been applied to the line items below:

National Commission on Research, Science and Technology

Financial Statements for the year ended March 31, 2014

Notes to the Financial Statements

	2014 N\$	2013 N\$
17. Financial liabilities by category (continued)		
2014		
	Financial liabilities at amortised cost	Total
Trade and other payables	243,201	243,201

National Commission on Research, Science and Technology

Financial Statements for the year ended March 31, 2014

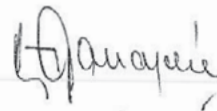
Detailed Income Statement

	Note(s)	2014 N\$	2013 N\$
Other income			
Sundry Income		87,000	-
Government Grant-Operating lease		1,019,520	-
Deferred Income Recognised		257,758	82,908
Interest received	12	44,290	10,075
Government grants		31,672,900	10,000,000
		33,081,468	10,092,983
Operating expenses			
Advertising		(396,450)	(55,055)
ICGEB		(56,287)	-
Bank charges		(36,734)	(3,683)
Cleaning		(64,740)	-
SAASTEC		(700)	-
Space Science Project		(118,328)	-
National Biotechnology Programme		-	(288,626)
Depreciation, amortisation and impairments		(411,327)	(82,908)
Salaries		(4,129,303)	-
Staff Workshops		(84,610)	-
Sitting Allowances		(324,943)	(431,617)
Stakeholders workshops		(23,049)	-
Internet Services		(391,551)	-
Catering Services		(18,260)	-
Stakeholders workshop		(116,934)	(7,500)
Sundry Expenses		(79,474)	(2,644)
Office Expenses		(41,406)	-
Bilateral and Multilateral		(2,924,012)	-
Leasing and Hiring		(61,388)	-
Insurance		(66,414)	(15,933)
Lease rentals on operating lease		(1,244,377)	-
Legal expenses		(192,375)	-
IST Africa		(11,080)	-
Vehicle repairs and Maintenance		(13,687)	(28,613)
National IKS and Plato Project		(20,548)	-
Grants on Requests		(10,000)	-
Petrol and oil		(85,693)	(14,906)
National Science Fair		(248,018)	-
Postage		(3,795)	-
Printing and stationery		(150,569)	(58,989)
Project Support		(12,139)	-
STI Capacity, legal and policy		(26,687)	-
Repairs and maintenance		(172,176)	-
Security		(77,655)	-
Subscriptions		(13,678)	-
Telephone and fax		(236,064)	-
Training		(75,511)	(13,000)
DSA		(610,423)	-
Air travel costs		(410,625)	-
Transport Costs		(16,868)	-
Electricity and Water		(40,258)	-
		(13,018,136)	(1,003,474)
Surplus for the year		20,063,332	9,089,509

**AUDIT COMPLIANCE CERTIFICATE ON THE ACCOUNTS
OF THE NATIONAL COMMISSION ON RESEARCH, SCIENCE
AND TECHNOLOGY
FOR THE YEAR ENDED 31 MARCH 2014**

The documentation as compiled by the auditor registered in terms of the Public Accountant's and Auditor's Act, 1951, who was appointed by the National Commission on Research, Science and Technology, has been examined by officials of the Office of the Auditor-General.

In terms of Section 26 & 27 of the Research, Science and Technology Act, 2004 (Act 23 of 2004), I certify that the above-mentioned audit of the annual financial statements for the year ended 31 March 2014 has been carried out to my satisfaction.



WINDHOEK, February 2015

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**



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NATIONAL COMMISSION ON RESEARCH SCIENCE AND TECHNOLOGY

Fostering Excellence through Knowledge and Innovation

