

NCRST
NATIONAL COMMISSION
ON RESEARCH SCIENCE & TECHNOLOGY

ANNUAL REPORT

Fostering Excellence through Knowledge and Innovation

FY2020/21

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ABBREVIATIONS AND ACRONYMS

AAU	Association of African Universities	MoEAC	Ministry of Education Arts and Culture
BSC	Biosafety Council	MoU	Memorandum of Understanding
BSS	Business Support Services	NCRST	National Commission on Research, Science & Technology
CCM	Corporate Communications & Marketing	NICW	National Innovation Challenge for Women
CEO	Chief Executive Officer	NIKSC	National Indigenous Knowledge Systems Council
COVID-19	Coronavirus disease	NJRST	The Namibia Journal on Research, Science and Technology
ESG	Environmental, Social and Governance	NMO	Namibia Mathematics Olympiad
EXCO	Executive Committee	NSSC	National Space Science Council
FAC	Finance & Audit & Risk Committee	NUST	Namibia University of Science and Technology
FAO	Food and Agriculture Organisation	OJS	Open Journal System
FRST	Foundation for Research, Science and Technology	PEGA	Public Enterprises Governance
GMO	Genetically Modified Organism	PPD	Policy and Programme Development
HIDSTP	Human and Institutional Development, Science and Technology Promotion	QAOE	Quality Assurance and Operational Excellence
HR & OD	Human Development & Organisational Development	RM & GM	Resource Mobilisation and Grants Management
HRRC	Human Resources & Remuneration Committee	RSTI	Research, Science, Technology, Innovation
IA	Internal Audit	RSTICS	Research, Science, Technology, Innovation & Coordination Support
ITD	Innovation and Technology Development	SDG	Sustainable Development Goals
IUM	International University of Management	STI	Science, Technology, Innovation
KMIP	Knowledge Management & Intellectual Property	UCT	University of Cape Town
MHETI	Ministry of Higher Education, Technology, and Innovation	UNAM	University of Namibia
MIP	Masters' Programme in Intellectual Property Studies	UNCST	Uganda National Council for Science and Technology
		RST Act	Research Science Technology Act, 23 of 2004

FOREWORD BY THE CHAIRPERSON



It is my pleasure to present the Annual Report of the National Commission on Research, Science and Technology (NCRST) for the 2020/21 financial year and to congratulate the NCRST on achieving the goals set out in the Integrated Strategic Business Implementation Plan for the year.

The NCRST's role of coordinating, developing, promoting and funding research, science, technology and innovation, amongst others, towards socio-economic advancement for Namibia remains significant. Our focus remains that of strengthening the national system of innovation and to address challenges in the system. This is evident in the cabinet approval of National STI Policy (NSTIP) and National Space Science Policy (NSSP) as well as the drafting of National Programme on Research, Science, Technology and Innovation (NPRSTI).

I am pleased to share the successes for the period under review, but also highlighting the challenges, as detailed in this report. One of the significant concerns that the Commission faced was the financial sustainability of the National Research, Science and Technology Fund (NRSTF). Continuous engagement with key stakeholders to ensure that the NRSTF is well capitalised to enable the NCRST to fund R&D and innovation projects received our utmost priority.

The Commission is grateful for the Honourable Dr Itah Kandjii-Murangi, the Minister of Higher Education, Technology and Innovation and the entire Ministry for the guidance and never-ending support rendered under the period under review.

Without the contribution of my fellow Commissioners, Council members, executive management, and all employees, we would not have achieved the goals set at the beginning of the financial year. I am forever indebted to you for your commitment and service to the NCRST and the country at large. I look forward to your dedication as we work together towards achieving the NCRST's Vision and Mission.

Dr. Nortin Titus

Dr. Nortin Titus
Chairperson

PART 1:

REPORT BY THE ACTING CEO



We are herewith submitting the NCRST Annual Report for the 2020/21 Financial Year. This report outlines the organisational performance and how far the organisation has gone in completing the pre-set strategic initiatives and tasks.

The NCRST has managed to gain and maintain momentum on some of the key strategic initiatives as follows:

- Development, review, and implementation of a national RSTI related policy and regulatory frameworks.
- Creation of awareness activities pertaining to the NCRST brand and mandate through Web, Social platforms, and Print Media.
- Auditing as well as other monitoring and evaluation activities necessary to ensure accountability in executing the mandate.
- Significant progress in establishment and maintenance of Biosafety and Biotechnology as well as Nuclear Science and Technology's infrastructures.
- Implementation of action plans for Cooperation Agreements with key stakeholders such as SAIS II, GIZ, FNI, HIVOS, MEFT, EIF, SASSCAL, SPACES, etc.
- Ongoing delivery of Research Registration services.

Owing to COVID-19 interruptions as well as the flailing economic situation, funding and understaffing remains among the key challenges to the effective execution of the NCRST mandate and requires concerted efforts in mitigation.

I would like to thank the Commissioners for their unwavering commitment and support towards the attainment of the NCRST's Vision. Furthermore, let me extend my sincerest appreciation to the NCRST employees who continue to give their time, dedication and expertise towards carrying out the RSTI mandate successfully. I trust that, as you peruse the remainder of the document, you will be pleased with what we have collectively done in ensuring a sustainable future for the NCRST and all its stakeholders

Ms Albertina Ngurare

Ms. Albertina Ngurare
Acting Chief Executive Officer

2 STRATEGY OVERVIEW

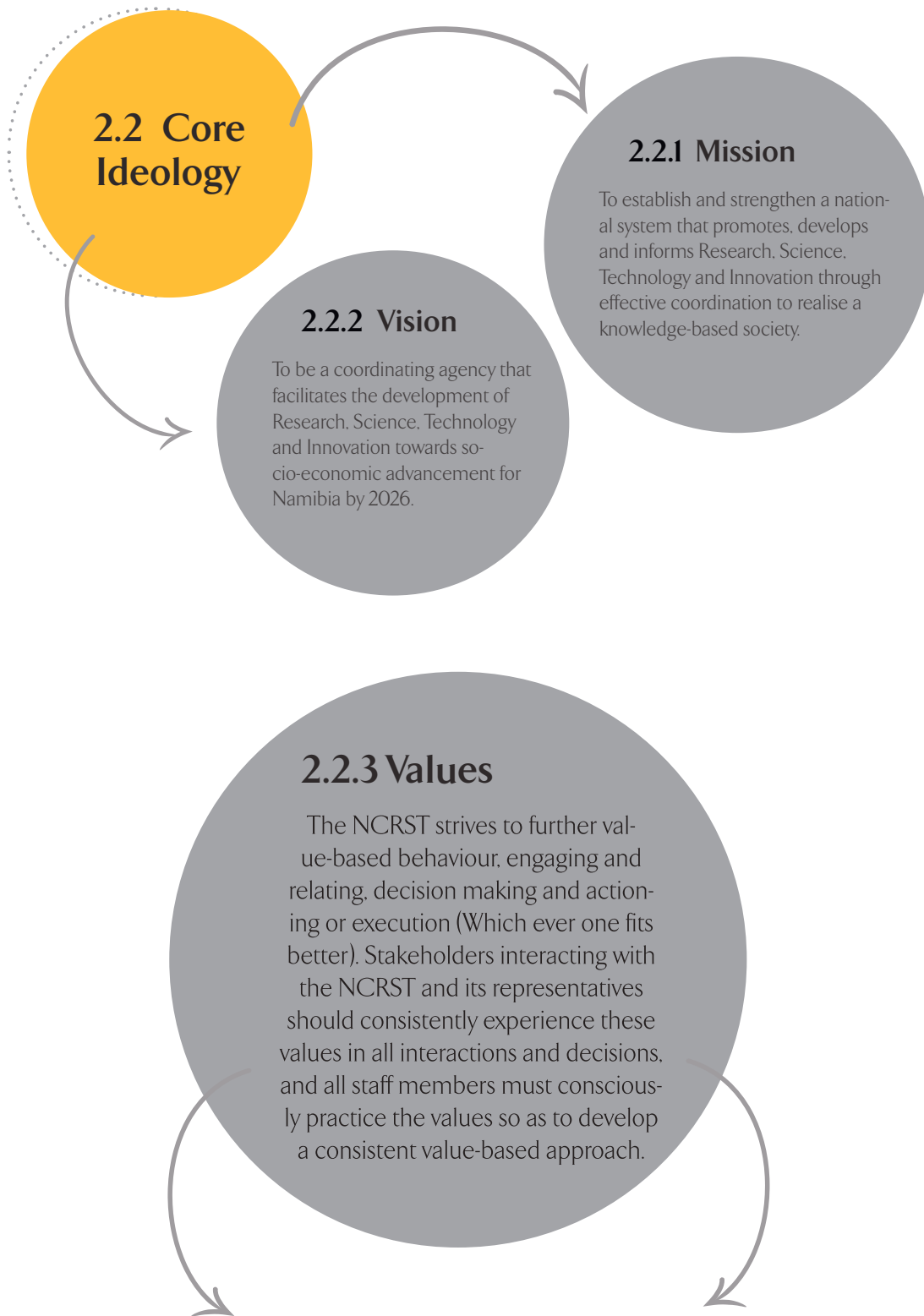
2.1 NCRST Mandate

The importance of Research, Science and Technology as an engine of economic growth and development cannot be over emphasized.

It is on this premise that Namibia has enacted the Research, Science and Technology Act, 2004 (Act 23 of 2004).

The objectives as outlined in section I of the Act are to:

- (a) ensure the coordination, monitoring and supervision of research, science and technology in Namibia.
- (b) promote and develop research, science and technology in Namibia.
- (c) 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.
- (d) encourage and promote innovative and independent thinking and the optimum development of intellectual capacity of people in research, science and technology.
- (e) ensure dedicated, prioritised and systematic funding for research, science and technology application and development in Namibia, and
- (f) promote linkages between Namibia and international institutions and bodies on the development of research, science and technology.



- Integrity – We are consistently trustworthy, fair and honest in all our interactions.
- Pro-activeness – We take initiative, are change-oriented and anticipatory in our actions as guided by our mandate.
- Impact-driven – We set and achieve goals, measure results and continuously improve to make a positive difference in the society.
- Passion for Excellence – We strive to achieve high levels of performance.

2.2.4 Brand Promise

Fostering Excellence through Knowledge and Innovation

2.3 Strategic Themes and Results

The following themes were of vital strategic importance over the financial year and are used to focus all staff efforts on carrying out the Mission and accomplishing the Vision moving forward:

- **Operational Excellence** with a strategic result of an efficient, cost effective, accurate, and timely service delivery.
- **Organisational Sustainability** with a strategic result of a maintained relevance to our customers and Stakeholders through provision of required products and services.
- **Strategic Partnership** with a strategic result of an improved service delivery through an increased quality of our partnerships
- **Innovation Excellence** with a strategic result of solutions addressing socio-economic challenges being achieved through innovation.

The strategic themes and results were used to guide the formulation of appropriate strategic objectives, corresponding measures and subsequent strategic projects and initiatives.

3. CORPORATE GOVERNANCE MANAGEMENT OVERVIEW

3.1 Commissioners

The NCRST is governed by the Commission consisting of 14 members who are appointed by the Minister of Higher Education, Technology and Innovation in terms of Section 6 of the RST Act 2004.



Dr. Nortin Titus
Chairperson



Ms. Josephine /Haabas
Deputy Chairperson



Ms. Mirriam Sezuni
Member



Dr. Tshali Iithere
Member



Mr. Joshua Kaumbi
Member



Ms. Sylvia Demas
Member



Ms. Ely Hamunyela
Member



Ms. Graca D Almeida
Member



Ms. Patience Saushini
Member



Ms. Johanna F. Andowa
Member



Ms. Ivonne Mujoro-Kaukuetu
Member



Dr. Ronnie Bock
Member



Dr. Riaan Steenkamp
Member



Ms. Ndelitungapo Ndiitah Nghipondoka-Robiati
Member



Prof Martha Kandawa-Schulz
Member



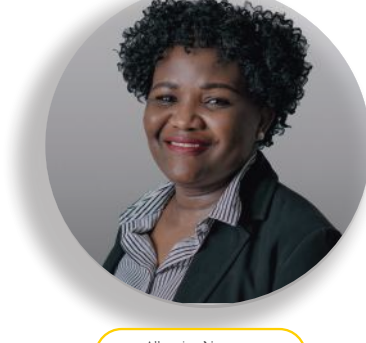
Dr Herbert Schneider
Member



Ms Caroline Garus-Oas
Member



Mr Etuna Josua
Member



Albertina Ngurare
Acting CEO - Ex Officio



Ms Gaynor Hockey
Secretary

During the period under review, the Commissioners held three (3) ordinary meetings and three (3) special meetings as indicated below:

Meeting Type	Date
Ordinary	19 May 2020 to 11 June 2020 continuation
Ordinary	17 December 2020 to 30 January 2020 continuation
Special	7 January 2021
Special	23 February 2021
Special	4 March 2021
Ordinary	30 March 2021

The matters approved by the Commission during the year under review as submitted by the Board Committees, Councils and Management are as follows:

- Integrated Strategic Business Plan
- Governance and Performance Agreements
- International Professional Practice Framework (IPPF) Code of Ethics
- The NCRST Annual Report 2018/2019
- Extension of External Audit Services
- Remuneration of Commissioners in the Public Service
- Amendments to the Terms of Reference (ToR) of Human Resources Committee
- Appointment of Biosafety Council Members
- The NCRST Audited Annual Financial Statements ending 31 March 2020.

3.2 NCRST Commissioners, Committees and Councils

The NCRST have, in terms of Sections 12, 13 and 14 read together with Section 31 of the RST Act 2004, delegated certain functions to the Chairperson of the NCRST, the CEO and other statutory committees and councils that are established under the RST Act 2004, without abdicating its own responsibilities. The functions have been delegated to the following committees and councils:

- The Executive Committee (EXCO)
- The Foundation for Research, Science and Technology (FRST)
- The Finance and Audit Committee (FAC)
- The Human Resources and Remuneration Committee (HRC)
- The Biosafety Council (BC)

3.3 Executive Management Committee (EMC)

The CEO, General Managers of Departments and the Heads of Units within the Office of the CEO forms the EMC. The functions of the EMC are to guide the strategic and policy direction of the NCRST.



Ms. Enid Keramen
Acting CEO until 31 December 2020



Ms. Albertina Ngurare
Acting CEO from 01 January 2021

Below follows a table that list all staff members that were acting or holding the position during the period under review:

No	Position	Incumbent
1.	Acting Chief Executive Officer	Ms. Enid Keramen until 31 December 2020
2.	Acting Chief Executive Officer	Ms. Albertina Ngurare from 01 January 2021
3.	Acting GM: Research, Science, Technology and Innovation Coordination and Support	Ms. Angelique Philander
4.	GM: Innovation and Technology Development (National Facilities)	Mr. Vincent Nowaseb
5.	GM: Business Support	Ms. Albertina Ngurare
6.	Acting Head: Legal Advice and Company Secretariat	Ms. Gaynor Hockey from September 2020
7.	Head: Internal Audit	Mr. Silas Niishinda from 01 February 2021
8.	Acting Head: Corporate Communication and Marketing	Ms Angela Ntemwa from 03 September 2020 to 30 March 2021 (Seven months)
9.	Head: Quality Assurance and Operational Excellence	Mr. Matheus Shikongo

Office of the CEO

The members of the EMC represent the functional legs of the organisation necessary to execute the NCRST's mandate as described below:

3.3.1 Internal Audit and Risk Unit



Mr. Silas Niishinda
Head: Internal Audit and Risk

This unit add value to the NCRST by improving the risk management framework and governance systems as well as promote efficiency and improve controls and processes across the organisation.

3.3.2 Legal Advice and Company Secretary Unit



Ms. Gaynor Hockey
Acting Head: Legal Advise & Company Secretariat

This unit provides for complete legal services as well as secretariat services to the Commission.

3.3.3 Quality Assurance and Operational Excellence Unit



Mr. Matheus Shikongo
Head: Quality Assurance and Operational Excellence

This unit develops Quality Management Systems and provide support and services, in order to ensure superior organisational effectiveness, efficiency and consistency in achieving organisational set objectives.

3.3.4 Corporate Communication and Marketing Unit



Ms Angela Ntemwa:
Acting Head: Corporate Communications & Marketing

This unit is tasked to position the NCRST both internally and externally as an effective and valuable driver of RSTI in Namibia by establishing key communications and marketing avenues that will optimally serve the NCRST image to the stakeholders within the RSTI funnel.

3.3.5 Research, Science Technology and Innovation Coordination and Support (RSTICS) Department



Ms. Angelique Philander
Acting General Manager: Human & Institutional development, Science & Technology Promotion



Mr Gernot Piepmeyer
Manager: Policies & Programme Development



Mr Moses Moses
Manager: Knowledge Management & Intellectual Property Coordination



Vacant
Manager: Resource Mobilisation & Grant Management

This department has four divisions, namely, Policies and Programme Development, Resource Mobilisation and Grant Management, Knowledge Management and Intellectual Property Coordination, and Human and Institutional Development, Science and Technology Promotion.

Through these divisions the department serves to:

- manage and develop Research, Science, Technology and Innovation (RSTI) policy, regulations and strategy.
- develop national research registration guidelines, programmes, implementation plans and indicators; and monitor implementation thereof.
- implement and maintain the National STI Information Management System.
- develop funding instruments for RSTI Programmes and provide grant management services in support of socio-economic development.
- manage the development of platforms for knowledge management.
- provide support to researchers and innovators on issues of intellectual property rights.
- facilitate the transfer of RSTI outputs to industry.
- create and deepen RSTI awareness in Namibia.

- recognize outstanding contributions made to RSTI in Namibia, and
- identify the gaps in terms of science, technology and innovation human and institutional resources and develop programmes to address these gaps.

3.3.6 Innovation and Technology Development (Management of National facilities) (ITD) Department



Mr. Vincent Nowaseb
General Manager:
Innovation and Technology
Development (National Facilities)



Ms Hilya Shikongo
Manager: Natural
Science Research



Ms Lovisa Immanuel
Manager: Innovation &
Industrial Research



Mr Paulus Mungeyi
Manager: Biotechnology

This department has four divisions, namely, Innovation and Industrial Research, Natural Science Research, Bio-technology & Biosafety and Human Science Research.

Through these divisions the department serves to:

- ensure effective regulatory services for activities that involve research, development, production, marketing, transport, application and other uses of Genetically Modified Organisms (GMOs).
- facilitate National policies, strategies and programmes on biotechnology and biosafety.
- create and manage platforms that promote and develop innovation, spin-offs, and value addition research and technology transfer, and
- coordinate research on new scientific and technological trends in order to support the implementation of the National Programmes on Research, Science, Technology & Innovation as well as other related regulatory frameworks.

3.3.7 Business Support Services (BSS) Department



Ms. Albertina Ngurare
General Manager Business Support



Simon Nghipangwa
Manager: Corporate Finance



Kevin Fisch
Manager: Information &
Communications Technology (ICT)



Ms Johanna Hatutale
Manager: Human Resources
& Organisational Development

The business support services are provided through four divisions, namely, Corporate Finance, Fund Management and Investments, Human Resources and Organisational Development, and Information and Communications Technology (ICT).

Through these divisions the department serves to:

- provide the required finance administration, estate and fleet logistical support services to the NCRST.
- manage and provide accurate and timely information about the Fund's financial position.
- develop and coordinate funding framework and ensure appropriate investment opportunities.
- deliver strategic human resources programmes, services, and technologies to build a talented, diverse, engaged and productive workforce in support of the corporate strategy, and
- provide strong, flexible, efficient, and secure ICT services enabling the NCRST and its stakeholders to meet the needs of the strategic Vision.

4. STRATEGIC KEY PERFORMANCE AREAS OVERVIEW

The NCRST measures its success in terms of the implementation of its mandate by gauging the execution of key strategic initiatives that are aimed at achieving the set strategic objectives. For the period under review, the NCRST recorded several successes as indicated below:

4.1 Stakeholder and Customer Satisfaction

The NCRST improved its stakeholder engagement platforms significantly through the following:

- Desktop management system were fully deployed to manage devices inside and outside the NCRST network, providing regular updates and patches.
- Executive management have redeployed employees from other departments to help NCRST staff with the function of the ICT division.
- Coordination of formal requests and engagements with the Namibia Training Authority (NTA) on the VET Levy that resulted in the NCRST getting exemption from paying VET Levy and qualifying for a 100% VET Levy refund.
- Contained spread of the COVID-19 cases through effective response measures.
- Coordination of the remote and flexible working arrangements and employee survey in this regard.
- Two customer satisfactory surveys were administered during the period under review for the National Innovation Challenge for Women and the average satisfactory percentage score was 86%.

4.2 Funding, Resource Mobilisation and Grant Management

The NCRST has continuously engaged potential sponsors and developmental partners to mobilize resources for its operations. During the period under review, NCRST mobilised funds from the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) for the NICW IV Programme. Furthermore, funding was channelled through the following avenues:

4.2.1 Calls for Proposals

4.2.1.1 National Innovation Challenge for Women (NICW)

This programme is aimed at supporting female-owned businesses in Agri-food, Nutrition, Health, ICT/tech, Waste (upcycling), Cosmetics and Better agriculture services. The NICW programme is a capacity building and business acceleration initiative designed to empower female innovators in various business concepts such as business model canvas, financial projections, human resources, marketing and branding as well as standards and regulations pertaining to their businesses. The goal is to have an empowered female population running and spearheading STI focused businesses.

a) Major Achievements

A total of 141 applications were received for NICW 2020/21 and a total of NAD 604,683.32 was mobilised to cater for this programme.

4.2.2 Innovation Fostering Service

4.2.2.1 SAIS 2 Programme

a) BOOST Up Series 2020

BOOST Up is a three-part support programme consisting of Set Up, Stand Up and Scale Up. This support programme is organised by the the Connected Hubs network and the Southern Africa Innovation Support Programme (SAIS 2) in Botswana, Namibia, South Africa, Tanzania, and Zambia.

BOOST UP is a 3-part series of start-up training events consisting of Set Up, Stand Up and Scale Up.

- **The Set Up Event** is a set of coaching events and consisted of the Description of the Cardinal Pillars of the Business Model Concept, Business Plan Development Workshop as well as the Pitching Coaching Workshop. Nine (9) start-ups attended the Set-Up Event.
- **The Stand-Up Event** is a business idea pitching competition for all Namibian start-up entrepreneurs that have technological solutions to solve societal challenges. Six (6) start-ups were selected to participate in the Stand-Up pitch competition.
- **The Scale Up Event** is an incubation programme for impact-driven start-ups eager to become more investable. Scale Up event included an online incubation programme (September–November) and an on-site bootcamp in Helsinki, Finland, during November–December. Due to travel restrictions imposed by the COVID-19 pandemic, the BOOST UP 2020 Regional Final Pitching Competition culminated in a hybrid online event that was broadcasted live from the five partner countries. Three (3) Namibian start-ups took part in the regional final pitching competition.

b) Innovation Challenge /Inclusive Innovation Call for Proposals (CfP 2020/3) /(CfP 2018/2)

As part of the programme, the SAIS 2 Innovation Fund provides grants for organisations seeking to pilot, demonstrate and replicate new or improved products, services or processes in Southern African markets. The SAIS 2 calls for proposals fund projects in three thematic areas: 1) stronger ecosystems, 2) scaling enterprises, and 3) inclusive innovations.

c) Connected Hubs (CH) online meetings

SAIS 2 Connected Hubs provide training and knowledge and offer opportunities for networking to start-ups using technology to solve societal problems.

d) The South Africa Innovation Summit and Annual Southern Africa Innovation Forum (ASAIF)

The SA Innovation Summit is the largest start-up event in Africa. The Summit provides various platforms for developing and showcasing African innovation, as well as facilitating thought-leadership. The SA Innovation Summit bring together top entrepreneurs, investors, corporates, policy makers and thought leaders to support start-ups and inspire sustained economic growth across Africa. The ASAIF brings together business, government, donors, NGOs, and communities around issues of entrepreneurship and youth, and catalyses partnerships for action. In this way, ASAIF raises stakeholders' collective awareness of best practices in innovation ecosystems, contributing to more inclusive business and employment.

e) Major Achievements

All 22 applicants participated in the BOOST Up training. There were four training interventions, which covered topics such as Business Model Development, Business Plan Development and two Pitching Coaching Workshops. Six (6) start-ups were selected to participate in the national Stand-Up pitch competition and 3 of them proceeded to the regional hybrid pitching competition. The NCRST took part in shortlisting of Namibian applicants for SAIS II Call and assisted SAIS in the monitoring and evaluation process. One Namibian project benefited in Cfp 2020/3, namely, Edpreneurs: Networking & Empowering Education Entrepreneurs Towards a Resilient Edtech Ecosystem in Southern Africa. Three Namibian projects benefited under Cfp 2018/2, namely, Precision Desert Agriculture as a Job Creation project, Africa Food 360 Accelerator project and Living Permaculture project. NCRST further supported five start-ups to attend the virtual SA Innovation Summit which was hosted together with ASAIF 2020.

4.2.3 Funded Projects and their deliverables

No	Project Title	Priority Research Area	Institutions	Outputs
1	National Innovation Challenge for Women (NICW)	Agri-food, Nutrition, Health, ICT, Waste (upcycling), Cosmetics and Better agriculture services	GIZ	Knowledge transfer, technology transfer and business development
2	BOOST Up Series 2020	Information technology	SAIS, GEN Namibia, Dololo, NBII-NUST	Knowledge transfer, technology transfer and business development

4.3 Cost Reduction

The NCRST continued with implementing the activity budgeting process as a measure to reduce the costs of its operations.

4.4 RSTI Awareness, Networking and Engagement

The NCRST through the BOOST Up programme empowered nine (9) businesses. The NCRST submitted media releases and BOOST Up reports for the SAIS BOOSTUP Start-ups SuperHeroes publication. The National Innovation Challenge for Women (NICW) 2020 programme consisted of Phase I & II workshops. The Phase I training consisted of the Ideation & Design Thinking, Business Model Canvas, Pitching Training and Practice. After Phase I, twenty applicants were selected to proceed to Phase II workshops. The Phase II physical workshops were divided into Phase IIA & Phase IIB trainings respectively. The Phase IIA training focused on Business Strategy, Marketing and Financial Management and Projections. The Phase IIB face-to-face training covered topics such as: Legal and Intellectual Property, Human Resources and Productivity, Financial Management and Pitching training. Thereafter, the final pitch took place on the last day of the event and four in-country (national) winners were selected. The NCRST have successfully completed the impact assessment survey data collection for the science and technology promotion programmes from 13 regions. The NCRST further successfully collected data from 14 regions for the success stories survey of the science and technology promotion programmes. Together with the Directorate of Education, Khomas region, the NCRST secured a venue for hosting the Mathematics and Science Computer-based Learning Centre for the Khomas region. Renovations of the acquired venue are in progress. The NCRST is currently exploring various options with different stakeholders to host the Science and Technology Demonstration Centre.

4.5 RSTI Outputs

Within the framework of the NCRST-SAIS Boost Up program stream, along with the NICW program and in-person meetings:

- Six (6) businesses were successfully registered.
- Three (3) innovators received incubation support
- A total of Fifty-Nine (59) innovators underwent training

Additionally, the NCRST accomplished the following:

- NCRST published the second edition of the Journal for Research, Science, and Technology.
- Subsequently, NCRST implemented and configured an Online Journal system for efficient management of peer-reviewed academic journals..

4.6 Business Process Improvement

The NCRST team has been working hard to implement the divisional process documents to ensure that activities and processes meets its strategic and operational objectives across all departments, divisions and units. The following business processes were implemented:

- Successful implementation and coordination of the COVID-19 response plan.
- Continuous implementation of Occupational Health & Safety (OHS) measures.
- Continuous implementation of the HR Information Management project to enable electronic filing of HR reports and employee records.
- Effective and consistent implementation of various HR Policies/systems, i.e., monthly payroll management; administration and management of employees' benefits; recruitment and selection, employee relations, redeployment of employees, to mention a few.

- Continued upkeep of the HR & Payroll Management system to ensure data accuracy and relevancy as well as confidentiality of employees' data.
- Successful chairing of the various internal committees, i.e., Affirmative Action (AA), Occupational Health & Safety (OHS) and the NCRST Social Club, that drives compliance subjects, ensuring effective coordination, implementation, and evaluation of the planned activities.
- The world was faced with unprecedented challenges when the COVID-19 pandemic hit. The biggest challenge facing the NCRST, was the inability to work from home.

With no equipment available and still financially challenged, the NCRST had to set up a remote work model to enable employees to work from home.

The NCRST further strengthened its ICT Infrastructure by implementing the following:

- ICT office equipment was procured to empower the staff to work remotely during Covid-19 lockdown period.
- Firewall VPN setup were configured for staff to connect to the NCRST servers to be able to access all necessary files and folders.
- Remote desktop support application was setup in order to support staff.
- Microsoft Teams were fully deployed for regular Board and Staff meetings.
- Management server (Manage Engine Desktop Central) was configured to roll out updates regularly outside the NCRST domain.

4.7 Projects Execution

The Connected Hubs, NCRST-SAIS Boost Up programme, NICW projects are all active and were executed according to plan.

4.8 Partnership Frameworks

The Memorandum of Understanding of the Mathematics and Science Computer-based learning Centre was reviewed and signed between NCRST and the education representatives in which these centres exist following a thorough legal vetting process.

4.9 Access to RSTI Infrastructure

- The NCRST explored the transition of its programs to an online platform and actively identified an appropriate platform for this purpose.
- The NCRST established a Steering Committee with various stakeholders for the development of software of the Mathematics and Science Computer-based Learning Centres based on the new Namibia education curriculum.

4.10 Policy & Regulatory Frameworks

The FY2021/26 integrated strategic business plan was developed through a consultative process and was approved by the line minister. The Working Group for the establishment of the SADC Women in Science, Engineering and Technology Namibia Chapter has amended the Charter as per input from MHETI and is busy developing the 5-year implementation plan for the Chapter which will accompany the Charter.

4.11 Skills and Knowledge Improvement

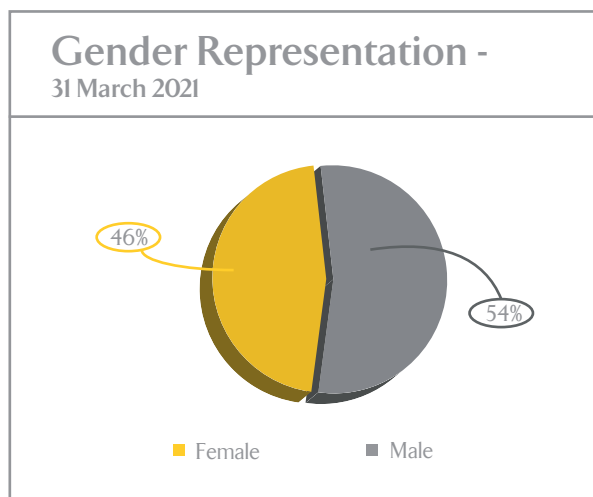
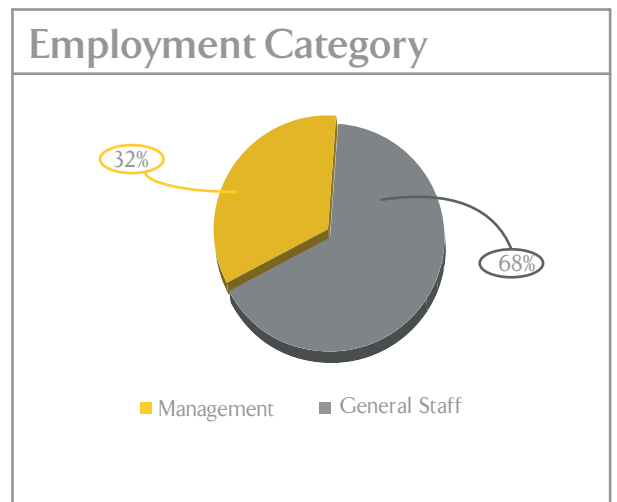
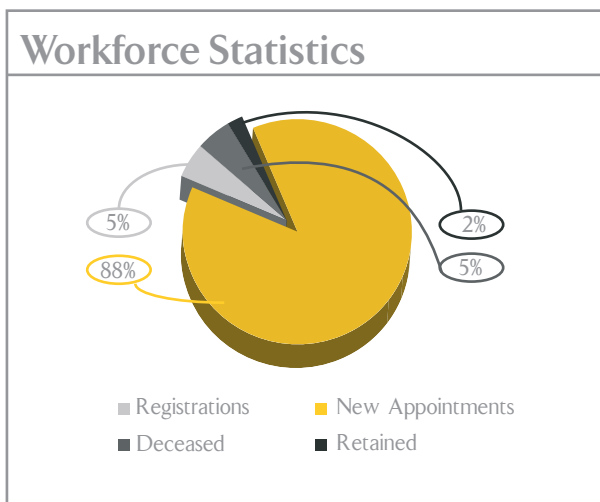
The NCRST endeavours to keep up to date with global best practices, changing regulatory frameworks and legislation by subscribing to industry related websites, attending relevant seminars, webinars, workshops and training interventions. NCRST has further conducted a workshop with management and employees on leave benefits and management.

5. SUPPORT FUNCTION OVERVIEW

5.1 Human Resources and Organisational Development

The NCRST aims to deliver strategic human resources programmes, services, and technologies to build a talented, diverse, engaged, and productive workforce in support of the corporate strategy.

- Workforce Statistics:
- Total Workforce – 40 Employees
- Employee Turnover – 4.9%



5.2 Corporate Finance and Fund Management & Investment

The financial year ended 31 March 2021 was another challenging year, as the Fund's income continued to be under pressure, mainly due to effects of COVID-19 resulting in a significant reduction in core revenue - Research and GMO permit revenue, as well as a reduction in shareholder funding - Government grant. During this financial year, the Fund recorded a total income of N\$43.6 million as compared to N\$42.5 million recorded in the previous financial year (2020). Nonetheless, cost control measures continued to be enforced to ensure operational cost remained under control. During this financial year, the Fund recorded a total operational expenditure of N\$38.1 million as compared to N\$38.7 million recorded in the previous financial year (2020). This reflects a notable cost reduction. As a result of cost containment efforts, the Fund recorded a surplus of N\$5.5 million as compared to N\$3.8 million recorded in the previous financial year. The NCRST aspires to achieve financial sustainability and remain a viable going-concern entity. This can be made possible by amongst other things, revenue growth, cost control, and increased internal controls and risk management.

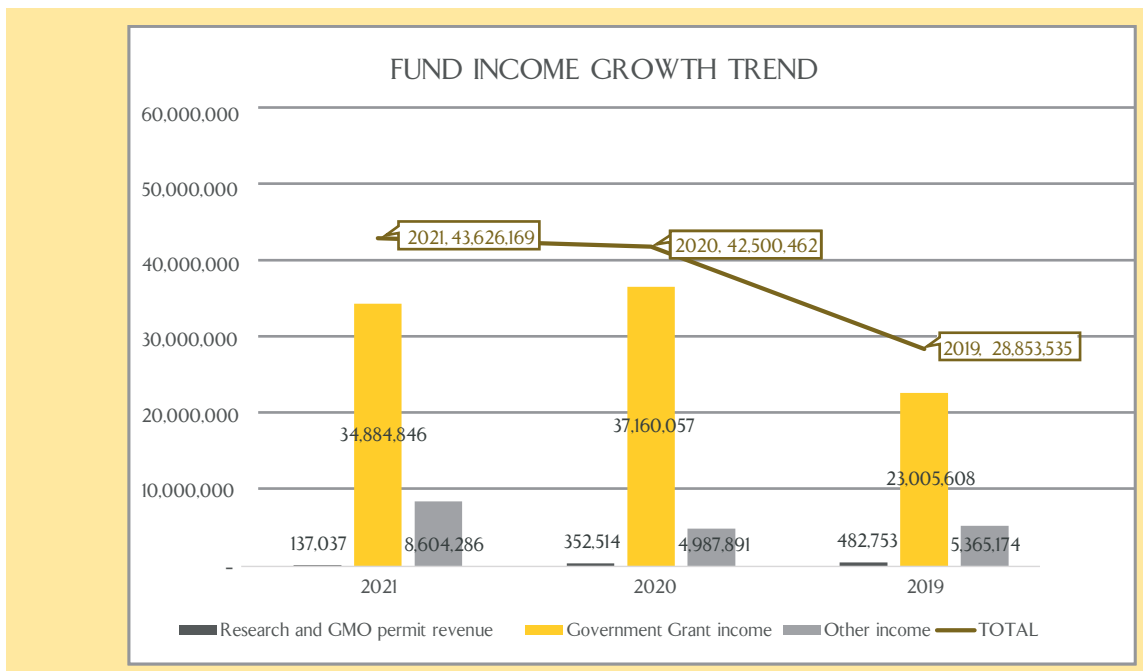
5.2.1 Financial Performance

NCRST's overall strategy is growth oriented. The NCRST continues to consult and engage relevant authorities and institutions to ensure that the Research, Science and Technology Act, (Act 23 of 2004) (RST Act) is implemented fully. The full implementation and enforcement of this Act would enable the NCRST to take control of research registration in the country, and as a result be able to bill and collect all due revenues from research registration and issuing of research permits. This achievement would enable the NCRST to generate sufficient revenues to cover its operational costs and reduce continued reliance on shareholder funding - Government grant. The NCRST wish to achieve income break-even point, where it will not need operational funding from the shareholder. The only funding required would be for capitalisation (Capital projects).

5.2.2 Fund Income

Funds income continues to be under pressure due to several factors, but mainly because of COVID-19, hence a significant reduction from the previous year.

See Revenue Growth Trends per the illustration below:

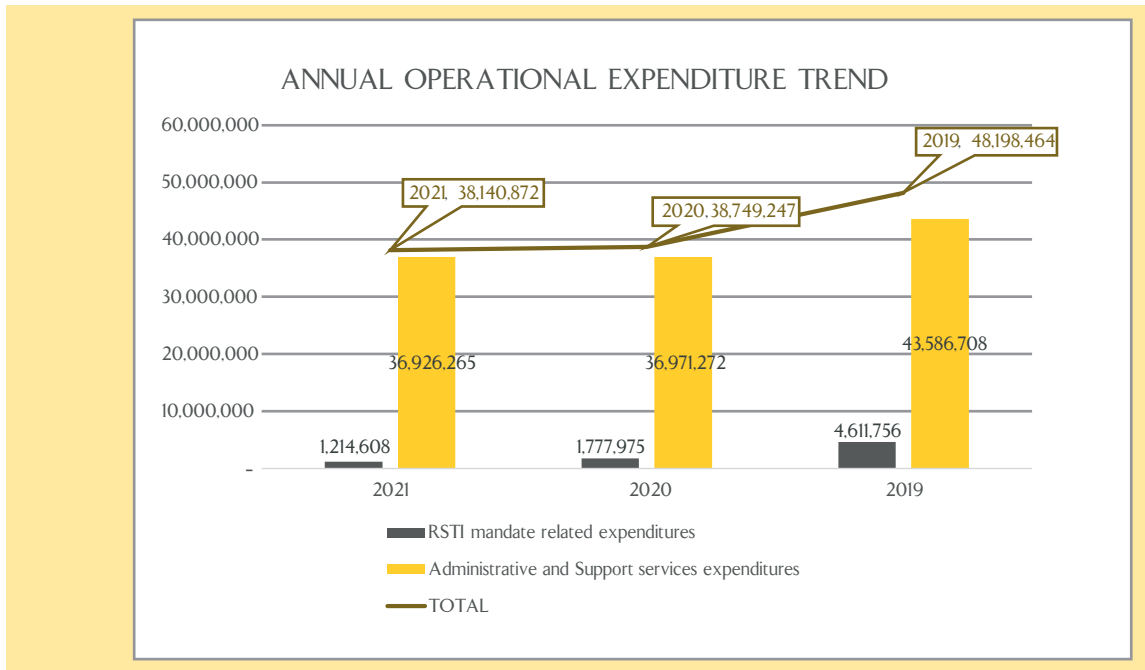


FUND INCOME GROWTH	FY2020/21 N\$	FY2019/20 N\$	FY2018/19 N\$
Research and GMO permit revenue	137,037	352,514	482,753
Government Grant income	34,884,846	37,160,057	23,005,608
Other income	8,604,286	4,987,891	5,365,174

5.2.3 Expenditure

Operational expenditure reduced by N\$600,000, from N\$38.7 million in the previous year to N\$38.1 in the current year. This is a reflection, that cost control remained a management's focus area.

See Operational Expenditure Trends per the illustration below:

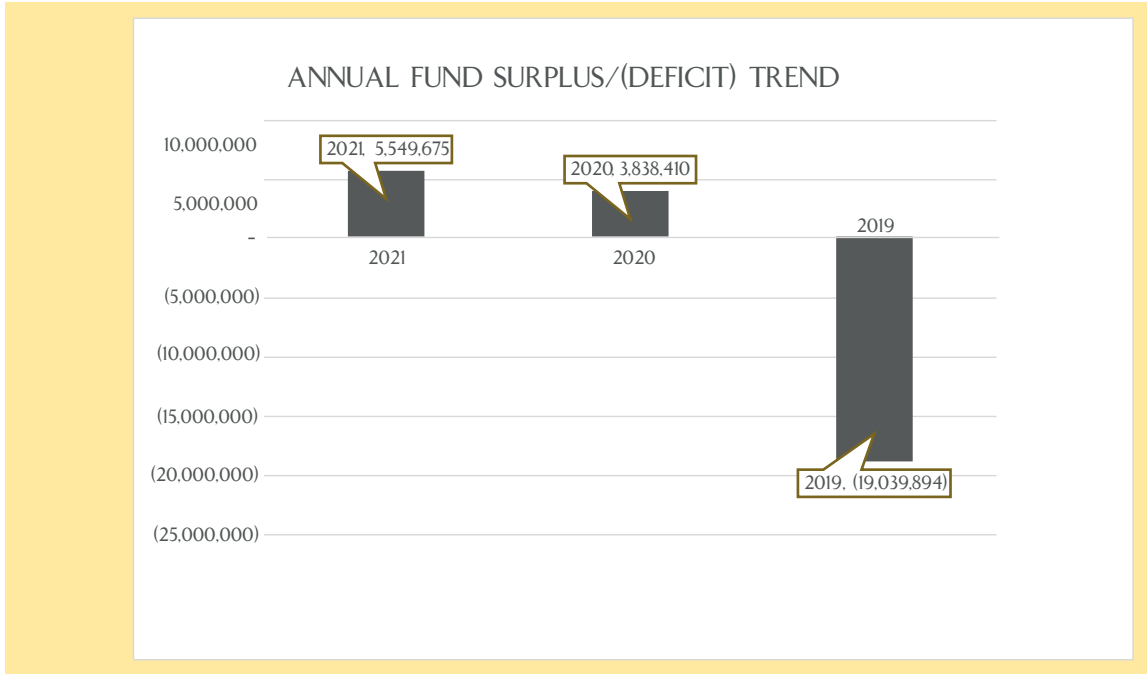


ANNUAL OPERATIONAL EXPENDITURES	FY2020/21 N\$	FY2019/20 N\$	FY2018/19 N\$
RSTI mandate related expenditures	1,214,608	1,777,975	4,611,756
Administrative and Support services expenditures	36,926,265	36,971,272	43,586,708
TOTAL	38,140,873	38,749,247	48,198,464

5.2.4 Fund Surplus/(Deficit)

NCRST successfully attained a surplus of N\$5.5 million, which is a noteworthy accomplishment, particularly considering the significant impact of COVID-19 on the financial year.

The illustration below shows the Fund surplus/(deficit) curve for the past three (3) years:



ANNUAL FUND SURPLUS/(DEFICIT)	FY2020/21 N\$	FY2019/20 N\$	FY2018/19 N\$
FUND SURPLUS/(DEFICIT)	5,549,675	3,838,410	(19,039,894)

6. OUTLOOK FOR THE FUTURE

6.1 Challenges and Proposed Recommendations

Challenges	Proposed recommendations
Lack of funds for the grassroots programme and the walk-ins	NCRST to release at least N\$ 50 000 – N\$ 100 000 for the grass root innovation programmes and the walk-ins
<p>Lack of human resources within most divisions as well as the gaps in the levels of work between the existing staff presented efficiency and performance challenges</p> <p>Lack of sufficient funds for the NCRST has left important areas with no budget, specifically of training and development, the implementation of the performance management system as well as the annual wage negotiations with the Bargaining Unit</p> <p>Government moratorium on the filling of vacancies left some functions with minimal to no staff.</p> <p>Continuous increase in employees' turnover due to lack of job security, motivation, and remuneration</p>	<p>Adequate human resource provision, through filling of vacant positions in understaffed divisions</p> <p>Approval for the review of the NCRST structure and staff job descriptions as well as the NCRST staff benefits</p> <p>Prioritisation of training and development efforts for soft skills during annual budgeting and fund allocation</p>
<p>ICT Infrastructure:</p> <p>The NCRST infrastructure has become obsolete and therefore incompatible with most of the newly acquired hardware and software</p> <p>Skills & Knowledge Improvement</p> <p>With no skills and knowledge interventions, because of budget restraints the ICT department is struggling to stay up to date with the ever-changing Information Technology environment</p>	<p>New equipment to be acquired for data security</p> <p>More funds to be allocated for personal development programmes</p>
<p>Science Demonstration Centre</p> <p>Financial constrains to renovate the availed venue</p>	The NCRST to seek sponsorship and or collaboration for the centre renovations
<p>SADC WISETO – Namibia Chapter</p> <p>Getting a quorum for the Working Group</p>	NCRST is now hosting online meetings to complete the Charter documents

Challenges	Proposed recommendations
Impact assessment survey More time was needed to capture the hard copies online	Finish analysing the data and write a report
National Science Fair Lack of funding to host the event	Continue engaging potential sponsors. Upgrading online platform to cut costs of hosting the event
Science Quiz Lack of funding to host the event	Continue engaging potential sponsors. Migrating process to an online platform to cut costs of hosting the event
Mathematics and Science Computer-based learning Centres (Plato Centres) Redundant Plato software	Established a steering committee of relevant partners to develop software based on the new Namibia education curriculum
Online Journal Lack of human resources	Constitute an internal work committees to assist with the workload

REPORT BY THE INDEPENDENT FINANCIAL AUDITORS

CORPORATE FINANCE AND FUND MANAGEMENT

OVERVIEW

The financial year ended 31 March 2021 was another challenging year, as Fund income continued to be under pressure, mainly due to effects of Covid-19 resulting in significant reduction in core revenue - Research and GMO permit revenue, as well as reduction in shareholder funding - Government grant. However, other income posted a slight improvement as complimented by resource mobilisation through partnerships. During this financial year, the Fund recorded a total income of N\$43.6.4 million as compared to N\$42.5 million recorded in the previous financial year (2020). However, cost control measures continued to be enforced to ensure operational cost remained under control. During this financial year, the Fund recorded a total operational expenditure of N\$38.1 million as compared to N\$38.7 million recorded in the previous financial year (2020). This reflects a significant cost reduction. As a result of cost containment efforts, the Fund recorded a surplus of N\$5.5 million as compared to N\$3.8 million recorded in previous financial year. Both Management and the Board aspire to see NCRST achieve financial sustainability and remain a viable going-concern entity. This can be made possible by amongst other things, revenue growth, cost control, and increased internal controls and risk management.

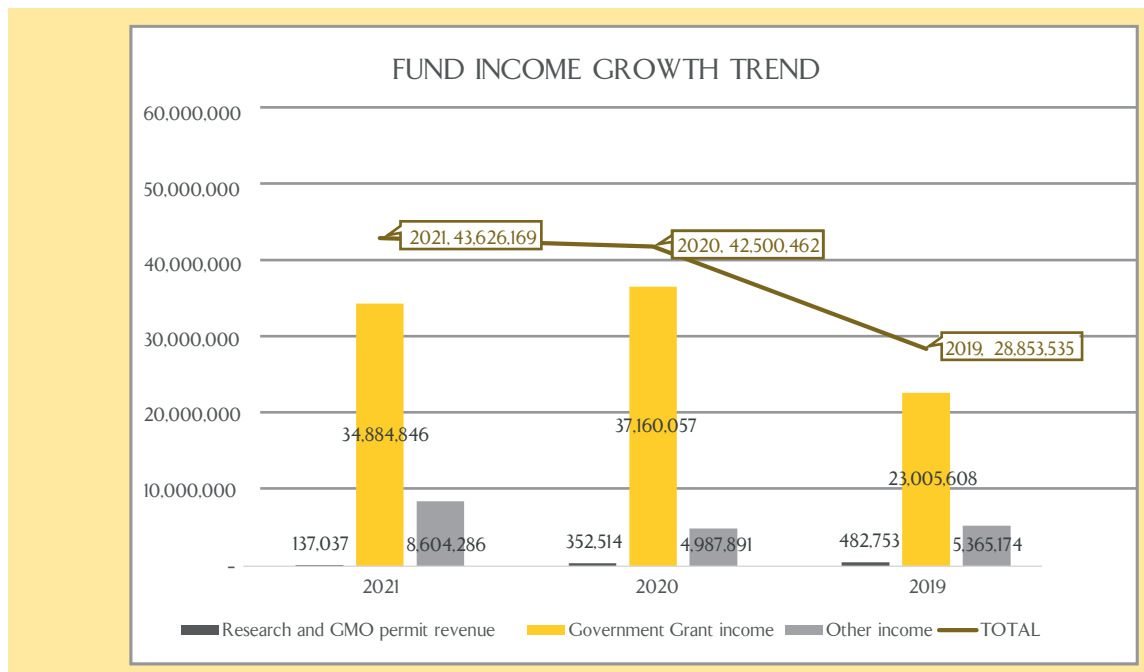
FINANCIAL PERFORMANCE

NCRST's overall strategy is growth oriented. The NCRST continues to consult and engage relevant authorities and institutions to ensure that the Research, Science and Technology Act, Act No. 23 of 2004 (RST Act) is implemented fully. The full implementation and enforcement of this Act would enable the NCRST to take control of research registration in the country, and as a result be able to bill and collect all due revenues from research registration and issuing of research permits. This achievement would enable the NCRST to generate sufficient revenues to cover its operational costs and reduce continued reliance on shareholder funding - Government grant. The NCRST wants to achieve income break-even point, where it will not need operational funding from shareholder - Government. The only funding required would be for capitalisation (Capital projects).

FUND INCOME

Fund income continued to be under pressure due to several factors, but mainly due to the effects Covid-19, hence a significant reduction from the prior year.

See Fund Income Growth Trend per the illustration below:

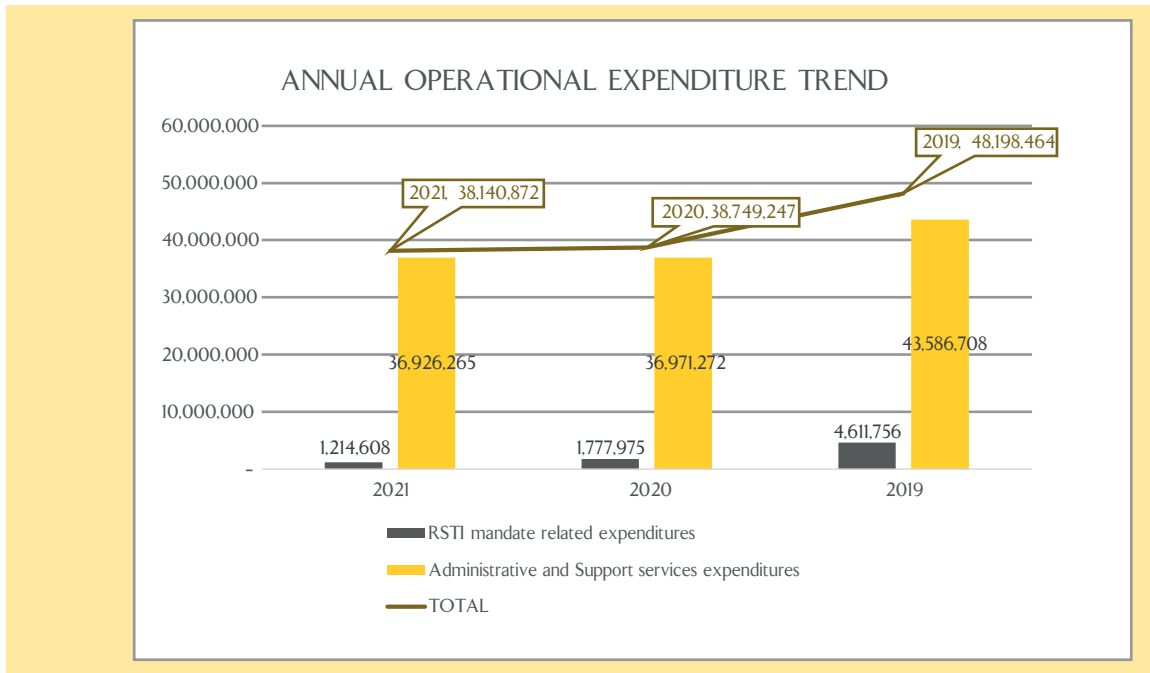


REVENUE GROWTH	FY2020/21 N\$	FY2019/20 N\$	FY2018/19 N\$
Research and GMO permit revenue	137,037	352,514	482,753
Government Grant income	34,884,846	37,160,057	23,005,608
Other income	8,604,286	4,987,891	5,365,174
TOTAL	43,626,169	42,500,462	28,853,535

EXPENDITURE

Operational expenditure reduced from N\$38.7 million in the previous year to N\$38.1 million in the current year (2021). This is a reflection that, cost control remained a management's focus area.

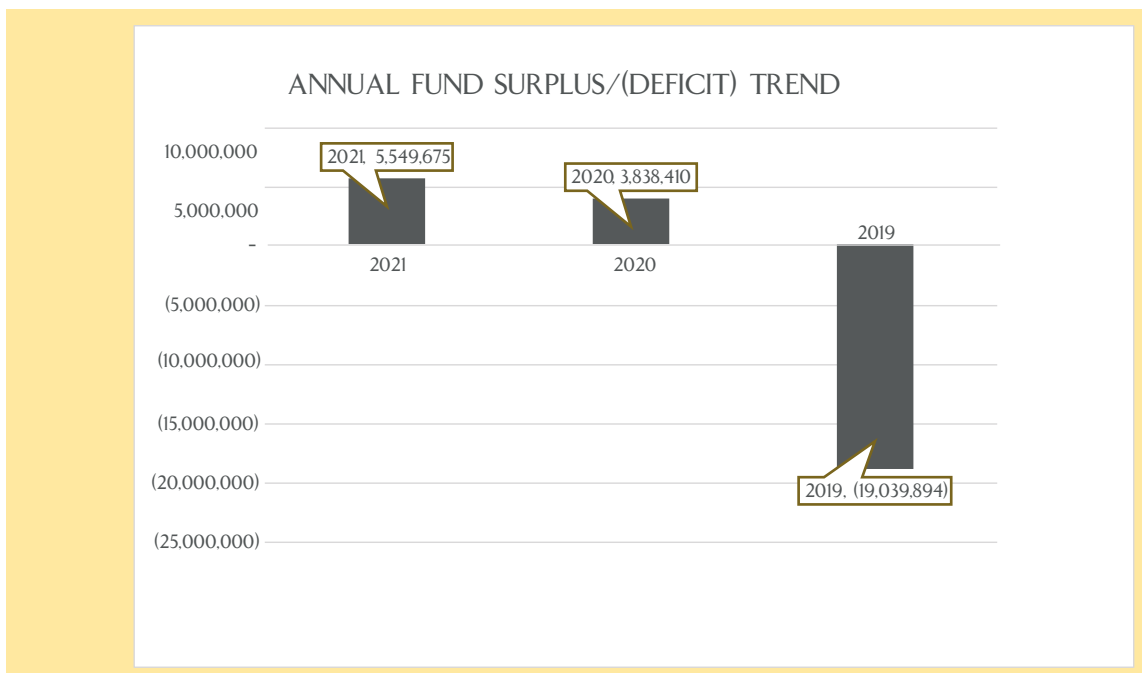
See Operational Expenditure Trends per the illustration below:



ANNUAL OPERATIONAL EXPENDITURES	FY2020/21 N\$	FY2019/20 N\$	FY2018/19 N\$
RSTI mandate related expenditures	1,214,608	1,777,975	4,611,756
Administrative and Support services expenditures	36,926,265	36,971,272	43,586,708
TOTAL	38,140,872	38,749,247	48,198,464

FUND SURPLUS/(DEFICIT)

NCRST reported a surplus of N\$5.5 million, a notable increase compared to the N\$3.8 million surplus in the previous year (2020). This is a notable performance especially during a financial year heavily impacted by Covid-19. The illustration below depicts the overall fund performance over past three (3) years.



ANNUAL FUND SURPLUS/(DEFICIT)	FY2020/21 N\$	FY2019/20 N\$	FY2019/18N\$
FUND SURPLUS/(DEFICIT)	5,549,675	3,838,410	(19,039,894)

ACHIEVEMENTS AND CHALLENGES

Despite the circumstance of Covid-19, the NCRST still recorded some achievements during the 2020/21 financial year as follows:

- Improved accounting record-keeping and financial reporting;
- Clean Statutory audit 2020/21;
- Improved cost efficiency – operational cost reduction/minimization;
- Improved fleet control and fuel cost minimization;
- Improved cashflow management; and
- Improved controls around procurement and payment for goods and services.

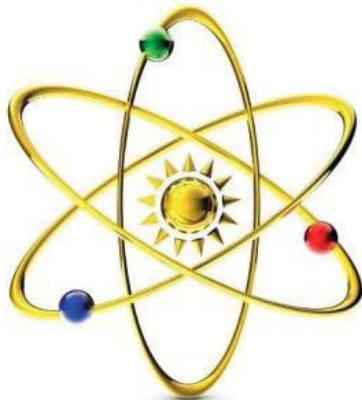
However, the following remain key challenges to the NCRST:

- Reduction in shareholder funding – Government grants, and
- Reduced spending on RSTI mandate activities – due to limited budget
- Lack of sufficient office space and parking for staff.



National Research Science and Technology Fund

Annual Financial Statements
for the year ended 31 March 2021



NCRST
NATIONAL COMMISSION
ON RESEARCH SCIENCE & TECHNOLOGY

Audited Financial Statements

National Research Science and Technology Fund

Annual Financial Statements for the year ended 31 March 2021

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National Research Science and Technology Fund

Annual Financial Statements for the year ended 31 March 2021

General Information

Country of Incorporation and Domicile	Namibia
Nature of Business and Principal Activities	The Fund to coordinate, facilitate and develop research science and technology in Namibia.
Commissioners	Dr. Nortin Titus - Chairperson Ms. Josephine //Haubas - Deputy chairperson Dr. Riaan Steenkamp Dr. Ronnie Bock Dr. Tshali lithete Ms. Mirriam Sezuni Ms. Sylvia Demas Ms. Elly Hamunyela Ms. Graca D'Almeida Ms. Patience Saushini Ms. Johanna Andowa Ms. Ivonne Mujoro-Kauketu Ms. Ndiita Nghipondoka- Robiati Mr. Joshua Kaumbi (Resigned 31 January 2021)
Business Address	Grant Webster Street Olympia Windhoek
Postal Address	Private Bag 13253 Windhoek Namibia
Bankers	First National Bank of Namibia and Standard Bank Namibia
Auditors	EDB & Associates 105 John Meinert Windhoek-West Windhoek

National Research Science and Technology Fund

Annual Financial Statements for the year ended 31 March 2021

Commissioners' Responsibilities and Approval

The commissioners are required by the National 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 annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements satisfy the financial reporting standards with regards to form and content and present fairly the statement of financial position, results of operations and business of the Fund, and explain the transactions and financial position of the business of the Fund at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the Fund 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 Fund and place considerable importance on maintaining a strong control environment. To enable the commissioners to meet these responsibilities, the commissioners set 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 Fund and all employees are required to maintain the highest ethical standards in ensuring the Fund's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the Fund is on identifying, assessing, managing and monitoring all known forms of risk across the Fund. While operating risk cannot be fully eliminated, the Fund 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 annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the commissioners have no reason to believe that the Fund will not be a going concern in the foreseeable future. The financial statements support the viability of the Fund.

The annual financial statements have been audited by the independent auditing firm, EDB & Associates, who have been given unrestricted access to all financial records and related data, including minutes of all meetings of the shareholders, the commissioners and committees of the commissioners. The commissioners believe that all representations made to the independent auditor during the audit were valid and appropriate. The external auditor's unqualified audit report is presented on pages 42 to 43

The annual financial statements set out on pages 44 to 54, and the supplementary information set out on pages 55 to 56 which have been prepared on the going concern basis, were approved by the commissioners and were signed on 23 March 2022 on their behalf by:



Dr. Nortin Titus - Chairperson



Mrs. Albertina Ngurare
Acting - Chief Executive
Officer

National Research Science and Technology Fund

Annual Financial Statements for the year ended 31 March 2021

Commissioners' Report

The commissioners present their report for the year ended 31 March 2021.

1. Review of activities

Main business and operations

The Fund to coordinate, facilitate and develop research science and technology in Namibia. There were no major changes herein during the year.

The operating results and statement of financial position of the Fund are fully set out in the attached financial statements and do not in our opinion require any further comment.

2. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that Funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

3. Events after reporting date

All events subsequent to the date of the annual financial statements and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed.

The commissioners are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the Fund.

Impact of COVID-19

Government intervention appears to be slowing the spread of COVID-19 at different speeds in different countries. The severity will be influenced by the lockdown period and the easing thereof. It is anticipated that the COVID-19 pandemic may have a substantial impact on revenue countered by material reduction in expenses and therefore the residual impact on profitability for the year ending 31 March 2021 is not expected to be significant. It is, however, not possible to make an accurate estimate of its full financial effect for the year ahead as the virus's infection rate and impact on macro-economic conditions is uncertain.

4. Borrowing limitations

In terms of the Memorandum of Incorporation of the Fund, the commissioners may exercise all the powers of the Fund to borrow money, as they consider appropriate.

National Research Science and Technology Fund

Annual Financial Statements for the year ended 31 March 2021

Commissioners' Report

5. Commissioners

The commissioners of the Fund during the year and up to the date of this report are as follows:

Dr. Nortin Titus - Chairperson

Ms. Josephine //Haubas - Deputy chairperson

Dr. Riaan Steenkamp

Dr. Ronnie Bock

Dr. Tshali lithete

Ms. Mirriam Sezuni

Ms. Sylvia Demas

Ms. Elly Hamunyela

Ms. Graca D'Almeida

Ms. Patience Saushini

Ms. Johanna Andowa

Ms. Ivonne Mujoro-Kauketu

Ms. Ndiita Nghipondoka- Robiati

Mr. Joshua Kaumbi (Resigned 31 January 2021)

6. Independent Auditors

EDB & Associates were the independent auditors for the year under review.

Independent Auditor's Report

To the Shareholders of National Research Science and Technology Fund

Opinion

We have audited the financial statements of National Research Science and Technology Fund set out on pages 45 to 58, which comprise the statement of financial position as at 31 March 2021, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the commissioners' report.

In our opinion, the financial statements present fairly, in all material respects, the financial position of National Research Science and Technology Fund as at 31 March 2021, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and in the manner required by the National Research, Science and Technology Act (Act No.23 of 2004).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the fund in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in Namibia. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in Namibia. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Commissioners for the Financial Statements

The commissioners are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the National Research, Science and Technology Act (Act No.23 of 2004), and for such internal control as the Commissioners determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the commissioners are responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Commissioners either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the commissioners.
- Conclude on the appropriateness of the commissioners' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the commissioners regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

EDB & Associates

23 March 2022



Per: ED Beukes
Registered Auditor

**105 John Meinert
Windhoek-West
Windhoek**

National Research Science and Technology Fund

Financial Statements for the year ended 31 March 2021

Statement of Financial Position

Figures in N\$	Notes	2021	2020
Assets			
Non-current assets			
Property, plant and equipment	4	11,009,023	16,492,503
Intangible assets	5	2,894	225,663
Total non-current assets		11,011,917	16,718,166
Current assets			
Trade and other receivables	6	575,467	453,230
Cash and cash equivalents	7	16,260,960	2,347,212
Total current assets		16,836,427	2,800,442
Total assets		27,848,344	19,518,608
Equity and liabilities			
Equity			
Retained income / (accumulated loss)		2,995,918	(2,553,757)
Liabilities			
Non-current liabilities			
Deferred income	10	14,760,639	20,903,763
Current liabilities			
Provisions	8	798,106	826,726
Trade and other payables	9	168,907	154,073
Related party payables	9	9,124,774	187,803
Total current liabilities		10,091,787	1,168,602
Total liabilities		24,852,426	22,072,365
Total equity and liabilities		27,848,344	19,518,608

National Research Science and Technology Fund

Financial Statements for the year ended 31 March 2021

Statement of Comprehensive Income

Figures in N\$	Note	2021	2020
Revenue		137,037	352,514
Other income		43,489,132	42,147,948
Administrative expenses		(1,951,543)	(2,319,289)
Other expenses		(36,189,329)	(36,429,958)
Surplus from operating activities		5,485,297	3,751,215
Finance income		65,012	91,356
Finance costs		(635)	(4,162)
Surplus for the year		5,549,675	3,838,409

National Research Science and Technology Fund

Financial Statements for the year ended 31 March 2021

Statement of Changes in Equity

Figures in N\$	Retained income / (accumulated loss)	Total
Balance at 1 April 2019	(6,392,166)	(6,392,166)
Changes in equity		
Surplus for the year	3,838,409	3,838,409
Total comprehensive income for the year	3,838,409	3,838,409
Balance at 31 March 2020	(2,553,757)	(2,553,757)
Balance at 1 April 2020	(2,553,757)	(2,553,757)
Changes in equity		
Surplus for the year	5,549,675	5,549,675
Total comprehensive income for the year	5,549,675	5,549,675
Balance at 31 March 2021	2,995,918	2,995,918

National Research Science and Technology Fund

Financial Statements for the year ended 31 March 2021

Statement of Cash Flows

Figures in N\$

	Note	2021	2020
Cash flows from / (used in) operations			
Surplus for the year		5,549,675	3,838,409
Adjustments for finance income		(65,012)	(91,356)
Adjustments for finance costs		635	4,162
Adjustments for (increase) / decrease in trade accounts receivable		(133,026)	8,773
Adjustments for decrease in other operating receivables		10,789	-
Adjustments for increase / (decrease) in trade accounts payable		14,835	(3,425,519)
Adjustments for increase / (decrease) in other operating payables		8,936,971	(8,021,805)
Adjustments for decrease in deferred income		(6,143,124)	(1,678,137)
Adjustments for depreciation and amortisation expense		1,112,246	2,700,977
Adjustments for impairment losses and reversal of impairment losses recognised in profit or loss		5,186,433	-
Adjustments for provisions		(28,620)	178,801
Profit on disposal of fixed assets		-	(291,130)
Total adjustments to reconcile surplus		8,892,127	(10,615,234)
Net cash flows from / (used in) operations		14,441,802	(6,776,825)
Interest paid		(635)	(4,162)
Interest received		65,012	91,356
Net cash flows from / (used in) operating activities		14,506,179	(6,689,631)
Cash flows (used in) / from investing activities			
Proceeds from sales of property, plant and equipment		-	544,710
Purchase of property, plant and equipment		(588,958)	(14,999)
Purchase of intangible assets		(3,473)	-
Cash flows (used in) / from investing activities		(592,431)	529,711
Net increase / (decrease) in cash and cash equivalents		13,913,748	(6,159,920)
Cash and cash equivalents at beginning of the year		2,347,212	8,507,132
Cash and cash equivalents at end of the year	7	16,260,960	2,347,212

National Research Science and Technology Fund

Financial Statements for the year ended 31 March 2021

Accounting Policies

1. General information

National Research Science and Technology Fund ('the Fund') to coordinate, facilitate and develop research science and technology in Namibia.

The Fund is incorporated as a Fund and domiciled in Namibia. The address of its registered office is.

2. Basis of preparation and summary of significant accounting policies

The financial statements of National Research Science and Technology Fund have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the Research, Science and Technology Act (Act No.23 of 2004). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment property, certain property, plant and equipment, biological assets and derivative financial instruments at fair value. They are presented in Namibian Dollar.

2.1 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the commissioners.

The Fund adds to the carrying amount of an item of property, plant and equipment the cost of replacing parts of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the Fund. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Asset class	Useful life / depreciation rate
Leasehold improvements	3 years
Motor vehicles	5 years
Fixtures and fittings	7 years
Office equipment	5 years
Computer equipment	3 years
Laboratory equipment	3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other gains / (losses)' in the statement of comprehensive income.

National Research Science and Technology Fund

Financial Statements for the year ended 31 March 2021

Accounting Policies

Basis of preparation and summary of significant accounting policies continued...

2.2 Intangible assets

Trademarks, licences and customer related intangible assets

Separately acquired trademarks and licences are shown at historical cost. Trademarks, licences (including software) and customer-related intangible assets acquired in a business combination are recognised at fair value at the acquisition date. Trademarks, licences and customer-related intangible assets have a finite useful life and are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of trademarks, licences and customer related intangible assets over their estimated useful lives, as follows:

Asset class	Useful life / amortisation rate
Computer software	3 years

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of three to five years.

2.3 Financial instruments

Trade and other receivables

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the fund will not be able to collect all amounts due according to the original terms of the receivables.

Trade and other receivables are classified as debt instruments and loan commitments at amortised cost.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown in current liabilities on the statement of financial position.

Trade and other payables

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

2.4 Provisions

Provisions for restructuring costs and legal claims are recognised when: the Fund has a present legal or constructive obligation as a result of past events; it is probable that a transfer of economic benefits will be required to settle the obligation; and the amount can be reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.5 Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue is shown net of value-added tax, returns, rebates and discounts.

National Research Science and Technology Fund

Financial Statements for the year ended 31 March 2021

Accounting Policies

Basis of preparation and summary of significant accounting policies continued...

Revenue from the sale of goods is recognised when:

- significant risks and rewards of ownership of the goods have been transferred to the buyer;
- the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably; and
- it is probable that the economic benefits associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably; and
- it is probable that the economic benefits associated with the transaction will flow to the entity; and
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of transactions involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Interest income is recognised using the effective interest method.

2.6 Government grants

Grants from the government are recognised at their fair value in profit or loss where there is a reasonable assurance that the grant will be received and the Fund has complied with all attached conditions. Grants received where the Fund has yet to comply with all attached conditions are recognised as a liability (and included in deferred income within trade and other payables) and released to income when all attached conditions have been complied with. Government grants received are included in 'other income' in profit or loss.

2.7 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.8 Impairment of non-financial assets other than inventories

Other non-financial assets consist of various payments that have been made in advance for goods and services to be received in future. Other non-financial assets are measured at amortised cost, and are derecognised when the goods and services to which the prepayment relate have been received.

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

National Research Science and Technology Fund

Financial Statements for the year ended 31 March 2021

Accounting Policies

3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

National Research Science and Technology Fund

Financial Statements for the year ended 31 March 2021

Notes to the Financial Statements Figures in N\$

i. Property, plant and equipment

Balances at year end and movements for the year

Reconciliation for the year ended 31 March 2021	Work in progress	Leasehold improvements	Motor vehicles	Fixtures and fittings	Office equipment	Computer equipment	Laboratory equipment	Total
Balance at 1 April 2020								
At cost	15,559,300	3,257,355	819,078	1,094,846	150,044	2,925,644	2,263,951	26,070,218
Accumulated depreciation	-	(2,631,531)	(819,078)	(820,267)	(137,034)	(2,905,861)	(2,263,944)	(9,577,715)
Carrying amount	15,559,300	625,824	-	274,579	13,010	19,783	7	16,492,503
Movements for the year ended 31 March 2021								
Additions from acquisitions	-	24,903	-	13,318	21,166	529,571	-	588,958
Depreciation	-	(624,928)	-	(156,724)	(6,309)	(98,044)	-	(886,005)
Impairment loss recognised in profit or loss	(5,186,433)	-	-	-	-	-	-	(5,186,433)
Property, plant and equipment at the end of the year	10,372,867	25,799	-	131,173	27,867	451,310	7	11,009,023
Closing balance at 31 March 2021								
At cost	10,372,867	3,282,258	819,078	1,108,164	171,210	3,455,215	2,263,951	21,472,743
Accumulated depreciation	-	(3,256,459)	(819,078)	(976,991)	(143,343)	(3,003,905)	(2,263,944)	(10,463,720)
Carrying amount	10,372,867	25,799	-	131,173	27,867	451,310	7	11,009,023

National Research Science and Technology Fund

Financial Statements for the year ended 31 March 2021

Notes to the Financial Statements

Figures in N\$

Property, plant and equipment continued...

Reconciliation for the year ended 31 March

2020

Balance at 1 April 2019

At cost	15,559,300	7,813,115	1,415,127	2,355,245	155,206	3,317,180	2,263,951	32,879,124
Accumulated depreciation	-	(6,098,834)	(1,415,125)	(1,490,625)	(135,205)	(3,268,667)	(1,613,869)	(14,022,325)
Carrying amount	15,559,300	1,714,281	2	864,620	20,001	48,513	650,082	18,856,799

Movements for the year ended 31 March

2020

Additions from acquisitions	-	-	-	-	-	14,999	-	14,999
Depreciation	-	(1,088,457)	-	(336,464)	(6,990)	(43,729)	(650,075)	(2,125,715)
Disposal at cost	-	(4,555,760)	(596,049)	(1,260,399)	(5,162)	(406,535)	-	(6,823,905)
Disposals on accumulated depreciation	-	4,555,760	596,047	1,006,821	5,161	406,535	-	6,570,324
Property, plant and equipment at the end of the year	15,559,300	625,824	-	274,579	13,010	19,783	7	16,492,503

Closing balance at 31 March 2020

At cost	15,559,300	3,257,355	819,078	1,094,846	150,044	2,925,644	2,263,951	26,070,218
Accumulated depreciation	-	(2,631,531)	(819,078)	(820,267)	(137,035)	(2,905,861)	(2,263,944)	(9,577,715)
Carrying amount	15,559,300	625,824	-	274,579	13,010	19,783	7	16,492,503

National Research Science and Technology Fund

Financial Statements for the year ended 31 March 2021

Notes to the Financial Statements

Figures in N\$

2021

2020

5. Intangible assets

Reconciliation of changes in intangible assets

	Computer software	Total
Reconciliation for the year ended 31 March 2021		
Balance at 1 April 2020		
At cost	1,975,722	1,975,722
Accumulated amortisation	(1,750,059)	(1,750,059)
Carrying amount	225,663	225,663
Movements for the year ended 31 March 2021		
Additions	3,473	3,473
Retirements	(226,242)	(226,242)
Intangible assets at the end of the year	2,894	2,894
Closing balance at 31 March 2021		
At cost	1,979,195	1,979,195
Accumulated amortisation	(1,976,301)	(1,976,301)
Carrying amount	2,894	2,894
Reconciliation for the year ended 31 March 2020		
Balance at 1 April 2019		
At cost	1,975,722	1,975,722
Accumulated amortisation	(1,174,797)	(1,174,797)
Carrying amount	800,925	800,925
Movements for the year ended 31 March 2020		
Retirements	(575,262)	(575,262)
Intangible assets at the end of the year	225,663	225,663
Closing balance at 31 March 2020		
At cost	1,975,722	1,975,722
Accumulated amortisation	(1,750,059)	(1,750,059)
Carrying amount	225,663	225,663

6. Trade and other receivables

Trade and other receivables comprise:

Trade receivables	453,067	320,041
Payroll related prepayment	113,367	128,856
Staff advances	9,033	4,333
	575,467	453,230

National Research Science and Technology Fund

Financial Statements for the year ended 31 March 2021

Notes to the Financial Statements

Figures in N\$

	2021	2020
7. Cash and cash equivalents		
Cash and cash equivalents included in current assets:		
Cash		
Balances with banks	16,260,960	2,347,212
8. Provisions		
Provisions comprise:		
Provisions for employee benefits	798,106	826,726
9. Trade and other payables		
Trade and other payables comprise:		
Trade creditors	159,106	144,272
Payroll control	9,801	9,801
	168,907	154,073
Related Party - Project funds		
SAIS II Project	7,763,636	187,803
SGCI- IDRC Project	1,107,019	-
GIZ-NICW Project	254,119	-
Totals	9,124,774	187,803
10. Deferred income		
Deferred income comprise:		
Development Grant - 2014	3,796,000	3,796,000
Development Grant - 2017	1,850,000	1,850,000
Development Grant - 2018	19,604,000	19,604,000
Development Grant - 2020	61,284	61,284
	25,311,284	25,311,284
Impairment loss recognised in comprehensive income	(5,186,433)	
Release from Deffered income cumulative	(5,364,212)	(4,407,521)
	14,760,639	20,903,763
Opening balance	20,903,763	22,581,900
Additions	-	61,284
Release from deferred income	(956,691)	(1,739,421)
Impairment loss recognised in comprehensive income	(5,186,433)	-
Closing balance	14,760,639	20,903,763

National Research Science and Technology Fund

Financial Statements for the year ended 31 March 2021

Notes to the Financial Statements

Figures in N\$

2021

2020

11. Reversal of impairment loss / (impairment loss) recognised in profit and loss

Impairment comprises:

Work in progress

5,186,433

-

National Research Science and Technology Fund

Annual Financial Statements for the year ended 31 March 2021

Detailed Income Statement

Figures in N\$

	Note	2021	2020
Revenue			
Registration fees		137,037	352,514
Other income			
Government grants		34,884,846	37,160,057
Grant income recognised		6,143,124	1,739,421
Grant received - operating lease		1,492,679	1,806,142
Sundry income		968,483	1,442,328
		43,489,132	42,147,948
Administrative expenses			
Auditors remuneration - Expenses		(94,300)	(82,800)
Bank charges		(35,545)	(38,875)
Computer expenses		(1,460,383)	(1,807,312)
Telecommunication expenses		(361,315)	(390,303)
		(1,951,543)	(2,319,289)

National Research Science and Technology Fund

Annual Financial Statements for the year ended 31 March 2021

Detailed Income Statement

Figures in N\$

	Note	2021	2020
Other expenses			
Advertising		(71,454)	(74,730)
Air travel cost		-	(218,223)
Bad debts		-	(149,269)
Bilatera and multilateral cooperations		(41,000)	-
Board and council fees		(1,791,388)	(1,224,561)
Board and councils meetings		(3,947)	(56,387)
Cleaning services		(189,471)	(267,581)
Consulting fees		(175,028)	(195,160)
Depreciation - property, plant and equipment		(1,112,246)	(2,700,977)
Electricity and water		(226,621)	(352,565)
Employee costs - salaries		(23,582,778)	(25,286,507)
Estate repairs and maintenance		(16,903)	(128,381)
Grants, bursaries and scholarships		(326,533)	(437,382)
Impairments and reversals - Work in progress		(5,186,433)	-
Insurance		(286,798)	(315,134)
Lease rentals on operating lease		(1,618,767)	(3,014,553)
Membership fees		(2,450)	(4,600)
Motor vehicle expense		(70,582)	(33,641)
National science fair		-	(500)
Office expenses		(75,964)	(56,323)
Platform for linkage creation		(76,874)	(373,667)
Postage		(3,749)	(981)
Printing and stationery		(231,478)	(211,107)
Relocation cost		-	(55,897)
Security		(312,464)	(481,704)
Space science project		-	(9,154)
Sponsorships		-	(5,460)
Staff welfare		(58,537)	(46,552)
STI capacity, legal and policy		(342,992)	(492,708)
Surveys and benchmarking		(2,933)	(8,508)
Training and workshops		(99,100)	(48,537)
Travel - Local		(256,654)	(127,804)
Vehicle repairs and maintenance		(26,185)	(51,406)
		(36,189,329)	(36,429,958)
Surplus from operating activities		5,485,297	3,751,215
Finance income			
Investment income		65,012	91,356
Finance costs			
Foreign exchange gains (losses)		(635)	(4,162)
Surplus for the year		5,549,675	3,838,409

The supplementary information presented does not form part of the annual financial statements and is unaudited



Republic of Namibia



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**AUDIT COMPLIANCE CERTIFICATE
ON THE ACCOUNTS OF THE
NATIONAL COMMISSION ON RESEARCH,
SCIENCE AND TECHNOLOGY
FOR THE YEAR ENDED 31 MARCH 2021**

The documentation as compiled by the firm EDB & Associates which is 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 2021 has been carried out to my satisfaction.

WINDHOEK, July 2022

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**



