

THE REPUBLIC OF UGANDA

**REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF**  
**THE PHARM-BIOTECHNOLOGY AND TRADITIONAL MEDICINE CENTRE**  
**(PHARMBIOTRAC) ACE II PROJECT**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2019**

**OFFICE OF THE AUDITOR GENERAL**  
**UGANDA**

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## LIST OF ACRONYMS

Acronym	Meaning
FY	Financial Year
GOU	Government of Uganda
INTOSAI	International Organization of Supreme Audit Institutions
ISSAIs	International Standards for Supreme Audit Institutions
ISA	International Standards on Auditing
MoFPED	Ministry of Finance, Planning and Economic Development
PFMA	Public Finance Management Act, 2015
UGX	Uganda Shillings
USD	United States Dollar
IFR	Interim Financial Report
POM	Project Operational Manual
PAD	Project Appraisal Document
PDO	Project Development Objectives
IDA	International Development Association
PHARMBIOTRAC	Pharm-Biotechnology And Traditional Medicine Centre
DLR	Disbursement Linked Results
ACE	African Center of Excellence
ACE II	Eastern and Southern Africa Higher Education Centers of Excellence
M&E	Monitoring and Evaluation
IUCEA	Inter-University Council for East Africa
MUST	Mbarara University of Science and Technology
PhD	Doctor of Philosophy



**REPORT OF THE AUDITOR GENERAL ON THE AUDIT OF FINANCIAL STATEMENTS  
OF THE PHARM-BIOTECHNOLOGY AND TRADITIONAL MEDICINE CENTRE  
(PHARMBIOTRAC) ACE II PROJECT  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2019**

**THE RT. HON. SPEAKER OF PARLIAMENT**

**Opinion**

I have audited the accompanying financial statements of the Pharm-Biotechnology and Traditional Medicine Centre (PHARMBIOTRAC) ACE II Project which comprise the Statement of Sources and Uses of Funds and the Statement of Reimbursable Eligible Expenditure Programs (EEPs) together with other accompanying statements for the year then ended, and notes to the financial statements.

In my opinion, the financial statements of the Pharm-Biotechnology and Traditional Medicine Centre ACE II Project for the year ended 30<sup>th</sup> June 2019 are prepared, in all material respects, in accordance with section 51 of the Public Finance Management, 2015, The Financing agreement and the World Bank guidelines.

**Basis for Opinion**

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Project in accordance with the Constitution of the Republic of Uganda (1995) as amended, the National Audit Act, 2008, the International Organization of Supreme Audit Institutions (INTOSAI) Code of Ethics, the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B) (IESBA Code), and other independence requirements applicable to performing audits of Financial Statements in Uganda. I have fulfilled my other ethical responsibilities in accordance with the IESBA Code, and in accordance with other ethical requirements applicable to performing audits in Uganda. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Key Audit Matter**

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. I have determined the matters described below to be key audit matters communicated in my report.

**1.0 Progress of Project Implementation**

The Government of Uganda signed an agreement, dated March 17, 2017 with the World Bank through the International Development Association (IDA) for the financing of the Eastern and Southern Africa Higher Education Centres of Excellence Project (ACE II). MUST is implementing Category 1 of the Project with a total Non-Refundable Grant of USD.6,000,000 channelled to the University by Government and also collaborating with Inter-University Council for East Africa (IUCEA) in carrying out Part 2 and 3 of the Project. The table below shows the allocation of project funds;



Item	Amount	%age share
Learning	2,450,309	40.8
Research	1,050,700	17.5
Academic collaboration	1,009,175	16.8
Industry / sector partnership	695,320	11.6
M&E Administration	794,496	13.2
<b>Total</b>	<b>6,000,000</b>	<b>100.00</b>

*Source: Pharmbiotrac IFR Report as at 30<sup>th</sup> June 2019.*

The Project Development Objective (PDO) for the ACE II is to strengthen selected Eastern and Southern African higher education institutions to deliver quality post-graduate education and build collaborative research capacity in the regional priority areas.

Pharmbiotrac aims to build a critical mass of specialized and skilled human resource that can advance traditional medicine and Pharm-Biotechnology for socio-economic development of Africa. I reviewed the progress of project implementation and below are the findings;

No	Observation	Recommendation
i.	<p><b><u>Low Disbursement rate of Project funds</u></b></p> <p>I observed that the 5 year project with total funding of USD.6million to MUST had started in June 2017 with 2 years (40%) of Project implementation as at 30th June 2019.</p> <p>A review of the Funds disbursement schedules revealed that a sum of only USD.1,795,000 (60.3%) was received in the 2 years of project implementation out of the expected amount of USD.2,978,587 resulting into a shortfall of USD.1,183,587.</p> <p>It was further noted that a total of USD.1,278,303 had been achieved for disbursements linked to results (DLR) but the funds had not been disbursed by the end of the financial year.</p> <p>This implies that government is incurring unnecessary commitment charges on Unwithdrawn Financing Balance (1/2 of 1% per annum as per the ACE II Financing Agreement 2017). The low disbursement rate slows project progress and may hinder achievement of targeted results.</p> <p>Management explained that the low disbursement was caused by the lengthy verification process of achieved results by independent verifier(s) and several other approval stages involved.</p>	<p>Management should engage MoFPED and the independent verifier to expedite approvals and disbursement processes of Project Funds.</p>
ii.	<p><b><u>Achievement of Project Development Objectives</u></b></p> <p>The results framework indicated in the ACE II Project Operational Manual (POM) 2016 sets out the Project Development Objectives (PDO) as well as intermediate result-level targets.</p> <p>However, a review of the PHARMBIOTRAC M&amp;E Results Framework 1 Tracking Table as at 30th June 2019 revealed shortfalls in achievement of Project Targets for the first two (2) years as shown in <b>Appendix 1.</b></p>	<p>Management should institute appropriate mitigation measures to improve project implementation progress in line with the approved annual implementation and agreed targets.</p>



<p>The shortfalls in achievement of expected results were attributed to failure to attract high caliber expertise from the industry and national partner institutions, lack of space to accommodate students, staff and equipment and delays in disbursements.</p> <p>The stated gaps derail project implementation progress and may limit timely achievement of the intended project objectives.</p> <p>Management explained that the Project had carried out advertisements to attract more students and the University has also provided additional space for Equipment to improve on the learning environment as a way of attracting quality students. Management also indicated that 3 new programs had been accredited and short courses had also been developed.</p>	
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### **Other Matter**

In addition to the matters raised above, I consider it necessary to communicate the following matters other than those presented or disclosed in the financial statements.

## **2.0 Review of Project Operations**

### **2.1 Lack of strategy to market innovated products**

Paragraph 5.4.2 of the ACE II Project Operational Manual (POM), 2016 requires the African Centres of Excellence (ACEs) to develop fundraising capacity and learn innovative ways to generate revenues to sustainably finance their development.

However, I observed that despite the project achieving milestones in the development of several organic products, the University/Project did not have a fully-fledged marketing strategy to create awareness of its products within and outside the University.

Lack of a marketing strategy limits the Projects ability to create awareness and acceptability of its products hence failing to achieve its revenue generation potential.

Management explained that the project was already in the process of recruiting a Senior- Level Business Development Specialist as part of the core PHARMBIOTRAC Incubation Centre Team who has requisite qualifications and experience in business incubation.

I advised the Project management team to ensure that a clear marketing strategy is put in place and adequately funded to enhance the revenue generation potential of the Project.

### **2.2 Lack of Product Patents**

I observed that at the time of Audit the Project had not obtained Patent rights over the various Products it had developed such as; Essential oils Nutraceuticals and cosmetics from fish skin for use as antibiotics or food preservatives; brand natural cosmetics with essential oils Natural based products for prostate hypertrophy/cancer & for fibroids Natural herbal based pain relieving medicine; and Natural herbal based lotions and soaps from shear butter palm kennel & ghee.

Absence of patents exposes the Project to a risk of loss of rights to exclusively enjoy the benefits accruing from the invented products and revenue from sale of the



products. There is also a risk of loss of royalties in the event that exclusive rights of production are given to other private Manufacturers.

Management explained that with the recently awarded Incubation Centre by World Bank, all innovators will be taken through the Patenting Process to ensure that all innovations are patented.

I advised management to ensure that there is a clear roadmap for patenting of invented products and this should include ensuring that issues such as distribution of benefits are clarified early enough to avoid future disputes.

### **2.3 Lack of Insurance Policy for Pharmbiotrac Equipment**

Section 3.01(k) of the Funding and Performance Agreement between Government of Uganda and Mbarara University of Science and Technology required the University to ensure that proceeds financed out of the non-refundable grant are properly insured with a reputable insurer against hazard incidents against acquisition, transportation and delivery of goods to their place of use or installation. However, I observed that all the equipment installed in the Pharmbiotrac Laboratory had not been insured as expected.

Failure to insure the machines exposes the University to a risk of losses in case of any negative eventualities during Use.

Management promised to undertake an insurance policy for the Equipment.

I urged management to ensure that insurance policies for all the laboratory equipment are obtained.

### **2.4 Delayed Installation of Pharmbiotrac Equipment**

Audit inspection revealed that new equipment purchased and delivered on 26/07/2018 for the laboratory had not been fully installed at the time of audit in August 2019 and thus delaying commencement of its Utilization at full capacity.

Delayed installation of equipment leads to delayed progress and achievement of project objectives.

Management explained that some of the New Equipment were installed but the uninstalled ones required facility modification which was being handled.

I advised the Project management to align equipment delivery schedules with installation activities to avoid delays of equipment set up.

### **2.5 Delayed Payment of Tuition for new Scholarship Students**

The University tuition policy currently in force requires all students to clear tuition before they can be duly registered and be able to sit for their exams. However, review of Project expenditure revealed that the planned tuition totalling to USD.108,000 for sponsored PhD students (USD.60,000) and Master's Students (USD.48,000) was not paid in time.

As a result, project sponsored students were not registered.

The delayed payment of tuition denies the University timely revenue that would be used to improve teaching services.



Management explained that this was due to delayed verification of achieved Disbursement Linked Results (DLR) of the project. This further resulted into delayed disbursements of funds from the WB.

I advised Management to liaise with WB and agencies involved in the verification process to ensure timely release of funds.

### **Other Information**

The Accounting Officer is responsible for the other information. The other information comprises the statement of responsibilities of the Accounting Officer and the commentaries by the Head of Accounts and the Accounting Officer, and other supplementary information. The other information does not include the financial statements and my auditors' report thereon. My opinion on the financial statements does not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially consistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

### **Management Responsibilities for the Financial Statements**

Under Article 164 of the Constitution of the Republic of Uganda, 1995 (as amended) and Section 45 of the Public Finance Management Act, 2015, the Accounting Officer is accountable to Parliament for the funds and resources of the Project.

The Accounting Officer is also responsible for the preparation of financial statements in accordance with the requirements of the Public Finance Management Act 2015, and the World Bank Financial Guidelines, and for such internal control as management determines 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 Accounting Officer is responsible for assessing the Project's ability to continue delivering its mandate, disclosing, as applicable, matters related to the delivery of the Project Development Objective, and using the World Bank Financial guidelines unless the Accounting Officer has a realistic alternative to the contrary.

The Accounting Officer is responsible for overseeing the Project's financial reporting process.

### **Auditor General's Responsibilities for the audit of the Financial Statements**

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement, when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 ISSAIs, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 Project's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 project's ability to deliver its Project Development Objective. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Project to fail to deliver its Project Development Objective.
- 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.

I communicate with the Accounting Officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the Accounting Officer with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with him/her all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with the Accounting Officer, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Other Reporting Responsibilities**

In accordance with sections 19(1) of the National Audit Act, 2008, I report to you, based on my work described on the audit of Financial Statements that;  
The activities, financial transactions and information reflected in the financial statements that have come to my notice during the audit, are in all material respects, in compliance with the authorities which govern them.



John F.S. Muwanga  
**AUDITOR GENERAL**

18<sup>th</sup> December 2019



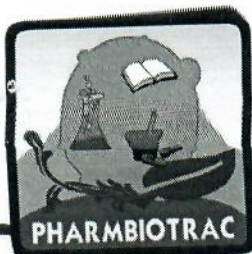
# **Appendix 1: Achievement of expected project results.**

Component	Indicators		Targets (July 2017 - June 2019)	Actuals (July 2017 - June 2019)	Variance
Project Development Objectives	1. Regional students enrolled in ACEs: (i) Masters (No. of Female) (ii) PhD (No. of female)	Masters (Total)	9	7	2
		Masters (Female)	3	6	-3
		PhD (Total)	6	8	-2
		PhD (Female)	2	2	0
		Short-term courses (Total)	100	0	100
	2. Students (national and regional) enrolled in ACEs: (i) Masters (No. of female) (ii) PhD (No. of female)	Masters (Total)	52	46	6
		Masters (Female)	15	16	-1
		PhD (Total)	26	26	0
		PhD (Female)	8	8	0
		Short-term courses (Total)	530	0	530
	3. MOUs on partnerships for collaboration in applied research and training entered into by the ACEs		9	10	-1
	4. Accredited education programs offered by the ACEs	Total	4	3	1
		National	4	2	2
		Regional	0	0	0
		International	0	0	0
		Short-term Courses	1	0	1
	5. Direct Project Beneficiaries (of which female (students and staff)	Total	113	109	4
		Female (%)	31	40	-9
Intermediate Results under each Component					
Component 1: Strengthening the Centres of Excellence in Regional Priority Areas	1. Faculty and PhD students exchanges to promote research and teaching (No. of female)	Total	36	33	3
		Female	9	11	-2
	2. Amount of externally generated revenue by the ACEs		620,000	115,531	504,469
	3. Internationally recognized research publications in disciplines supported by the ACE Program and with regional co-authors	Total	85	20	65
		No. co-authored with regional collaborators	21	14	7
	4. No. of institutions hosting ACEs participating in the PASET benchmarking exercise		3	1	2
	Component 2: Capacity Building Support to ACEs through Regional Scholarships	1. Events that foster partnerships between ACE and private sector/industry	2	5	-3

Component 3: Facilitation, Coordination and Administration of the Project Implementation	1. Knowledge sharing events with ACEs, partner institutions, academia and diaspora	10	23	-13
	2. Reports by ACEs on Beneficiary Satisfaction	3	1	2
	3. Timely verification of ACE achievement of DLIs	4	1	3
	4. Biannual reporting on M&E of the ACEs	4	3	1

**Source:** *Pharmbiotrac M&E Results Framework 1 Tracking Table.*





# Pharm-Biotechnology and Traditional Medicine Center (PHARMBIOTRAC)

## MBARARA UNIVERSITY OF SCIENCE AND TECHNOLOGY

<b>IMPLEMENTING ENTITY:</b>	MBARARA UNIVERSITY OF SCIENCE AND TECHNOLOGY
<b>PROJECT NAME:</b>	PHARMBIOTECHNOLOGY AND TRADITIONAL MEDICINE CENTRE-PHARMBIOTRAC
<b>REPORT:</b>	FINANCIAL STATEMENTS FOR FY 2018/2019
<b>PERIOD OF REPORT:</b>	PERIOD ENDING 30th June. 2019
<b>REPORTING CURRENCY:</b>	UNITED STATES DOLLARS [USD]

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E-mail: [pharmbiotrac@must.ac.ug](mailto:pharmbiotrac@must.ac.ug), Website: <http://www.must.ac.ug>



**STATEMENT OF RESPONSIBILITIES OF THE ACCOUNTING OFFICER**

The Eastern and Southern Africa Higher Education Centres of Excellence project (ACE II) Financing Agreement requires the recipient through MoES to maintain a financial management system in accordance with the provisions of section 4.09 of the General conditions. The recipient shall cause Mbarara University of science and Technology to have their financial statements audited in accordance with the provision of section 4.09(b) of the general conditions.

Management accepts the responsibility for the financial statements, which have been prepared using appropriate accounting policies in conformity with the financing agreement and in the manner required by the World Bank guidelines for financial reporting and auditing of ACE II financed activities. Management also accepts the responsibility for safeguarding the assets of the project against fraud and other irregularities. Management further accepts the responsibility for the maintenance of accounting records which have been used in the preparation of the financial statements as well as adequate systems of internal financial control.

Financial statements have been prepared on cash basis accounting and comply with the generally accepted accounting practice for the public sector.

Nothing has come to the attention of management to indicate that any breakdown in the functioning of these controls resulting in loss of project funds has occurred during the year.

Management accepts the responsibility that the Project funds have been expended in accordance with the intended purposes as specified in the financing Agreement.

*Zadach Beebwa*

for Accounting Officer (Names & Signature)

Date *20/12/19*



## 1. GENERAL INFORMATION ABOUT PHARMBIOTRAC PROJECT

The Eastern and Southern Africa Higher Education Centres of Excellence (ACE II) project supports the governments of eight participating countries – Ethiopia, Kenya, Malawi, Mozambique, Rwanda, Tanzania, Uganda, and Zambia in strengthening the selected ACEs to deliver quality post-graduate education and build collaborative research capacity in the regional priority areas. In Uganda, the project is implemented by the MoES through Makerere University (MUK) with two centres, Uganda Martyrs University (UMU) and Mbarara University of Science and Technology (MUST).

## 2. THE PROJECT DEVELOPMENT OBJECTIVE

The Project Development Objective (PDO) is 'To strengthen selected Eastern and Southern African higher education institutions to deliver quality post-graduate education and build collaborative research capacity in the region priority areas.

## 3. COMMENTARY ON THE FINANCIAL STATEMENTS BY THE FINANCE MANAGER

### 1) Presentation currency

The reporting and presentation currency is the United States dollars (usd) in accordance to the donor requirements. Transactions in Uganda shillings have been converted to dollars using the Transaction exchange rate at Time of Transfer (First in First out).

The closing Exchange rate as at 30th June .2019 was 3664.76

### 2) Income

During the financial year, the project received USD 695,733 from the World bank IDA funds out of the budgeted income of USD 1,179,451 which was a performance of 59 Percent. There was a low performance due to delayed verification and hence disbursements.

The project also received USD 70,523 as Externally Generated Revenue from its partners to fund research activities related to the project.

### 3) Expenditure

Expenditure totalled to USD 698,924 out of the received income of USD 960,904 from World Bank IDA funds which was a performance of 72 percent. There was low burn rated due to having received funds towards the end of the financial year.

The major categories of expenditure are as follows;



**i) 5.1 Action plan for learning excellence**

Total expenditure on the action plan for learning excellence was USD 359,348 for the outputs of stipend for 25 PhD students (USD 160,780), 23 MSc students (USD 71,960), One Dissemination conference (USD 22,609), purchase of one 30 seater bus (USD 72,979) accommodation for 11 International students (USD 6,943) and facilitation for Industry experts (USD2,789).

**ii) 5.2 Action plan for research excellence**

Total expenditure on the action plan for research excellence was USD 54,480 for the outputs of staff participation in Regional conferences (USD 6,130) and International conferences (USD 14,101), Research for PhD & MSc students (USD 11,680), USD 4,589 was paid for Maintenance, Insurance , service and fuel for the station wagon and payment for one laboratory technician monthly salary (USD 5,991)

**iii) 5.3 Action plan for Quality assurance**

Total expenditure on the action plan for quality assurance was USD3, 507 for tracer Studies, mainly this was participation in PASET Benchmarking Exercise.

**iv) 5.5 Action plan for attracting academic staff and students from the region**

Total expenditure was USD 46,829 in respect to 2 senior lecturers that were recruited.

**v) 5.6 Action plan for national and regional academic partners**

Total expenditure was USD 15,563 for facilitation of Regional visiting faculty members from Sudan (USD 14,427) and Germplasm collection maintenance – Gulu University (USD 1,135).

**vi) 5.8 Action Plan for collaboration with International Academic partners**

Total Expenditure was USD 22,695 this was spent on payments of two sabbatical lectures that were recruited to teach new program that is Clinical pharmacy the lectures are from USA and Ethiopia and Visiting professors from India

**vii) 5.9 Action plan for Management and Governance**

Total expenditure was USD 152,296 this was basically spent on 5 staff salaries, capacity building, In land travels and general office management.

**viii) 5.10 Action Plan for sustainable Financing**

Total expenditure of USD 34,601 which was spend on salary for Chair innovation and Business Management and product Exhibition.





I take full responsibility for the completeness and integrity of these Financial Statements

Dominique Musame   
Finance Manager [Names & Signature]

28/12/19  
Date





## Pharm-Biotechnology and Traditional Medicine Center (PHARMBIOTRAC)

### 4. Statement of Sources and Uses of Funds

<b>MBARARA UNIVERSITY OF SCIENCE AND TECHNOLOGY</b> <b>AFRICA HIGHER EDUCATION CENTERS OF EXCELLENCE PROJECT (126974)</b> <b>PHARM-BIOTECHNOLOGY AND TRADITIONAL MEDICINE CENTRE</b> <b>Statement of Sources and Uses of Funds</b> <b>for the Annual period ending 30th. June. 2019</b>		
Sources of Fund	Annual Period ending From 1st. July.2018 to 30.June.2019	Cummulative To Date  24 Months
<b>Opening Cash Balance</b>		
Government Funds	-	-
World Bank IDA Funds	265,171	-
Student Fees	-	-
Others-Hiv Study Project	16,931	-
<b>Total</b>	<b>282,102</b>	
<b>Add Receipts</b>		
Government Funds	-	-
World Bank IDA Funds	695,733	1,823,429
Student Fees	312	1,807
Others-HIV Study Project	55,680	111,404
Partnership With SNV	2,556	2,556
IFS-Fund	11,980	11,980
<b>Total Financing</b>	<b>1,048,363</b>	<b>1,951,176</b>
<b>Less: ACE Expenditure as per Project Implementation Plan</b>		
Expenditure Classification 1 PHARMBIOTRAC	689,924	1,553,944
Expenditure Classification 2 (HIV Study)	71,009	109,803
<b>Total Uses of Funds by Components</b>	<b>760,933</b>	<b>1,663,746</b>
<b>Closing Balances</b>	<b>287,429</b>	<b>287,430</b>
Bank of Uganda A/C 003370088400000	1,232	1,232
Balance as per Stanchart Ugx A/C(0102808265800)	230,694	230,694
balance as per Stanchart USD A/C (8702808265800)	55,504	55,504
<b>Total Closing Cash Balance</b>	<b>287,430</b>	<b>287,430</b>
<div style="display: flex; justify-content: space-between;"> <div> <i>for</i>  Accounting Officer  Date... 20/12/19 </div> <div> Finance Director  Date... 20/12/19 </div> </div>		



## 5. Uses of Funds (Breakdown)

		Annual Period ending From 1st July, 2018-30th Jun.2019			Cummulative Totodate			Explanation of Variance
Expenditure		Actual	Planned	Variance	24 Months Actual	Planned Cumulative For 2 years	Variance	
Expenditure Classification 1 as per Project Implementation Plan								
5.1	Action Plan for Learning Excellence							
5.1.1	Benchmarking visits (India)	-11	0	11	31,788	35,360	3,572	Less number travelled as per budget
5.1.2	Benchmarking visits (South Africa)	0	0	0	31,088	29,290	-1,798	There was an under Estimate in the Cost of the Air tickets due to price changes at the time of Budget.
5.1.3	Benchmarking visits (USA)	-150	0	150	38,740	37,995	-745	There was an under Estimate in the Cost of the Air tickets due to price changes at the time of Budget.
5.1.4	Establishment of learning teams	4,197	1,000	-3,197	4,197	2,000	-2,197	More Number of Phd and Msc students were taken than planned.
5.1.5	Installation of ICT systems for learning	0	3,000	3,000	0	13,000	13,000	ICT Equipment has just been procured. This Expenditure will be utilized in the Next quarter
5.1.6	Curriculum development (Short courses MSc & PHD )	0	0	0	22,758	20,400	-2,358	There was an under estimate in the cost of this activity as it involved many activities.
5.1.7	Curriculum accreditation (Fast Track fees)	3,406	0	-3,406	19,263	16,000	-3,263	There was an under estimate in the cost of this activity as it involved many activities.
5.1.8	Students Hand Books (PHD & Masters)	0	340	340	0	680	680	There was an under estimate in the cost of this activity as it involved many activities.
5.1.9	Learning materials (lecturers reference materials, demonstration materials etc.)	2,259	6,000	3,741	2,259	12,000	9,741	The process is still on going.
5.1.10	Upgrading Learning Facilities Pharmacy (production unit)	0	0	0	0	70,000	70,000	Activity was put on Hold due unavailability of funds.
5.1.11	Lecture room upgrade	4,528	0	-4,528	4,528	12,000	7,472	Activity still on going. Waiting for release of funds
5.1.12	Digital Library / ICT learning centre / video conferencing facilities/ computer workstations for students	0	2,500	2,500	578	52,500	51,922	ICT Equipment for students has been procured, However the expenditure will be executed in the next quarter
5.1.13	Standby generator (purchase & installation)	0	0	0	0	10,000	10,000	Activity was put on Hold due unavailability of funds.
5.1.14	Fuel and maintenance	0	3,600	3,600	0	7,200	7,200	The expenditure will be incurred in the next quarter
5.1.15	Chair Learning Excellence coordination	0	660	660	0	1,320	1,320	The activity was earmarked, however it was not implemented because funds were un available.
5.1.16	Advertisment/ assembling of trainers/ recruitment of students for short courses and training	0	2,500	2,500	0	5,000	5,000	This expenditure was combined with activity 5.1.17
5.1.17	Advertisment/ assembling, recruitment of students for MSc and PhD, and training	0	2,500	2,500	12,992	5,000	-7,992	This expenditutre was underestimated due to changes in prices for Adverising. However the excess expendiore to be allocated to 5.1.16
5.1.18	Facilitation for industry experts / practitioners (10 ppl)	2,789	13,800	11,011	7,196	18,300	11,104	The activity is still on going



	Expenditure	Annual Period ending From 1st July, 2018-30th Jun.2019			Cumulative Totale 23 Months Planned Cumulative For 2 years			Explanation of Variance
		Actual	Planned	Variance	Actual	Planned	Variance	
5.1.19	Tuition Fee PhD	0	60,000	60,000	97,526	90,000	-7,526	More Phd students were recruited in the First year than ealier planned. The excess expenditure will be absorbed in subsequent years
5.1.20	Tuition Fee MSc	0	48,000	48,000	5,671	72,000	66,329	Students have been recruited, However expenditure will be executed in the next quarter based on availability of funds
5.1.21	Traditional Medicine Clinics setup and maintenance	0	20,000	20,000	0	40,000	40,000	Activity was put on Hold due unavallability of funds.
5.1.22	Stipend PhD (annually)	160,780	90,000	-70,780	273,854	135,000	-138,854	More Phd students were recruited in the First year than ealier planned. The excess expenditure will be absorbed in subsequent years
5.1.23	Stipend MSc (annually)	71,960	60,000	-11,960	94,160	90,000	-4,160	Expenditure still on going
5.1.24	Travel (Flights) for Students (return flights)	5,027	4,800	-227	19,938	9,600	-10,338	This expenditure was initially under estimated, However its being allocated
5.1.25	External examiners	0	1,500	1,500	0	3,000	3,000	The expenditure will be incurred in the next quarter
5.1.26	Annual dissemination conference and Annual general meeting	22,609	43,400	20,791	22,609	43,400	20,791	The activity was executed, the under expenditure will be allocated to another activity related to students Learning.
5.1.27	Student presentation at national conferences	0	5,000	5,000	1,447	7,500	6,053	Activity was put on Hold due unavallability of funds.
5.1.28	Student presentation at regional conferences	340	3,000	2,660	340	3,000	2,660	Activity was put on Hold due unavallability of funds.
5.1.29	Student presentation at international conferences	185	4,600	4,415	1,207	4,600	3,393	Activity was put on Hold due unavallability of funds.
5.1.30	Community / Industry attachments (Masters)	0	13,800	13,800	1,365	20,700	19,335	Activity was put on Hold due unavallability of funds.
5.1.31	Community / Industry attachments (PhD)	0	13,600	13,600	1,800	20,400	18,600	Activity was put on Hold due unavallability of funds.
5.1.32	30 Seater Bus	72,979	0	-72,979	73,557	50,000	-23,557	There was an under Estimate on the price of buses, However the excess expenditure was allocated to 5.2.28
5.1.33	Bus (fuel and maintenance)	443	7,200	6,757	443	14,400	13,957	Expenditure still on going
5.1.34	Medical emergency fund / First Aid kit	1,067	1,000	-67	1,067	2,000	933	Expenditure still on going
5.1.35	Students accomodation	6,943	0	-6,943	12,045	0	-12,045	This expenditure was not budgeted for, However it became necessary at implimentation as International students needed to be accomodated.
	<b>Sub Total</b>	<b>359,348</b>	<b>411,800</b>	<b>52,452</b>	<b>782,415</b>	<b>953,645</b>	<b>171,230</b>	



		Annual Period ending From 1st July, 2018-30th Jun.2019			Cumulative Totodate 23 Months			Explanation of Variance	PAD /Life of Project	Revised PAD
	Expenditure	Actual	Planned	Variance	Actual	Planned Cumulative For 2 years	Variance			
Expenditure Classification 2 as per Project Implementation Plan										
5.2	Action Plan for Research Excellence									
5.2.1	Research Policy and Plan draft development (Y1 development Y4)	0	0	0	0	4,620	4,620	Expenditure Put on hold, Waiting for releasae of funds		
5.2.2	Research Policy and Plan finalisation (Y1 development Y4 review)	0	0	0	0	17,650	17,650	Expenditure Put on hold, Waiting for releasae of funds		
5.2.3	Staff attachments to foreign laboratories WPI (USA)	1,800	7,775	5,975	6,595	15,550	8,955	Expenditure still on going, Waiting for release of funds		
5.2.4	Staff attachments to foreign laboratories IHST (India)	0	5,550	5,550	8,116	11,100	2,984	Expenditure still on going, Waiting for release of funds		
5.2.5	Staff attachments to foreign laboratories KEMRI (Kenya)	5,800	15,600	9,800	5,800	31,200	25,400	Expenditure still on going, Waiting for release of funds		
5.2.6	Staff attachments to foreign laboratories Gezira (Sudan)	0	16,050	16,050	0	32,100	32,100	Expenditure still on going, Waiting for release of funds		
5.2.7	Establishment of Living gene bank	3,740	0	-3,740	3,740	26,000	22,260	Activity still on going		
5.2.8	Staff research funds	0	20,000	20,000	0	35,000	35,000	Expenditure Put on hold, Waiting for release of funds		
5.2.9	Staff participation in regional conference	6,130	14,550	8,420	10,090	29,100	19,010	Activity still on going		
5.2.10	Staff participation in international	14,101	17,600	3,499	14,101	35,200	21,099	Activity still on going		
5.2.11	Germplasm collection missions (MUST)	0	11,000	11,000	0	22,000	22,000	Expenditure Put on hold, Waiting for release of funds		
5.2.12	Pharm-Biotech laboratory equipment purchase, installation, tear and wear	0	945	945	0	95,445	95,445	Lab equipment has been procured, Awaiting for next release of funds for the expenditure to be executed.		
5.2.13	Product development laboratory, purchase, installation, tear and wear	0	1,886	1,886	578	190,486	189,908	Lab equipment has been procured, Awaiting for next release of funds for the expenditure to be executed.		
5.2.14	Analytical Laboratory, purchase, installation, tear and wear	0	1,185	1,185	0	119,685	119,685	Lab equipment has been procured, Awaiting for next release of funds for the expenditure to be executed.		
5.2.15	Journal Publication fee (Open Access)	670	15,000	14,330	670	27,500	26,830	Activity still on going		
5.2.17	Monographs (Product Monographs)	0	6,000	6,000	0	12,000	12,000	Expenditure Put on hold, Waiting for releasae of funds		
5.2.18	Masters Seminars	0	1,860	1,860	0	3,720	3,720	Expenditure Put on hold, Waiting for releasae of funds		
5.2.19	Doctoral Seminars	0	1,860	1,860	3,166	3,720	554	Expenditure Put on hold, Waiting for releasae of funds		
5.2.20	Supervision fee (Masters)	0	750	750	0	750	750	Expenditure Put on hold, Waiting for releasae of funds		
5.2.22	Supervision fee field (Masters) (3 days / semester)	0	6,000	6,000	0	9,000	9,000	Expenditure Put on hold, Waiting for releasae of funds		
5.2.23	Supervision fee fee (PhD) (3 days/ semester)	0	4,000	4,000	0	6,000	6,000	Expenditure Put on hold, Waiting for releasae of funds		
5.2.24	Joint follow up proposal development	0	7,450	7,450	7,552	7,450	-102	Activity still on going		
5.2.25	Chair Research Excellence coordination	0	660	660	0	1,320	1,320	Expenditure Put on hold, Waiting for releasae of funds		
5.2.26	Research support for MSc students	1,977	21,000	19,023	2,085	42,000	39,915	Activity still on going		
5.2.27	Research support for PhD students	9,682	90,000	80,318	19,882	135,000	115,118	Activity still on going		
5.2.28	Station wagon purchase (4 wheel drive)	0	0	0	75,993	100,000	24,007	The activity was finalized. The balance was allocated to the purchase of a 32 seater Bus		
5.2.29	Fuel and maintenance for Station wagon	4,589	16,800	12,211	4,889	33,600	28,711	Activity still on going		
5.2.30	Laboratory technician	5,991	6,000	9	10,985	12,000	1,015	Activity still on going		
	Sub Total	54,480	289,521	235,041	174,242	1,059,196	884,954			
Expenditure Classification 3 as per Project Implementation Plan										
5.3	ACE Action Plan for Quality Assurance									
5.3.1	Quality Assurance and M&E consultancy	0	4,000	4,000	0	8,000	8,000	Expenditure Put on hold, Waiting for releasae of funds		
5.3.2	Chair Learning and Research Quality Assurance	0	660	660	0	1,320	1,320	Expenditure Put on hold, Waiting for releasae of funds		
5.3.3	Tracer studies	3,507	3,000	-507	3,507	6,000	2,493	Activity still on going		
	Sub Total	3,507	7,660	4,153	3,507	15,320	11,813			
Expenditure Classification 4 as per Project Implementation Plan										
5.4	ACE Action Plan regarding Equity									
5.4.1	Access audit	0	0	0	0	2,000	2,000	Expenditure Put on hold, Waiting for release of funds		
5.4.2	Facility upgrade	0	0	0	0	4,000	4,000	Expenditure Put on hold, Waiting for release of funds		
	Sub Total	0	0	0	0	6,000	6,000			



	Expenditure	Annual Period ending From 1st July, 2018- 30th Jun.2019			Cumulative Totale 23 Months			Explanation of Variance	PAD /Life of Project	Revised PAD
		Actual	Planned	Variance	Actual	Planned Cumulative For 2 years	Variance			
	<b>Expenditure Classification 5 as per Project Implementation Plan</b>									
5.5	<b>ACE Action Plan for Attracting Academic Staff and Students from</b>									
5.5.1	Dissemination of Research Policy to attract academic staff of the region	0	1,000	1,000	0	2,000	2,000	Expenditure Put on hold, Waiting for release of funds		
5.5.2	Language learning support	0	3,000	3,000	0	6,000	6,000	The activity was dropped. To be implemented by the University for all students		
5.5.3	Recruited staff salaries (2 senior)	46,829	48,000	1,171	75,070	96,000	20,930	Expenditure still on going.		
	<b>Sub Total</b>	46,829	52,000	5,171	75,070	104,000	28,930			
	<b>Expenditure Classification 6 as per Project Implementation Plan</b>									
5.6	<b>ACE Action Plan for National and Regional Academic Partners</b>									
5.6.1	Regional Visiting faculty members - Kenya	0	7,410	7,410	1,148	14,820	13,672	Expenditure Put on hold, Waiting for release of funds		
5.6.2	Regional Visiting faculty members - South Africa	0	7,410	7,410	0	14,820	14,820	Expenditure Put on hold, Waiting for release of funds		
5.6.3	Regional Visiting faculty members - Mozambique	14,427	7,410	-7,017	14,427	14,820	393	Activity still on going		
5.6.4	Regional Visiting faculty members - Mozambique	0	7,410	7,410	0	14,820	14,820	Expenditure Put on hold, Waiting for release of funds		
5.6.5	National Visiting faculty members - BSU	0	2,960	2,960	0	5,920	5,920	Expenditure Put on hold, Waiting for release of funds		
5.6.6	National Visiting faculty members - Makerere	0	3,260	3,260	1,501	6,520	5,019	Expenditure Put on hold, Waiting for release of funds		
5.6.7	National Visiting faculty members - KITAMU	0	3,260	3,260	0	6,520	6,520	Expenditure Put on hold, Waiting for release of funds		
5.6.8	National Visiting faculty members - Gulu University	0	3,460	3,460	0	6,920	6,920	Expenditure Put on hold, Waiting for release of funds		
5.6.9	Student attachment African Partner - KEMRI - Kenya	0	23,750	23,750	0	47,500	47,500	Expenditure Put on hold, Waiting for release of funds		
5.6.10	Student attachment African Partner - Gazira University - Sudan	0	26,250	26,250	0	52,500	52,500	Expenditure Put on hold, Waiting for release of funds		
5.6.11	Establishment of Living gene bank (Garden) - BSU/GU	0	0	0	0	26,000	26,000	Expenditure Put on hold, Waiting for release of funds		
5.6.12	Germplasm collection maintenance (BSU)	0	4,060	4,060	0	8,120	8,120	Expenditure Put on hold, Waiting for release of funds		
5.6.13	Germplasm collection maintenance	1,135	4,060	2,925	3,605	8,120	4,515	Activity still on going		
	<b>Sub Total</b>	15,563	100,700	85,137	20,582	217,400	196,818			
	<b>Expenditure Classification 7 as per Project Implementation Plan</b>									
5.7	<b>ACE Action Plan for National and Regional Sector Partners</b>									
5.7.1	Community training kits	776	6,300	5,524	5,664	12,600	6,936	Expenditure Put on hold, Waiting for release of funds		
5.7.2	Training Centre (Traditional Medical Practitioners) BUMETHA	0	400	400	0	10,400	10,400	Expenditure Put on hold, Waiting for release of funds		
5.7.3	Training Centre (Traditional Medical Practitioners) IJACM	0	400	400	0	10,400	10,400	Expenditure Put on hold, Waiting for release of funds		
5.7.4	Training Centre (Traditional Medical Practitioners) THETA-Uganda	0	400	400	1,292	10,400	9,108	Expenditure Put on hold, Waiting for release of funds		
5.7.5	Training Centre (Traditional Medical Practitioners) ANAMED	0	400	400	0	10,400	10,400	Expenditure Put on hold, Waiting for release of funds		
5.7.6	Training Centre (Traditional Medical Practitioners) NCRI centre	0	400	400	0	10,400	10,400	Expenditure Put on hold, Waiting for release of funds		
	<b>Sub Total</b>	776	8,300	7,524	6,956	64,600	57,645	Expenditure Put on hold, Waiting for release of funds		
	<b>Expenditure Classification 8 as per Project Implementation Plan</b>									
5.8	<b>ACE Action Plan for Collaboration with International Academic</b>									
5.8.1	International Visiting faculty members (USA)	0	9,090	9,090	0	18,180	18,180	Expenditure Put on hold, Waiting for release of funds		
5.8.2	International Visiting faculty members	1,310	7,490	6,180	2,308	14,980	12,672	Activity still on going		
5.8.3	Sabbatical Place (6 months per year)	21,385	21,300	-85	21,385	42,600	21,215	Activity still on going		
	<b>Sub Total</b>	22,695	37,880	15,185	23,693	75,760	52,067			





# Pharm-Biotechnology and Traditional Medicine Center (PHARMBIOTRAC)

	Expenditure	Annual Period ending From 1st July, 2018-30th Jun. 2019			Cumulative To Date			Explanation of Variance
		Actual	Planned	Variance	Actual	Planned Cumulative For 2 years	Variance	
Expenditure Classification 9 as per Project Implementation Plan								
5.9	ACE Action Plan for Management and Governance							
5.9.1	Establishment of PHARMBIOTRAC	1,016	0	-1,016	21,739	23,000	1,261	Activity is being finalised.
5.9.2	Installation of ICT systems for finance & administration	2,781	0	-2,781	2,781	5,000	2,219	Procurement process of the ICT software has been finalised. The expenditure to be allocated to another activity
5.9.3	Inception and planning meeting of all partners	0	0	0	57,089	35,736	-21,353	Meeting took place in both Mbarara and kampala instead of mbarara only as planned. The Kampala meeting was mandated by MoE Which resulted into an expected costs.
5.9.4	Meeting of Steering Committee	1,714	9,060	7,346	2,414	18,120	15,706	Activity Still on going
5.9.5	Meeting of Executive Committee	3,694	1,140	-2,554	3,694	2,280	-1,414	Initially the meeting was planned for a small team. However the University council required all committee members to attend the meeting which exceeded the planned expenditure.
5.9.6	Meeting of Finance & Administration committee	0	480	480	7,430	960	-6,470	This activity was under Budgeted.
5.9.7	Core Team Project review and planning meeting	2,497	5,550	3,053	21,283	11,100	-10,183	More activities were involved than what was initially budgeted. To be recovered from other activities
5.9.8	PHARMBIOTRAC meetings with WB &	3,503	3,920	417	5,223	7,840	2,617	Activity still on going.
5.9.9	Bi-Annual Meeting by IUCEA	18,406	24,040	5,634	52,841	48,080	-4,761	More people were sent for the meeting than planned for.
5.9.10	Staff orientation workshop	0	0	0	1,718	1,000	-718	Activity was under budgeted
5.9.11	PHARMBIOTRAC Administrator	10,014	24,000	13,986	32,022	48,000	15,978	Activity Still on going
5.9.12	PHARMBIOTRAC Administrative	5,991	6,000	9	11,484	12,000	516	Activity Still on going
5.9.13	PHARMBIOTRAC Accountant	23,998	24,000	2	42,007	48,000	5,993	Activity Still on going
5.9.14	PHARMBIOTRAC Procurement	5,991	6,000	9	10,985	12,000	1,015	Activity Still on going
5.9.15	Partner coordination / supervision visits	22,398	23,840	1,442	36,860	41,720	4,860	Activity Still on going
5.9.16	Driver	2,446	3,000	554	5,493	6,000	507	Activity Still on going
5.9.17	Cleaner	2,389	2,400	11	4,380	4,800	420	Activity Still on going
5.9.18	Office supplies	880	1,800	920	4,409	3,600	-809	This activity was under Budgeted.
5.9.19	Capacity building	38,199	38,140	-59	57,286	38,140	-19,146	This activity was revised in the annual work plan waiting for approval
5.9.20	In land travels	5,867	15,000	9,133	9,387	15,000	5,613	Activity Still on going
5.9.21	Communication	242	6,600	6,358	425	6,600	6,175	Activity Still on going
5.9.22	Recruitment of staff	0	10,000	10,000	6,482	10,000	3,518	Activity Still on going
5.9.23	Bank charges	118	2,000	1,882	245	2,000	1,755	Activity Still on going
5.9.24	Exchange gain/Losses	153	0	-153	1,991	0	-1,991	Exchanges losses recognised as a result of operating different currencies.
Sub Total		152,296	206,970	54,674	399,668	400,976	1,308	
Expenditure Classification 10 as per Project Implementation Plan								
5.10	ACE Action Plan for Sustainable							
5.10.1	Chair Innovation & Business	29,964	30,000	36	49,940	60,000	10,060	Expenditure Still on going
5.10.2	Business clinic (furniture, computer, software)	0	880	880	0	9,680	9,680	Expenditure Put on hold, Waiting for release of funds
5.10.3	Product exhibitions (Regional)	3,120	5,200	2,080	10,005	10,400	395	Activity is still on going
5.10.4	Product exhibitions (National)	0	2,280	2,280	1,755	4,560	2,805	Activity is still on going
5.10.5	Chair innovation & Business Management Meetings	0	860	860	110	1,320	1,210	Expenditure Put on hold, Waiting for release of funds
5.10.6	Student handbooks (in-service professionals short course)	0	1,000	1,000	0	2,000	2,000	Expenditure Put on hold, Waiting for release of funds
5.10.7	Student handbooks (short course for TMPs)	0	5,000	5,000	0	10,000	10,000	Expenditure Put on hold, Waiting for release of funds
5.10.8	Business clinic coordination & branding	1,518	15,600	14,082	4,362	31,200	26,838	Expenditure Put on hold, Waiting for release of funds
Sub total		34,601	60,620	26,019	66,172	129,160	62,988	
Expenditure Classification 11 as per Project Implementation Plan								
5.11	ACE Action Plan for Monitoring							
5.11.1	Strategic plan draft development	0	0	0	0	4,620	4,620	Expenditure Put on hold, Waiting for release of funds
5.11.2	Strategic plan finalisation	-172	0	172	1,538	11,650	10,112	Expenditure Put on hold, Waiting for release of funds
5.11.3	M&E Missions (Internal)	0	4,000	4,000	0	8,000	8,000	Expenditure Put on hold, Waiting for release of funds
Sub Total		-172	4,000	4,172	1,538	24,270	22,732	
Grand Total Uses of Funds		689,924	1,179,451	489,527	1,553,944	3,050,327	1,496,383	
Accounting Officer		Finance Director						
Date: 20/12/19		Date: 20/12/19						

Accounting Officer  
Date: 28/12/19

Finance Director  
Date: 28/12/19





## 6. Statement of Reimbursable Eligible Expenditure Programs (EEPs)

MBARARA UNIVERSITY OF SCIENCE AND TECHNOLOGY AFRICA HIGHER EDUCATION CENTERS OF EXCELLENCE PROJECT (126974) Statement of Reimbursable Eligible Expenditure Programs (EEPs) for the annual period ending 30th. June.2019		
Eligible Expenditure Program (EEP)	Annual Period ending...30th. June. 2019	Cummulative Todate  For 24 months
EEP 1: Salaries	8,999,480	35,997,920.20
EEP 2: Non Procurable Expenditure as defined in Financing Agreement	573,647	1,332,712.04
<b>Total EEPs</b>	<b>9,573,127</b>	<b>37,330,632</b>
Note. Exchange rate used 3664.76		
for <i>[Signature]</i> Accounting Officer	<i>[Signature]</i> Finance Director	
Date... <i>20/12/19</i>	Date... <i>20/12/19</i>	





## 7. DLI -ACHIEVED AS AT 30th. June. 2019

MBARARA UNIVERSITY OF SCIENCE AND TECHNOLOGY PHARM-BIOTECHNOLOGY AND TRADITIONAL MEDICINE CENTRE AFRICA HIGHER EDUCATION CENTERS OF EXCELLENCE PROJECT (126974) DLI -ACHIEVED AS AT 30th. June. 2019						
DISBURSEMENT LINKED TO INDICATORS	ACTIONS TO BE COMPLETED	AMOUNT ALLOCATED	AMOUNT DISBURSED	Amount Earned for This Withdrawal Application	Cummulative Amount Earned/ Disbursed	UN-DISBURSED BALANCE
DLI1: Institutional readiness	DLR 1.1: To meet Conditions for Effectiveness	600,000	600,000	-	600,000	-
	DLR 1.2: Development of detailed implementation plans	500,000	500,000	-	500,000	-
DLI 2: Excellence in education and research capacity and development impact	DLR 2.1: Timely annual implementation of the plans	500,000	-	-	-	500,000
	DLR 2.2: Newly enrolled students in the ACE of which at least 20% must be regional (African) students Short Course: Female Ugandan students (national)	1,200,000	25,000	-	25,000	1,175,000
	Short Course: Male Ugandan students			-	-	-
	Short Course: Female regional (African) students			-	-	-
	Short Course: Male regional (African) students			-	-	-
	MSc: Female Ugandan students			-	-	-
	MSc: Male Ugandan students			-	-	-
	MSc: Female regional (African) students			-	-	-
	MSc: Male regional (African) students			-	-	-
	PhD: Female Ugandan students			-	-	-
	PhD: Male Ugandan students			-	-	-
	PhD: Female regional (African) students			-	-	-
	PhD: Male regional (African) students			-	-	-
	DLR 2.3: Accreditation of quality of education programs (program internationally accredited)	600,000	300,000	-	300,000	300,000
	Program regionally accredited			-	-	-
	Program nationally accredited			-	-	-
	Program for self-evaluation			-	-	-
	DLR 2.4: Collaboration and partnerships for applied research and training (MoU with public institutions/civil society)	200,000	70,000	-	70,000	130,000
	MoU with private sector/ industry			-	-	-
	DLR 2.5: Peer-reviewed journals papers or peer-reviewed conference papers (paper accepted by a peer reviewed journal)	300,000	300,000	-	300,000	-
	Accepted peer-reviewed conference paper			-	-	-
	DLR 2.6: Faculty and PhD student exchanges to promote regional research and teaching ("period" within the country)	500,000	-	-	-	500,000
	Exchange "period" within the region			-	-	-
	Exchange "period" for international			-	-	-
	DLR 2.7: External revenue generation (National level)	900,000	-	222,208	222,208	677,792
	External revenue generation (International level)			-	-	-
	DLR 2.8: Institution participating in benchmarking exercise	100,000	-	-	-	100,000
DLI 3: Timely, transparent and institutionally reviewed Financial Management	DLR 3.1: Timely Withdrawal Application supported by financial reporting on the ACE account for the period	75,000	-	-	-	75,000
	DLR 3.2: Functioning Audit Committee under the university council	75,000	-	-	-	75,000
	DLR 3.3: Functioning internal audit unit for the university	75,000	-	-	-	75,000
	DLR 3.4: Transparency of financial management (audit reports, interim financial reports, budgets and annual work plan are all web accessible)	75,000	-	-	-	75,000
DLI 4 Timely and audited Procurement	DLR 4.1 Timely procurement audit report	150,000	-	-	-	150,000
	DLR 4.2: Timely and satisfactory procurement progress report	150,000	-	-	-	150,000
<b>Total in USD</b>		<b>6,000,000</b>	<b>1,795,000</b>	<b>222,208</b>	<b>2,017,208</b>	<b>3,982,792</b>

Accounting Officer Finance Director

Date: 20/12/19 Date: 20/12/19





## 8. ACCOUNTING POLICIES AND PROCEDURES

### 1. ACCOUNTING POLICIES AND PROCEDURES

The Accounting policies and Procedures of Pharm-biotechnology and Traditional Medicine center (PHARMBIOTRAC) are in accordance with the following;

- i) International Financial Reporting Standards,
- ii) The latest issue of the World Bank Financial Accounting Reporting and Audit Guidelines.

### 2. BASIS OF ACCOUNTING AND REPORTING

- i) The Accounting records and Financial Statements are prepared on a cash basis of accounting (in accordance with the International Public Sector Accounting Standards (IPSAS) issued by International Federation of Accountants (IFAC) and under the historical cost convention.
- ii) Financial transactions are recognized and recorded on cash basis.
- iii) Revenue is recognized when cash is received at the Bank of Uganda (BoU) and Standard Chartered Bank.
- iv) Project expenditures are recognized and recorded when payments are made to beneficiaries and not when the liabilities are created.
- v) Assets are expensed in full in the year of purchase, consistent with the cash basis of Accounting.

### 3. CURRENCIES

#### i) Foreign currency transactions

The functional currency for PHARMBIOTRAC is the United States Dollars (US\$), and as much as possible, the records of receipts and payments for the project shall be maintained in US Dollars (US\$), which is the currency of the Grant. In particular, transactions on IDA, Designated Accounts will be maintained in United States dollars with Bank of Uganda as the Main account. Transactions made from Bank of Uganda to Standard chartered operational accounts are maintained in UGX and US Dollar. Since the Grant is received in USD dollar, all transactions translated in Ugx shall maintain a same rate at the time of executing the transaction until the funds are fully exhausted of that rate provided by Bank of Uganda.

#### ii) Local Currency

Where the project recognizes that some of the transactions may be effectively conducted in the local currency i.e. Uganda Shillings, the transaction values shall be translated into Dollars at the respective BoU exchange rates prevailing on the dates of those transactions. The resulting differences from the conversion and translation will be dealt with in the Sources and Uses of funds statement in the year in which they arise.

#### iii) Exchange differences – gains and losses





Whenever realized, exchange gains on the Designated Account will be the benefit of Government of Uganda. Similarly, Government of Uganda will meet any realized exchange losses.

