



**THE REPUBLIC OF UGANDA**

**REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF  
THE PHARM-BIOTECHNOLOGY AND TRADITIONAL MEDICINE (PHARMBIOTRAC)  
CENTRE ACE II PROJECT FOR THE FINANCIAL YEAR ENDED 30<sup>TH</sup> JUNE 2021**

**OFFICE OF THE AUDITOR GENERAL  
UGANDA**

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## **LIST OF ACRONYMS**

<b>Acronym</b>	<b>Meaning</b>
GOU	Government of Uganda
ICT	Information & Communication Technology
IESBA	International Ethics Standards Board for Accountants
INTOSAI	International Organization of Supreme Audit Institutions
ISSAIs	International Standards of Supreme Audit Institutions
LGs	Local Governments
MDAs	Ministries, Departments and Agencies
MOFPED	Ministry of Finance, Planning and Economic Development
NTR	Non-Tax Revenue
OAG	Office of the Auditor General
PDO	Project Development Objective
PFMA	Public Finance Management Act, 2015
PFMR	Public Finance Management Regulations, 2016
PHAMBIOTRAC	Pharm-Biotechnology and Traditional Medicine
PPDA	Public Procurement & Disposal of Public Assets
PS/ST	Permanent Secretary/Secretary to the Treasury
TI	Treasury Instructions, 2017
UCF	Uganda Consolidated Fund
UGX	Uganda Shilling
USD	United States Dollar



**REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF THE  
PHARM-BIOTECHNOLOGY AND TRADITIONAL MEDICINE (PHARMBIOTRAC) CENTRE  
ACE II PROJECT FOR THE FINANCIAL YEAR ENDED 30<sup>TH</sup> JUNE, 2021**

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

**Opinion**

I have audited the accompanying financial statements of the Pharm-Biotechnology And Traditional Medicine (Pharmbiotrac) Centre ACE II Project which comprise the Statement of Financial Position as at 30<sup>th</sup> June 2021, the Statement of Financial Performance, Statement of Changes in Equity and Statement of Cash Flows together with other accompanying statements for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements of the Pharm-Biotechnology and Traditional Medicine (Pharmbiotrac) Centre Ace II Project for the financial year ended 30<sup>th</sup> June 2021 are prepared, in all material respects, in accordance with Section 51 of the Public Finance Management Act, 2015 and the Financial Reporting Guide, 2018, 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 (IESBA) Code of Ethics for Professional Accountants (Parts A and B) 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 those matters. I have determined the matters described below to be key audit matters communicated in my report.



- **Implementation of the Approved Budget**

On the 24<sup>th</sup> of April 2020, Parliament approved the annual budget for MDAs and LGs that contained the specific resource envelope allocated to each vote to implement agreed on outputs. Subsequently, the PS/ST issued a Budget Execution Circular that communicated the budget strategy, policy, and administrative issues to guide the budget implementation for the financial year 2020/2021.

During my overall risk assessment exercise, I noted that MDAs and LGs are still experiencing challenges in implementing the budgets approved by parliament and policy guidance's issued by PS/ST, which has continued to affect the performance and credibility of the budget negatively. These challenges include; lack of strategic plans that are aligned to the National Development Plans, underperformance of revenue, implementation of off-budget activities, under absorption of funds, insufficient quantification of outputs, partial and non-implementation of outputs, diversion of funds and challenges in budget monitoring and reporting of performance.

I am aware that the Covid-19 Pandemic continues to significantly affect the implementation of several activities. Consequently, a number of activities were not implemented due to budget cuts and lockdown measures instituted to control the spread of the pandemic. It is against this background that the implementation of the budget was again considered a key audit area during the office-wide planning for the current audit year.

Based on the procedures performed, I noted that Pharmbiolrac 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. The Project Development Objective (PDO) for the ACE II Project 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.

To achieve this objective, the Project planned to implement several recurrent and development deliverables under various programs. A review of the Project's budget revealed that the Project had an approved budget of USD1,191,846 of which USD1,506,515 was available for expenditure. The table below shows a summary of key deliverables of the Project for the financial year 2020/21.

sn	Key deliverables	Amount Spent USD	Cumulative percentage of Actual expenditure
1	Action Plan for Learning Excellence	775,927	70%
2	ACE Action Plan for Quality Assurance	1,597	70%
3	ACE Action Plan regarding Equity Dimensions	470	70%
4	ACE Action Plan for Attracting Academic Staff and Students from the Region	68,128	77%
5	ACE Action Plan for National and Regional Academic Partners	26,411	79%
6	ACE Action Plan for National and Regional Sector Partners	19,180	81%



7	ACE Action Plan for Collaboration with International Academic Partners	49,045	85%
8	ACE Action Plan for Management and Governance	102,143	94%
10	ACE Action Plan for Sustainable Financing	62,297	100%

The Project planned to achieve its deliverables through implementation of ten (10) outputs with a budget of USD.1,191,846. I reviewed all the ten (10) outputs worth USD.1,191,846, representing 100% of the total budget for review as summarised in the table below;

**Table showing planned and sampled outputs**

Total Number of Outputs	Number of outputs sampled	Total budget of the sampled outputs (USD)	Actual expenditure of the sampled output - (USD)	% budget allocation of sampled outputs in relation to net budget
10	12	1.19 Millions	1.19 Millions	100%

From the procedures undertaken, I noted the following;

SN	Observation	Recommendation
1.1	<p><b><u>Shortfalls in achievement of Project Development Objectives</u></b></p> <p>Section 8.4 of the African Center of Excellence (ACE) project operational manual requires the IUCEA/RFU to collect, analyse and submit status reports to the World Bank on the project performance. It further requires individual ACEs to collect and submit accurate data on the performance of each indicator in the agreed Results Framework to facilitate the RFU's.</p> <p>A review of the Phambiotrac Monitoring and Evaluation (M&amp;E) Results Framework 1 Tracking Table for the period ended 30<sup>th</sup> June 2021 revealed shortfalls in a number of key Project targets for the first 4 years.</p> <p>The Partially achieved targets include;</p> <p>Establishment of Living gene bank (Garden) - BSU/GU</p> <p>Germplasm collection maintenance (BSU)</p> <p>Staff participation in international conference</p> <p><b>Details in Appendix 1.</b></p> <p>The shortfalls detail project implementation progress and may limit timely achievement of the intended project objectives.</p> <p>Management explained that establishment of the living gene Bank Germplasm collection maintenance (BSU/GU) and Staff participation in international conference were all affected by Covid-19 lockdown and restrictions.</p>	<p>I advised the Accounting Officer to ensure that all activities interrupted by the lockdown are re-embarked on and concluded to achieve the project intended objectives.</p>
1.2	<p><b><u>Fund Performance</u></b></p> <p>During the review, I noted that the project is a 5 year project with total funding of USD.6million. I further noted that it started in June 2017. A review of the financial statements revealed that a sum of US\$4,754,402 (88%) was disbursed in the 4 years period to 30<sup>th</sup> June 2021 against the planned cumulative expenditure of US \$ 5,401,514.</p>	<p>I advised the Accounting Officer to address the existing bottlenecks to be able to achieve full fund disbursements since they are results based.</p>



	<p>The low disbursement rate implies that the project has not yet completed all the required Disbursed Linked Indicators required to release the balance of USD.550,112 (12%)</p> <p>Management explained that the Low disbursement rate was due to disruption of the activities towards, International accreditation and Staff placement in laboratories/industries and exchanges and failure to sign MOUs with private investors to contribute to the project has been difficult to achieve because most expect money or free services from the university.</p>	
1.3	<p><b>Absorption of funds</b></p> <p>Out of the total available financing for the financial year of USD. 1,506,515 only USD.1,105,054 was spent by the Project resulting into an unspent balance of USD.401,461 representing an absorption level of 73%.</p> <p>The funds were meant for activities that were not fully implemented by the end of the financial year, and these include;</p> <ul style="list-style-type: none"> <li>i) Facility upgrade</li> <li>ii) Traditional Medicine Clinics setup and maintenance</li> <li>iii) Facilitation for industry experts/practitioners (10 people)</li> </ul> <p>Management promised to have all the affected activities fast tracked in the subsequent year.</p>	<p>I advised the Accounting Officer to ensure that activities which were not performed due to disruptions by COVID-19 are fast tracked in the subsequent periods.</p>
1.4	<p><b>Quantification of outputs/activities</b></p> <p>Section 13 (15, b) of the PHMA 2015 states that a policy statement submitted by a vote shall contain the annual and three months' work plans, outputs, targets and performance indicators of the work plans. Regulation 11 (3) of the PFMR 2016 requires that a vote prepares a work plan that indicates the outputs of the vote for the financial year; the indicators to be used to gauge the performance of the outputs and funds allocated to each activity.</p> <p>To assess the performance of an output, all activities supporting the output must be quantified.</p> <p>I reviewed the extent of quantification of outputs and activities for a sample of ten (10) outputs with a total of eighty seven (87) activities and expenditure of USD.1,105,054 and noted that ten (10) outputs with a total of eighty seven (87) activities and expenditure of USD.1,105,054 were quantified that is, all the eighty seven (87) activities (100%) within these outputs were clearly quantified to enable assessment of performance. <b>Details in Appendix I</b></p>	<p>The Accounting Officer is commended for quantifying all the outputs.</p>
1.4	<p><b>Implementation of Quantified outputs</b></p> <p>I assessed the implementation of ten (10) outputs that were fully quantified with a total of eighty seven (87) activities worth USD. 1.1million and noted the following;</p> <ul style="list-style-type: none"> <li>• All the ten (10) outputs with a total of eighty seven (87) activities worth USD. 1.1million were partially implemented.</li> </ul>	<p>I advised the Accounting Officer to fast track all unimplemented activities in the subsequent period.</p>

	<p>Out of eighty seven (87) activities, the entity fully implemented forty five (45) activities (52%), the entity partially implemented fifteen (15) activities (17%), while twenty seven (27) activities (31%) remained unimplemented.</p> <p>Non-implementation of planned activities implies that the expected services to the beneficiary communities were not attained.</p> <p>For example, the Project did not implement the following planned activities despite having received the required funds;</p> <ol style="list-style-type: none"> <li>1. Facility upgrade</li> <li>2. Traditional Medicine Clinics setup and maintenance</li> <li>3. Facilitation for industry experts/practitioners (10 people).</li> </ol> <p>The Accounting Officer explained that none implemented activities such as Traditional Medicine Clinics setup and maintenance was delayed due to initial process of MoU negotiations with partners as a basis for operationalization of the clinics. He further explained that Facilitation for industry experts/practitioners (10 people), was by and large interrupted by COVID-19 restrictions since continuing students were off campus and new cohort had not reported.</p>																									
1.5	<p><b>Achievement of intended services from implemented outputs</b></p> <p>I undertook an assessment to establish if there has been service delivery from a sample of outputs that were implemented and noted the following;</p> <table border="1"> <thead> <tr> <th>Output</th><th>Activities</th><th>Audit Issues</th></tr> </thead> <tbody> <tr> <td rowspan="10">Action Plan for Learning Excellence</td><td>Curriculum articulation (First Trimester fees)</td><td>Self-evaluation is on going</td></tr> <tr> <td>Traditional Medicine Clinics setup and maintenance</td><td>Still on going</td></tr> <tr> <td>Stipend MSc (annually)</td><td>Target surpassed</td></tr> <tr> <td>Travel (Flights) for Students (return flights)</td><td>Target yet to be achieved</td></tr> <tr> <td>Student presentation at national conferences</td><td>Target yet to be achieved</td></tr> <tr> <td>Staff Attachments to foreign laboratories WPI (USA)</td><td>Still on going</td></tr> <tr> <td>Staff attachments to foreign laboratories KUMRI (Kenya)</td><td>Still on going</td></tr> <tr> <td>Staff participation in regional conference</td><td>Interrupted by travel restrictions</td></tr> <tr> <td>Genoplasm collection missions (MUST)</td><td>on going process</td></tr> <tr> <td>Journal Publication fee (Open Access)</td><td>Target yet to be achieved however most of their journal articles for publications have been completed awaiting publication</td></tr> </tbody> </table> <p>The failure to achieve the intended services from the implemented outputs undermined the effective implementation of the project.</p> <p>Management explained that Curriculum development, Journal Publication, Staff attachments to foreign laboratories and Student presentation at national conferences were all on-going.</p>	Output	Activities	Audit Issues	Action Plan for Learning Excellence	Curriculum articulation (First Trimester fees)	Self-evaluation is on going	Traditional Medicine Clinics setup and maintenance	Still on going	Stipend MSc (annually)	Target surpassed	Travel (Flights) for Students (return flights)	Target yet to be achieved	Student presentation at national conferences	Target yet to be achieved	Staff Attachments to foreign laboratories WPI (USA)	Still on going	Staff attachments to foreign laboratories KUMRI (Kenya)	Still on going	Staff participation in regional conference	Interrupted by travel restrictions	Genoplasm collection missions (MUST)	on going process	Journal Publication fee (Open Access)	Target yet to be achieved however most of their journal articles for publications have been completed awaiting publication	<p>I advised the Accounting Officer to follow up implementation of all on going activities to completion so as to achieve the intended project strategic objectives.</p>
Output	Activities	Audit Issues																								
Action Plan for Learning Excellence	Curriculum articulation (First Trimester fees)	Self-evaluation is on going																								
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### Other matter

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

#### • Lack of Product Patents

Paragraph 3 (b) of Annex 2 of the Project Appraisal Document (PAD), 2016 provides one of the tasks for African Centre for Excellence (ACEs) as to build institutional capacity to conduct high quality applied research, relevant to addressing a key development challenge/priority, including, inter alia, faculty development and staff training, fellowships and post-doctoral studies, networking activities with national and international partners, hosting and participating in conferences, research equipment and materials and laboratory refurbishment/rehabilitation, research dissemination, knowledge and technology transfer, and patenting or other intellectual property rights related activities.

At the time of concluding the Audit (Oct. 2021) the Project had not obtained Patent rights over the various Products it had developed such as; 1. Essential oils Nutraceuticals and cosmetics from fish skin for use as antibiotics or food preservatives; 2. Linchy brand natural cosmetics with essential oils Natural based products for prostate hypertrophy/cancer & for fibroids Natural herbal based pain relieving medicine; and 3. Natural herbal based lotions and soaps from shear butter palm kernel & ghee developed earlier.

Absence of patents exposes the Project to loss of rights to exclusively enjoy the benefits accruing from production of the invented products such as revenue from sale of the products and royalties in the event that exclusive rights of production are given to another private Manufacturer.

Management explained that the Centre had so far received a certificate of registration from Uganda Registration Services Bureau (URSB) for trademark application for PharmSan-Liquid and Gel) whereas External Innovations/products' patents were owned by external individuals.

I advised the Accounting Officer to expedite the process of obtaining patent rights for in house innovations, sensitize external innovators about patenting of their developments and consider recruiting a patent specialist to work with innovators from inception of their research.

### Other Information

The Accounting Officer of the Project 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 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 as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, 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'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 judgement and maintain professional scepticism 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 my 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 the management.



- Evaluate 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 continue as a going concern. 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 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.

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 them 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 Section 19 (1) of the National Audit Act, 2008, I report to you, based on my work described on the audit of Financial Statements, that; except for the matters raised in compliance with legislation section below, and whose effect has been considered in forming my opinion on financial statements, 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.

#### **Report on the Audit of Compliance with Legislation**

There were no material findings in respect of the compliance criteria for the applicable subject matters to be reported.



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

13<sup>th</sup> December, 2021.

### Appendix 1: Status of implementation of planned activities

Output	Activities	Planned Target for the Financial year	Budgeted amount UGX ('000')	Amount Spent UGX ('000')	Achieved Target by Financial year end @ annual performance report	Variance
(A)	(B)	(C)	(D)	(E)	(F)	G=(F-C)
Action Plan for Learning Excellence	Installation of ICT systems for learning	1	3,300	-	-	(1)
	Curriculum development (Short courses MSc & PhD )	-	-	-	-	-
	Curriculum accreditation (Fast Track fees)	3	21,000	21,285	-	(3)
	Students Hand Books (PHD & Masters) Course materials	1	340	1,321	1	-
	Learning materials (lecturers reference materials, demonstration materials etc.)	1	19,608	9,615	1	-
	Upgrading Learning Facilities Pharmacy (production unit)	1	47,854	54,143	1	-
	Lecture room upgrade	1	6,178	6,436	1	-
	Digital Library / ICT learning centre / video conferencing facilities/ computer workstations for students	1	41,721	41,521	1	-
	Fuel and maintenance	1	5,550	4,750	1	-
	Chair Learning Excellence coordination	6	445	445	-	(8)
	Facilitation for industry experts / practitioners (10 ppl)	12	4,000	-	-	(12)
	Tuition Fee PhD	20	88,120	112,314	16	(2)
	Tuition Fee MSc	30	51,525	51,525	17	(13)
	Traditional Medicine Clinics setup and maintenance	1	5,000	-	-	(1)
	Spend PhD (annually)	20	90,000	88,565	20	-





	Product development laboratory, purchase, installation, tear and wear	1	9,502	255	1
	Journal Publication fee (Open Access)	12	5,913	4,913	6
	Master's Seminars	2	1,000	-	-
	Doctoral Seminars	2	2,329	-	-
	Supervision fee (PhD)	10	905	1,003	2
	Research support for MSc students	15	45,144	30,345	20
	Research support for PhD students	20	167,926	169,294	13
	Fuel and maintenance for Station wagon (4 wheel drive)	1	8,472	8,973	1
	Laboratory technician	1	6,549	6,501	1
ACE Action Plan for Quality Assurance	Quality Assurance and M&E consultancy	1	2,303	875	1
	Chair Learning and Research Quality Assurance	6	722	722	-
ACE Action Plan regarding Equity Dimensions	Access audit	-	-	-	-
	Facility upgrade	1	470	470	-
ACE Action Plan for Attracting Academic Staff and Students from the Region	Language learning support	-	-	-	-
	Recruited staff salaries (2 senior lecturers)	2	67,195	68,128	2
ACE Action Plan for National and Regional Academic Partners	Regional Visiting faculty members - Kenya	1	1,511	1,511	-
	Regional Visiting faculty members - South Africa	1	2,991	2,991	-
	Regional Visiting faculty members - Sudan	1	10,385	9,533	-
	Regional Visiting faculty members - Mozambique	1	772	772	-



	National Visting Faculty Members - Tanzania	1	816	1,004	1
	Lab maintenance of living gene bank (London) - 2001/2002	2	10,000	5,000	
	Germplasm collection maintenance (BSU)	2	5,000	-	
	Germplasm collection maintenance (Gulu University)	-	-	5,000	1
ACE Action Plan for National and Regional Sector Partners	Community training kits	1	5,865	3,153	1
	Training Centre (Traditional Medical Practitioners) BUMETHA	1	1,000	-	-
	Training Centre (Traditional Medical Practitioners) THETA-Uganda	1	4,936	4,936	-
	Training Centre (Traditional Medical Practitioners) ANAMED	1	11,091	11,791	-
ACE Action Plan for Collaboration with International Academic Partners	International Visting faculty members (USA)	1	2,735	2,735	-
	Sabbatical Place (6 months per year)	1	46,670	46,310	1
ACE Action Plan for Management and Governance	Meeting of Steering Committee	2	5,564	642	2
	Meeting of Executive Committee	6	810	1,064	6
	Meeting of Finance & Administration committee	4	5,000	-	2
	Core Team Project review and planning meeting	3	9,093	6,093	3
	PHARMBIOTRAC meetings with WS & IUCEA	2	517	517	2
	Bi-Annual Meeting by IUCEA	2	6,000	10,395	2
	PHARMBIOTRAC Administrator	1	5,999	5,999	1
	PHARMBIOTRAC Administrative Assistant	1	6,503	6,501	1
	PHARMBIOTRAC Accountant	1	26,015	26,115	1
	PHARMBIOTRAC Procurement Assistant / Secretary	1	6,503	6,501	1
	Driver	1	3,253	3,253	1
	Cleaner				1

		1	2,595	2,590		
	Office supplies	1	14,269	13,232	1	
	Capacity building	1	7,259	3,239	1	
	In land travels	1	7,514	7,555	1	
	Communication	1	4,297	4,297	1	
	Recruitment of staff	1	2,951	2,951	1	
	Bank charges	1	1,144	1,256	1	
ACE Action Plan for Sustainable Financing	Chair Innovation & Business Management	12	32,467	32,481	12	
	Business clinic (furniture, computer, software)	1	8,951	2,053	1	
	Product exhibitions (Regional)	1	163	163	-	
	Chair Innovation & Business Management Meetings	6	300	-	-	
	Student handbooks (short course for TMFs)	1	2,708	2,708	-	
	Business clinic coordination & branding	1	24,818	24,852	1	
	<b>Grand Total Uses of Funds</b>		1,191,347	1,105,198		(





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

### MBARARA UNIVERSITY OF SCIENCE AND TECHNOLOGY

**IMPLEMENTING ENTITY** MBARARA UNIVERSITY OF SCIENCE AND TECHNOLOGY

**PROJECT NAME:** PHARM-BIOTECHNOLOGY AND TRADITIONAL MEDICINE CENTRE(PHARMBIOTRAC)

**REPORT:** FINANCIAL REPORT YEAR ENDED 30/06/2021

**PERIOD OF REPORT:** PERIOD 1<sup>ST</sup> JULY 2020 TO 30<sup>TH</sup> JUNE 2021

**REPORTING CURRENCY:** UNITED STATES DOLLARS (USD)



**Mbarara University of Science and Technology**

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## 1. STATEMENT OF RESPONSIBILITIES OF THE ACCOUNTING OFFICER

The Eastern and Southern Africa Higher Education Centres of Excellence project (ACH 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.

TLESIAHE PATRICK  
Accounting Officer (Names & Signature)

Date: 16/12/2021





### 2. 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 (W&K) with two centers, Uganda Martyrs University (UMU) and Mbarara University of Science and Technology (MUST).

#### 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.'

#### Background:

The Pharm-Biotechnology and Traditional Medicine Centre (PHARMBIOTRAC) is one of the 24 Eastern and Southern Africa Higher Education Centers of Excellence (ACE II) Program, and established at MUST in 2017 with the financial support from the World bank to a tune of 6 W & K USD provided as a loan to the Government of Uganda and to MUST as "Non-Refundable Grant".

PHARMBIOTRAC is established in order to address one of the key development challenges facing Africa, i.e. low life expectancy and productivity compared to in other continents, majorly due to a high burden of both communicable and non-communicable diseases. The centre hopes to achieve this by use of Africa's rich biodiversity that forms the continent's natural wealth through providing a regional platform for innovative drug development, including exploring the use of traditional medicine in the region.

PHARMBIOTRAC provides support to selected highly motivated, research-focused and qualified candidates to pursue their MSc and PhD study programmes aimed at achieving the goal of the centre through the existing academic structures within MUST and departments that offer PHARMBIOTRAC relevant programmes.

The goal of PHARMBIOTRAC is "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".

Vision is "to be a leading African Centre of Excellence for training and research in traditional medicine and pharm-biotechnology".

Mission "to contribute to documentation, validation and value chain development of traditional medicine and biotechnology products for use in pharmaceutical and nutraceuticals industries in the region through training, research and community services for sustainable development".

#### Objectives

The main objective of PHARMBIOTRAC is 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, and the specific objectives include to;

- strengthen capacity in the region to train highly skilled and specialized professionals in traditional medicine and Bio-pharmaceuticals.

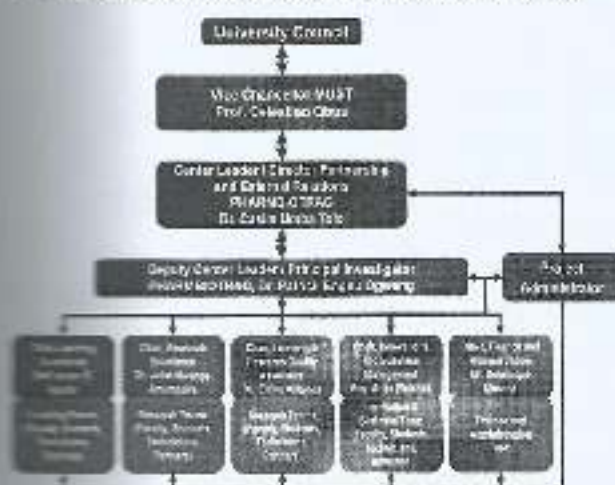




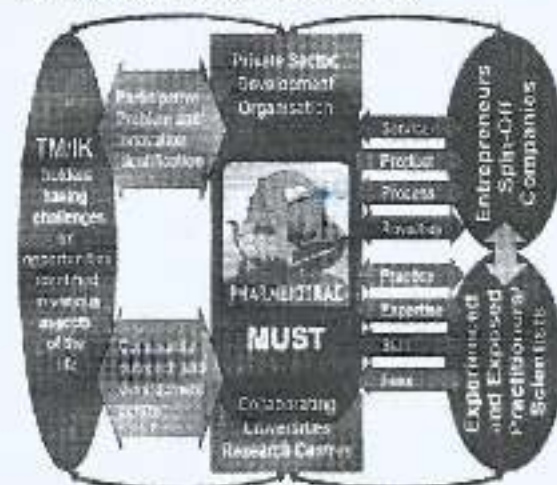
## Pharm-Biotechnology and Traditional Medicine Center (PHARMBIOTRAC)

- strengthen capacity in the region to engage in cutting edge research in TM and systems biology for health products development.
- create capacity in collaboration with private sector industry for development, production and commercialization of TM, biopharmaceuticals and nutraceuticals from research outputs,
- advance the practices of TM/TMK and promote domestication and sustainable utilization of medicinal species.

### Governance structure of PHARMBIOTRAC



### PHARMBIOTRAC Framework



### Thematic areas of focus of PHARMBIOTRAC:

- Understanding Traditional Medicine Philosophy of Health and Disease Prevention and Control
- Traditional/Herbal Medicine Quality and Safety Standards
- Herbal Medicine Production/Manufacturing and Quality Control Standards
- Traditional/Herbal Medicine Knowledge and Material Conservation and Propagation - in-situ, ex situ
- Traditional/Herbal Medicine/ Clinical Validation Protocols and Standards
- Pharmaco-Biotechnology-Application of Biotechnology to Drug Discovery, and Drug Production
- Pharmaceutical Business Management/Regulation

### Key academic programs supported by PHARMBIOTRAC

A: **PhD by Research** (thematic areas above) - Duration 3 years (31 students enrolled)

B: **Current Masters programs offered** (by course work and research) - Duration 2 years

Master of Science in Pharmacology (M.Phil)

Master of Science in Pharmacy (Clinical Pharmacy) (M.Sc. Clinical. Pharm.)



Master of Science in Pharmacognosy and Natural Medicine Science (M.Sc. PNMS)

Master of Science in Pharmaceutical Analysis under accreditation by National Council for Higher Education (Awaiting Accreditation).

#### Key achievements

- Developed three (3) new masters programs and 2 were accredited by NCHE for National accreditation:
  - Master of Science in Pharmacy (Clinical Pharmacy) (M.Sc. Clinical Pharm.) (currently 31 students enrolled),
  - Master of Science in Pharmacognosy and Natural Medicine Science (M.Sc. PNMS) (currently 18 students enrolled),
  - M.Sc. in Pharmaceutical Analysis under accreditation by National Council for Higher Education (NCHE),
- Enrolment on other programme supported by PHARMBIOTRAC:
  - Master of Science in Pharmacology (currently 9 students enrolled)
- Attracted 5 scholarships every year for Clinical Pharmacy Masters Program from the Ministry of Health, Government of Uganda,
- PhD by research in PharmBiotechnology & Traditional Medicine (26 students enrolled),
- Short term course One (1) (Certificate in Traditional/herbal Medicine) was successfully developed (awaiting student recruitment)
- At least 30% of the enrolled students are regional students (outside Uganda)

#### Major procurements:

- 2 Project Vehicle procured (Bus and station wagon),
- Laboratory / Production equipment procured and installed,
- Laboratory / Biotechnology equipment procured and installed,
- ICT equipment procured and installed (Office and students),
- Office/student furniture procured (chairs, tables, cupboard),
- PHARMBIOTRAC Boardrooms furniture procured and installed,
- PHARMBIOTRAC Video Conferencing equipment procured and installed,
- PHARMBIOTRAC Living Gene Bank (Herbal Harden) secured and fencing of land-ongoing.

#### Major Publications of staff and students (Book Chapters and Journal Articles)

- 48 Journal article and 9 book chapters published





## **1. Commentary on the Financial Statements by the Finance Manager**

### **1(i) 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. The Exchange rate as at 30th June 2021 was 3541.74

### **1(ii) Income**

Total receipts during the period were USD 1,923,367 from World Bank IDA funds in accordance to the verification done. Other sources of income were USD 3,262 from SNV, USD 77,105 from KIRAP Project, USD 33,064 from HARISSA project and USD 25,000 from REFORUM. Balance brought forward to the period was USD 204,615 providing total financing of USD 2,266,413.

### **2. Expenditure**

Expenditure was USD 1,262,808 out of the total financing of USD 2,266,413 which was a performance of 55.7%. The performance was affected by suspension of activities due to COVID19 pandemic.

The major categories of expenditure were as follows:

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

Total expenditure on action plan for learning excellence was USD 474,660 mainly for outputs of stipend and Tuition for 31 PhD Students and 58 MSc students (USD 309,404), Equipment for ICT learning centre (41,521), Facility upgrade (USD 54,143), and Community/industrial attachments (14,110) for 60 MSc students.

#### **ii) 5.2 Action Plan for Research excellence**

Total expenditure on this action plan was USD 301,266 in respect to Research support for 31 PhD and 58 MSc students USD199, 639, Journal Publications USD 4,913 staff participation in regional and international conferences USD 7,116, research Policy development USD 7,974, Establishment of the Living Gene Bank and Germplasm Collection Mission (MUST) USD 66,169.

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

Expenditure was USD 68,128 for salaries of two recruited Senior lecturers in Clinical Pharmacy

#### **iv) 5.6 Action plan for National and Regional academic partners**

Expenditure was USD 26,411 in respect to 1 visiting faculty member and Establishment of the Living Gene Bank in Bishop Stuart University and Gulu University.

#### **v) 5.8 Action plan for collaboration with international partners**

Expenditure was USD 48,182 for on visiting professors who from USA to offer expertise in Clinical Pharmacy

#### **vi) 5.9 Action plan for management and Governance**

Expenditure was USD 102,000 in respect to payment of salaries for 4 administrative staff, capacity building and meetings.

#### **vii) 5.10 Action plan for sustainable financing**



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

Expenditure was USD 62,296 in respect to payment of salary for the chair innovation and business management, Business Clinic coordination and Branding, products exhibitions and students hand books.

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

MAGREZ FELIX AMANUA

Finance Manager [Names & Signature]

16/12/2021


Date





## 4. Statement of Sources and Uses of Funds

<b>MBARARA UNIVERSITY OF SCIENCE AND TECHNOLOGY</b> <b>AFRICA HIGHER EDUCATION CENTERS OF EXCELLENCE PROJECT (128974)</b> <b>PHARM-BIOTECHNOLOGY AND TRADITIONAL MEDICINE CENTRE (PHARMBIOTRAC)</b> <b>Statement of Sources and Uses of Funds</b> <b>for the annual period ending 30th June 2021</b>		
Sources of Fund	Annual Period ending From 1st Jul. 2020 to 30th June 2021	Cumulative To Date 48 Months
Opening Cash Balance		
Government Funds		
Acid Bank IDA Funds	(53,716)	-
Student Fees	-	-
Partnership With SNV	-	-
IFG Fund		
Others HIV Study Project	13,979	-
ATRAP Project	8	
HARISSA Project	210	
UGDA Incubation Centre	244,134	
REFORUM		
<b>Total Cash Balance</b>	<b>204,615</b>	
And Receipts		
Government Funds	-	
Acid Bank IDA Funds	1,923,367	4,754,401
Student Fees	-	1,608
Others HIV Study Project	-	169,593
UGDA Incubation Centre	-	250,000
Partnership With SNV	3,262	5,818
ATRAP Project	77,105	146,190
HARISSA Project	33,064	36,103
IFG Fund	-	11,883
REFORUM	25,000	25,000
<b>Total Financing</b>	<b>2,266,413</b>	<b>5,403,397</b>
<b>Less: ACE Expenditure as per Project Implementation Plan</b>		
Expenditure Classification 1 PHARMBIOTRAC	1,105,054	4,029,002
Expenditure Classification 2 (HIV Study)	10,057	166,051
Expenditure Classification 3 Incubation centre	53,064	56,930
Expenditure Classification 4 ATRAP Project	70,564	139,641
Expenditure Classification 5 HARISSA Project	20,807	25,633
Expenditure Classification 6 SNV	3,282	5,840
Expenditure Classification 7 IFS	-	11,980
<b>Total Uses of Funds by Components</b>	<b>1,262,808</b>	<b>4,437,078</b>
<b>Closing Balances</b>	<b>1,003,605</b>	<b>966,319</b>
Bank of Uganda A/C 303370388400000	821,625	821,625
Balance as per Stanchart Ugx A/C 0102808265800	5,141	5,141
Balance as per Stanchart USD A/C 8702808265800	176,838	176,838
<b>Total Closing Cash Balance</b>	<b>1,003,605</b>	<b>1,003,605</b>

Prepared by   
 Finance and Administration Director

Approved by   
 Accounting Officer



# Pharm-Biotechnology and Traditional Medicine Center (PHARMBIOTRAC)

## 5 Uses of Funds (Breakdown)

MBARARA UNIVERSITY OF SCIENCE AND TECHNOLOGY - PHARMBIOTRAC PROJECT  
AFRICA HIGHER EDUCATION CENTERS OF EXCELLENCE PROJECT

### Uses of Funds (Breakdown)

for the annual period ending 30th June 2021

(USD or PFG)

		USD or RCF							
Expenditure		Annual Period ending from 1st July 2020 to 30th June 2021			Cumulative Totals			Explanation of Variance	R/C of Project
		Actual	Planned	Variance	Actual	Planned	Variance		
Expenditure Classification 1 as per Project Implementation Plan									
5.1	Action Plan for Learning Excellence								
5.1.1	Benchmarking visit (Tanzania)	0	0	0	21,768	21,768	0	Activity Completed	
5.1.2	Benchmarking visit (South Africa)	0	0	0	28,740	28,740	0	Activity Completed	
5.1.3	Benchmarking visit (USA)	0	0	0	4,197	4,197	0	Activity Completed	
5.1.4	Establishment of Learning Excellence	0	0	0	11,389	22,771	11,382	Activity Completed	
5.1.5	Implementation of ICT systems for Learning	0	0	0	22,709	22,709	0	Activity Completed	
5.1.6	Curriculum coordination (For 1 year)	21,347	21,000	347	40,550	40,550	0	Activity Completed	
5.1.7	Students Hand Books (H1 & H2)	1,371	340	1,031	0	1,371	1,371	Activity still on going	
5.1.8	Learning materials (Texts, reference materials, demonstration materials)	2,515	10,800	8,285	14,883	28,556	13,673	The process is still on going	
5.1.9	Upgrading Laboratory Facilities Pharmacy (equipment)	54,143	47,374	6,769	54,143	70,000	15,857	Activity still on going	
5.1.10	Laboratory supplies	6,436	0	6,436	11,320	12,000	680	Activity still on going	
5.1.11	Digital Library ICT Learning centre / rooms containing facilities computer workstation for students	41,521	41,751	230	40,588	58,012	17,424	ICT Equipment for students not been finished	
5.1.12		0	0	0	0	0	0	Activity was put on hold due to availability of University	
5.1.13	Standby presence (purchase & installation)	0	0	0	0	0	0	Continued	
5.1.14	Feed and mobile apps	4,732	6,697	1,965	7,479	12,779	5,300	Expenditure still on going	
5.1.15	Overseeing Excellence coordination	445	445	0	445	1,125	680	Activity still on going	
5.1.16	Advertisement/awarding of talents from school students for excellence award and learning	0	0	0	0	2,000	2,000	Activity Completed	
5.1.17	Advertisement/awarding of talents from students for excellence award and learning	0	0	0	12,552	14,500	1,948	Activity Completed	
5.1.18	Participation in industry experts / practitioners (10 ppl)	0	4,000	4,000	7,190	28,588	21,398	The activity is still on going	
5.1.19	Travel for Fac Ph.D	112,214	45,100	-67,114	270,740	280,000	9,260	Expenditure still on going	
5.1.20	Travel for Fac MSc	61,520	21,528	39,992	55,107	172,000	116,893	Expenditure still on going	
5.1.21	Travel for Fac Ph.D (conference and research)	0	5,000	5,000	5,000	81,500	76,500	Activity still on going	
5.1.22	Expert Ph.D (conference)	64,982	20,000	44,982	485,219	589,000	103,781	Expenditure still on going	
5.1.23	Expert MSc (conference)	57,000	54,400	2,600	114,581	210,000	95,419	Expenditure still on going	
5.1.24	Travel (flight) for students (excellence award)	735	735	0	22,501	25,000	2,499	Expenditure still on going	
5.1.25	External conference	0	0	0	0	0	0	Activity Planned for	
5.1.26	Annual conference on excellence award and learning	2,025	9,097	7,072	44,783	74,740	29,957	Activity still on going	
5.1.27	Student presentation in national excellence award	225	225	0	2,011	7,241	5,230	Activity still on going	
5.1.28	Student presentation in regional conference	0	0	0	940	7,740	6,800	Activity still on going	
5.1.29	Student presentation in national conference	2,048	1,470	578	5,714	10,738	5,024	Activity still on going	
5.1.30	Community / Industry attachment (H1)	14,110	14,110	0	37,040	45,284	8,244	Activity still on going	
5.1.31	Community / Industry attachment (H2)	1,612	0	1,612	3,012	15,400	12,388	Activity still on going	
5.1.32	AT Bus	0	0	0	25,857	28,607	2,750	Activity Completed	
5.1.33	Bus (fuel and maintenance)	2,200	7,200	5,000	3,838	29,271	25,433	Expenditure still on going	
5.1.34	Medical emergency fund (first aid kit)	1,102	2,172	1,070	3,512	5,000	1,488	Expenditure still on going	
5.1.35	Students accommodation	0	0	0	12,049	12,049	0	Expenditure Completed	
	Sub Total	474,922	487,607	-12,685	1,872,707	2,093,338	220,631		





# Pharm-Biotechnology and Traditional Medicine Center (PHARMBIOTRAC)

Expenditure	Annual Period ending Period 1st July 2020 to 30th June 2021			Cumulative Totals			Explanation of Variance	PAID / Due of Project
	Actual	Planned	Variance	Actual	Planned			
					For 5 years	Variance		
Expenditure Classification 2 as per Project Implementation Plan								
5.1 Action Plan for Research Excellence								
5.1.1 Research Policy and Plan development (7.1) development (14 rules)	7,974	7,974	0	7,974	7,974	0	Expenditure still on going	
5.1.2 Research Policy and Plan development (7.2) development (14 rules)	0	0	0	0	1,328	1,328	Expenditure still on going	
5.1.3 Staff education to foreign laboratories HPLC/MS	200	500	0	15,755	23,325	6,600	Expenditure still on going	
5.1.4 Staff education to foreign laboratories HPLC/MS	0	0	0	6,115	16,550	1,334	Expenditure still on going	
5.1.5 Staff education to foreign laboratories HPLC/MS	524	524	0	6,634	24,602	17,600	Expenditure still on going	
5.1.6 Staff education to foreign laboratories HPLC/MS	0	0	0	0	25,150	25,150	Expenditure still on going	
5.1.7 Establishment of living gene bank (Genome - MUST)	15,634	34,148	14,610	24,920	120,300	119,400	Expenditure still on going	
5.1.8 Staff research funds	0	0	0	23,561	25,000	95,019	Expenditure still on going	
5.1.9 Staff participation in regional conferences	7,115	7,110	0	82,078	25,000	37,000	Activity still on going	
5.1.10 Staff participation in national conferences	470	0	470	41,207	14,207	37,000	Activity still on going	
5.1.11 Computer collection materials (HPLC/MS)	48,892	48,892	2,399	45,333	80,498	33,823	Activity still on going	
5.1.12 Pharm-Biotech research equipment purchase, installation, transport etc.	40	1,042	1,002	24,542	10,332	13,138	Purchase of Lab Equipment was completed	
5.1.13 Product development laboratory, purchase installation, transport etc.	257,120	9,600	2,240	166,847	125,144	29,267	Purchase of Lab Equipment was completed	
5.1.14 Analytical Laboratory, purchase installation, transport etc.	0	0	0	267,250	260,710	5,363	Purchase of Lab Equipment was completed	
5.1.15 Equipment purchase	4,813	5,973	2,000	8,568	21,033	15,100	Activity still on going	
5.1.16 Journal Publication fee (Open Access)	0	0	0	0	1,622	10,520	Activity still on going	
5.1.17 Micrographs (Pharm-Biotech)	0	0	0	0	3,000	3,000	Activity still on going	
5.1.18 Western Blotting	0	1,000	1,000	3,100	11,495	4,329	Activity still on going	
5.1.19 Doctoral Scholarship	0	0	0	0	0	0	Activity still on going	
5.1.20 Supervision fee (PhD)	1,000	900	-95	748	1,548	927	Activity still on going	
5.1.21 Supervision fee (PhD) (Western Biotech)	0	0	0	170	2,000	6,123	Activity still on going	
5.1.22 Supervision fee (PhD) (Biotech)	0	0	0	2,107	3,747	1,545	Activity still on going	
5.1.23 Joint follow-up proposal development	0	0	0	15,371	64,757	34,386	Activity still on going	
5.1.24 Joint Research Excellence award	0	0	0	153	374	860	Activity still on going	
5.1.25 Research grant for PhD students	37,746	45,144	14,799	35,853	24,200	47,007	Activity still on going	
5.1.27 Research grant for PhD students	169,294	164,500	15,031	264,467	425,000	120,443	Activity still on going	
5.1.28 Stationery purchase (4-wheel drive)	0	0	0	0	75,500	75,500	Activity Completed	
5.1.29 Fuel and maintenance for 4-wheel drive	8,673	3,472	1,000	14,677	44,171	25,170	Activity still on going	
5.1.30 Laboratory technician	6,001	5,540	-47	20,678	32,441	8,421	Activity still on going	
Sub Total	330,291	566,476	63,270	1,201,259	1,931,821	679,879		
Expenditure Classification 3 as per Project Implementation Plan								
5.3 ACE Action Plan for Quality Assurance								
5.3.1 Quality Assurance and QMS compliance	675	2,000	1,125	470	10,000	4,125	Activity still on going	
5.3.2 Chair Learning and Research Quality Assurance	722	722	0	722	722	0	Activity still on going	
5.3.3 Travel studies	0	0	0	3,581	16,000	11,419	Activity still on going	
Sub Total	1,007	2,722	1,125	6,109	23,722	10,544		
Expenditure Classification 4 as per Project Implementation Plan								
5.4 ACE Action Plan regarding Equity Dimensions								
5.4.1 Access audit	0	0	0	0	0	0	Expenditure not on hold	
5.4.2 Facility upgrade	470	470	0	470	470	0	Expenditure not on hold	
Sub Total	470	470	0	470	470	0		
Expenditure Classification 5 as per Project Implementation Plan								
5.5 ACE Action Plan for Attracting Academic Staff and Students from the Region								
5.5.1 Closure of ACE Policy in third academic staff of the region	0	0	0	0	0	0	Expenditure not on hold	
5.5.2 Language learning support	0	0	0	0	0	0	The activity was dropped. To be implemented by the University for QMS students	
5.5.3 Recruit short students (2 senior students)	65,120	67,120	-1,000	249,075	255,770	10,615	Expenditure still on going	
Sub Total	65,120	67,120	-1,000	249,075	255,770	10,615		





# Pharm-Biotechnology and Traditional Medicine Center (PHARMBIOTRAC)

	Expenditure	Annual Period ending From 1st July 2020 to 30th June 2021			Cumulative Totals 48 Months		Description of Variance	PAD / Use of Project
		Actual	Planned	Variance	Actual	Planned Cumulative For 5 years Variance		
Expenditure Classification 6 as per Project Implementation Plan								
5.6	ACE Action Plan for National and Regional Academic Partners							
5.6.1	Regional Visiting faculty members - Kenya	1,511	1,511	0	6,410	16,900	17,200	Activity still on going
5.6.2	Regional Visiting faculty members - South Africa	2,091	2,221	0	6,041	20,220	17,600	Activity still on going
5.6.3	Regional Visiting faculty members - Sudan	1,533	10,355	882	36,198	47,770	10,800	Activity still on going
5.6.4	Regional Visiting faculty members - Mozambique	772	772	0	7,687	7,887	0	Activity still on going
5.6.5	Regional Visiting faculty members - BSU	0	0	0	0	300	300	Activity still on going
5.6.6	Regional Visiting faculty members - Makerere	1,504	310	684	5,722	2,212	3,012	Activity still on going
5.6.7	Regional Visiting faculty members - UTARU	0	0	0	0	8,520	8,520	Activity still on going
5.6.8	Regional Visiting faculty members - Addis Ababa	0	0	0	0	8,520	8,520	Activity still on going
5.6.9	Guest attachment African Partner - KEMRI - Kenya	0	0	0	0	8,900	8,900	Activity still on going
5.6.10	Guest attachment African Partner - Gambia University - Sudan	0	0	0	0	0	0	Activity still on going
5.6.11	Establishment of Living genebank (Sudan) - BSU/BSU	5,000	10,000	5,000	5,000	28,000	21,000	Activity still on going
5.6.12	Genoplasm collection maintenance (BSU)	0	5,000	5,000	0	20,000	20,000	
5.6.13	Genoplasm collection maintenance (Sudan)	5,000	0	-5,000	5,000	20,000	14,000	Activity still on going
	Sub Total	26,000	31,000	5,000	24,888	100,650	121,388	
Expenditure Classification 7 as per Project Implementation Plan								
5.7	ACE Action Plan for National and Regional Sector Partners							
5.7.1	Community training kit	3,153	5,000	2,712	11,836	31,600	19,500	Activity still on going
5.7.2	Training Centre (Traditional Medical Practitioners) - LUMINA	0	1,000	1,000	2,000	11,000	8,000	Activity still on going
5.7.3	Training Centre (Traditional Medical Practitioners) - WCM	0	0	0	0	11,000	11,000	Activity still on going
5.7.4	Training Centre (Traditional Medical Practitioners) - THETA Uganda	4,800	4,800	0	7,000	11,000	5,700	Activity still on going
5.7.5	Training Centre (Traditional Medical Practitioners) - AKAHCO	11,000	11,000	0	11,000	11,000	0	Activity still on going
5.7.6	Training Centre (Traditional Medical Practitioners) - MCHL centre	0	0	0	0	11,000	11,000	Activity still on going
	Sub Total	14,153	22,800	8,647	30,476	65,600	56,200	Activity still on going
Expenditure Classification 8 as per Project Implementation Plan								
5.8	ACE Action Plan for Collaboration with International Academic Partners							
5.8.1	International Visiting faculty members (USA)	2,735	2,735	0	11,718	11,718	0	Activity still on going
5.8.2	International Visiting faculty members (India)	0	0	0	4,518	7,450	13,132	Activity still on going
5.8.3	Subtotal - India (3 months per year)	40,710	40,670	300	90,803	143,243	44,760	Activity still on going
	Sub Total	43,445	43,405	300	114,920	172,410	57,690	
Expenditure Classification 9 as per Project Implementation Plan								
5.9	ACE Action Plan for Management and Governance							
5.9.1	Establishment of PHARMBIOTRAC association	0	0	0	21,726	21,726	0	Activity was finished
5.9.2	Installation of ICT systems for financial administration	0	0	0	3,375	3,375	0	Activity was finished
5.9.3	Installation and planning meeting of all partners	0	0	0	37,082	37,082	0	Activity was finished
5.9.4	Meeting of Steering Committee	602	5,054	4,452	3,403	25,300	31,800	Activity still on going
5.9.5	Meeting of Executive Committee	1,014	810	-204	4,738	6,710	900	Activity still on going
5.9.6	Meeting of Finance & Administration committee	0	5,000	5,000	7,453	18,430	11,000	Activity still on going
5.9.7	Core Team Project review and planning meeting	5,000	5,000	0	25,437	51,728	23,272	Activity still on going
5.9.8	PHARMBIOTRAC meetings with I.S.S. UCEA	517	517	0	3,980	19,500	13,014	Activity still on going
5.9.9	Bi-Annual Meeting of UCEA	10,305	5,000	4,950	60,682	121,513	34,333	Activity still on going
5.9.10	Sanitation workshop	0	0	0	1,718	1,718	0	Activity was finished
5.9.11	PHARMBIOTRAC Administrator	5,999	5,999	0	28,022	72,022	34,000	Activity still on going
5.9.12	PHARMBIOTRAC Administrative Assistant	5,001	5,000	1	23,419	52,480	8,021	Activity still on going
5.9.13	PHARMBIOTRAC Accountant	20,015	20,015	0	50,020	128,000	38,000	Activity still on going
5.9.14	PHARMBIOTRAC Procurement Assistant / Secretary	5,001	5,000	1	22,979	51,981	8,021	Activity still on going
5.9.15	Partner coordination / supervisor visit regional level	140	0	140	40,400	60,240	22,740	Activity still on going
5.9.16	Driver	3,302	3,300	2	11,489	16,980	4,500	Activity still on going
5.9.17	Cleaner	2,553	2,500	53	8,169	12,760	3,600	Activity still on going
5.9.18	Office supplies	13,232	14,299	1,067	20,743	31,792	11,050	Activity still on going
5.9.19	Capacity building	0	7,288	7,288	4,000	67,042	51,000	Activity still on going
5.9.20	Inland travel	2,228	1,514	-714	20,434	21,282	10,968	Activity still on going
5.9.21	Communication	4,297	4,297	0	5,014	12,214	7,200	Activity still on going
5.9.22	Recruitment of staff	2,961	2,961	0	8,433	10,251	810	Activity still on going
5.9.23	Bank charges	1,258	1,144	-112	7,003	2,541	888	Activity still on going
5.9.24	Exchange gain/losses	0	601	600	1,000	3,000	1,000	Exchanges losses recognized as a result of operating different currencies
	Sub Total	100,000	179,669	79,669	687,034	900,820	313,263	





# Pharm-Biotechnology and Traditional Medicine Center (PHARMBIOTRAC)

Expenditure	Annual Period ending From 1st July 2020 to 30th June 2021			Cumulative Totals			Expenditure Variance	Expenditure Status	PAD / Use of Project
	Actual	Planned	Variance	48 Months					
				Actual	Planned Cumulative For 5 years	Variance			
Expenditure Classification 10 as per Project Implementation Plan									
5.10.1 ACE Action Plan for Sustainable Financing									
5.10.1.1 Chair Innovation & Business Management	32,481	32,481	0	100,588	164,884	45,000	Expenditure still on going		
5.10.2 Bioherb clinic (Chair bio computer actions)	2,063	0,000	2,063	7,422	12,800	4,815	Expenditure still on going		
5.10.3 Product exhibitions (National)	183	183	0	12,008	28,000	15,552	Activity is still on going		
5.10.4 Product exhibitions (Thailand)	0	0	0	4,810	11,000	3,734	Activity is still on going		
5.10.5 Chair innovation & Business Management (Marketing)	0	200	200	110	0,000	0,150	Activity is still on going		
5.10.6 Student handbooks (in service projects and short course)	0	0	0	420	0,000	4,580	Activity is still on going		
5.10.7 Student handbooks (short course for TMRs)	2,708	2,708	0	2,708	0,500	5,881	Activity is still on going		
5.10.8 Business clinic consultation & branding	26,887	26,888	-1	30,487	58,000	27,555	Activity is still on going		
5.10.9 Subscription to Regional Informational bodies (g) HUFCHM	0	0	0	0	10,000	10,000	Activity is still on going		
Subtotal	62,299	62,469	5,191	167,833	296,500	122,866			
Expenditure Classification 11 as per Project Implementation Plan									
5.11 ACE Action Plan for Monitoring and Evaluation									
5.11.1 Strategic plan and development	0	0	0	0	0	0	Activity still on going		
5.11.2 Strategic plan finalisation	0	0	0	1,638	10,000	14,732	Activity still on going		
5.11.3 MSE Monitoring (national)	0	0	0	0	10,000	10,000	Activity still on going		
Sub Total	0	0	0	1,638	20,000	24,732			
Grand Total/Use of Funds	62,299	62,469	5,191	169,471	316,500	147,600			

Prepared by:   
Finance and Administration Director

Approved by:   
Accounting Officer



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

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

MBARARA UNIVERSITY OF SCIENCE AND TECHNOLOGY AFRICA HIGHER EDUCATION CENTERS OF EXCELLENCE PROJECT (126974) <b>Statement of Reimbursable Eligible Expenditure Programs (EEPs)</b> for the annual period ending 30th June 2021		
Eligible Expenditure Program (EEP)	Annual Period ending 30th June 2021	Cumulative Totals For 48 months
EEP 1: Salaries	10,281,590	82,092,716.29
EEP 2: Non Procurable Expenditure as defined in Financing Agreement	981,246	3,032,843.43
<b>Total EEPs</b>	<b>11,242,836</b>	<b>85,125,560</b>
Note: Exchange rate Used 3541.74		
Prepared by ..... Finance and Administration Director		
Approved by ..... Accounting Officer		





# Pharm-Biotechnology and Traditional Medicine Center (PHARMBIOTRAC)

## 7. DLI - ACHIEVED AS AT 30th June 2021

MBARARA UNIVERSITY OF SCIENCE AND TECHNOLOGY PHARM-BIOTECHNOLOGY AND TRADITIONAL MEDICINE CENTRE RICA HIGHER EDUCATION CENTERS OF EXCELLENCE PROJECT (1289) DLI - ACHIEVED AS AT 30th June 2021				
DISBURSEMENT LINKED TO INDICATORS	ACTIONS TO BE COMPLETED	AMOUNT ALLOCATED	AMOUNT DISBURSED	UN- DISBURSED BALANCE
DLI 1. Institutional readiness	DLR 1.1: To meet Conditions for Effectiveness	600,000	600,000	-
	DLR 1.2: Development of detailed implementation plans	500,000	500,000	-
DLI 2. Excellence in education and research capacity and development impact	DLR 2.1: Timely annual implementation of the plans	-	-	-
	DLR 2.2: Newly enrolled students in the ACE of which at least 20% must be regional (African) students Short Course: Female Ugandans (national)	1,300,000	1,369,000	(69,000)
	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		50,000	-
	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
	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	100,000	100,000
	MoU with private sector/ industry			-
	DLR 2.5: Peer-reviewed journals papers or peer- reviewed conference papers (paper accepted by a peer reviewed journal)	600,000	600,000	-
	Accepted peer-reviewed conference paper			-
	DLR 2.6: Faculty and PhD student exchanges to promote regional research and learning ("period" within the country)	700,000	96,000	604,000
	Exchange "period" within the region			-
	Exchange "period" for international			-
	DLR 2.7: External revenue generation (National level)	900,000	899,400	600
	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	30,000	45,000
	DLR 3.2: Functioning Audit Committee under the university council	75,000	30,000	45,000
	DLR 3.3: Functioning internal audit unit for the university	75,000	30,000	45,000
	DLR 3.4: Transparency of financial management (audit reports, interim financial reports, budgets and annual work plan are all web accessible)	75,000	30,000	45,000
DLI 4: Timely and audited Procurement	DLR 4.1: Timely procurement audit report	150,000	60,000	90,000
	DLR 4.2: Timely and satisfactory procurement progress report	150,000	60,000	90,000
Total in USD		6,000,000	4,704,400	1,295,600

Prepared by:   
Finance and Administration Director

Approved by:   
Accounting Officer





## 8. 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.