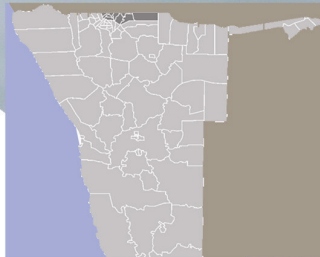




REPUBLIC OF NAMIBIA



REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE

REGIONAL COUNCIL FOR THE OHANGWENGA REGION

FOR THE FINANCIAL YEARS ENDED 31 MARCH 2003, 2004 AND 2005

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REPUBLIC OF NAMIBIA



TO THE HONOURABLE SPEAKER OF THE NATIONAL ASSEMBLY

I have the honour to submit herewith my report on the accounts of the Regional Council for the Ohangwena region for the financial years ended 31 March 2003, 2004 and 2005, in terms of Article 127(2) of the Namibian Constitution. The report is transmitted to the Honourable Minister of Finance in terms of Section 27(1) of the State Finance Act, 1991, (Act 31 of 1991) to be laid upon the Table of the National Assembly in terms of Section 27(4) of the Act.

WINDHOEK, January 2009

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

**REPORT OF THE AUDITOR-GENERAL ON THE
ACCOUNTS OF THE REGIONAL COUNCIL FOR THE OHANGWENA REGION
FOR THE FINANCIAL YEARS ENDED 31 MARCH 2003, 2004 AND 2005**

1. INTRODUCTION

The Regional Council for the Ohangwena region was established with effect from 31 August 1992 under Section 2(1) of the Regional Councils Act, 1992 (Act 22 of 1992).

The financial powers, duties and functions of the Council are stipulated in Article 108 of the Namibian Constitution and Section 28 of the Regional Councils Act. Sections 39 and 40 of the Act require that accounting records of the Council shall be kept and its financial statements shall be prepared by its Chief Regional Officer.

Figures in the report are rounded off to the nearest Namibian dollar.

2. FINANCIAL STATEMENTS

The Regional Council's financial statements were submitted to the Auditor-General by the Accounting Officer in compliance with Section 40(1) of the Regional Councils Act, 1992, **except that the 2002/03 and 2003/04 financial statements were signed on 18 October 2005 and the 2004/05 financial statements on 12 December 2005 instead of three months after the end of the financial year as stipulated in the Act.** The abridged balance sheet, Annexure A, is a true reflection of the original.

The following annexures are also attached to this report:

- Annexure B: Income and expenditure statements
- Annexure C: Cash-flow statements
- Annexure D: Notes to the financial statements

3. SCOPE OF THE AUDIT

The Chief Regional Officer of the Regional Council is responsible for the preparation of the financial statements and of ensuring the regularity of the financial transactions. It is the responsibility of the Auditor-General to form an independent opinion, based on the audit, on those statements and the regularity of the financial transactions included in them and to report his opinion to the National Assembly.

The audit as carried out by audit staff of his Office, included:

- examination on a test basis of the evidence relevant to the amounts, disclosure and regularity of the financial statements.

The audit was planned and performed so as to obtain all the information and explanations considered necessary to provide sufficient evidence to give reasonable assurance that:

- the financial statements are free from material misstatement, whether caused by error, fraud or other irregularity;
- in all material respects, expenditure and income have been applied to the purposes intended by the Regional Councils Act; and
- the financial transactions conform to the authorities, which govern them.

4. DELAY OF THE REPORT

The Office of the Auditor-General experienced a lack of capacity which contributed to the delay.

5. AUDIT OBSERVATIONS AND COMMENTS

At the time of finalizing the report, the audit observations were communicated to the Chief Regional Officer by way of a management letter. The reply to the issues has not yet been received.

At the time of the audit, these issues were also communicated to the staff of the Council by way of debriefing.

5.1 Non-submission of documents for audit purposes

The following documents were not submitted for audit purposes during our visit at your Council:

- ◆ General ledger : 2002/03
- ◆ Salary sheets: 2004/05

5.2 Fixed assets: Property, plant and equipment

2004/05

During the audit it was observed that none of the fixed assets at the Regional Council were insured. It was further revealed that depreciation recorded in the asset register was wrongly calculated.

The balance sheet indicates the net book value of fixed assets as N\$ 857 298 in the 2004/05 financial year. The value of the capital works under construction to the amount of N\$ 12 342 831 as reflected on 31 March 2004 has not been carried forward to the 2004/05 financial year. The same happened with the balances of N\$ 225 717 for furniture and equipment and N\$ 33 091 for other assets.

Council should indicate who is accountable for these assets and to whom they belong.

2002/03 & 2003/04

The fixed assets register provided by the Regional Council did not correspond with the annual financial statements. The annual financial statements reflect amounts of N\$ 13 131 310 – 2004 and N\$ 947 261 – 2003 while the fixed assets register reflected these balances as of N\$ 729 730.26 – 2004 and N\$ 825 529 – 2003.

Assets under construction amounting to N\$ 7 803 914 are also included in the fixed asset amount disclosed in the 2002/03 financial year. This amount however also includes an amount of N\$ 529 547 in respect of the Early Childhood Development Fund.

The mentioned finding resulted in a difference of 12 401 579.93 – 2004 and N\$ 121 732 – 2003.

The fixed assets register is incomplete and not up to standard.

5.3 Accounts receivable

(a) Debtors – Build Together Programme

The audit revealed accounts receivable as N\$ 501 610 – 2005, N\$ 296 573 – 2004 and N\$ 1 022 908 – 2003 whereas the financial statements reflect N\$ 400 850 – 2005 (An amount of N\$ 173 730 as debtors appears in the trial balance but has not been reflected in the balance sheet) N\$ 1 251 837 – 2004 and N\$ 1 000 236 – 2003. The mentioned findings resulted in differences of N\$ 100 760 – 2005, N\$ 955 264 – 2004 and N\$ 22 672 – 2003 which could not be verified.

(b) General

No controls are in place to ensure that:

- (i) All loans to beneficiaries or debtors are accounted for and
- (ii) Debtors in default are identified and appropriate actions are taken to recover outstanding debt.

5.4 Bank & cash

(a) First National Bank - Current account

The financial statements reflects the closing balance as N\$ 9 288 098 – 2004 and N\$ 2 657 040 – 2003 whereas the reconciled cash-book balance amounts to N\$ 9 482 868 – 2004 and N\$ 2 826 795 – 2003. The mentioned finding resulted in differences of N\$ 194 770 – 2004 and N\$ 169 755 – 2003.

(b) Build Together – Bank account

The closing bank statement balance for the 2003/04 financial year as per the bank reconciliation was reflected as N\$ 1 287 239 while the closing balance as per the bank statement amounted to N\$ 1 365 485. The mentioned finding resulted in a difference on the bank reconciliation of N\$ 78 246.

(c) Petty Cash

The financial statements reflect amounts of N\$ 1 000 – 2004 and N\$ 1 322 – 2003 as petty cash. No evidence was submitted to support the amounts.

5.5 Early Childhood Development – 2002/03

Audit Findings

Date	Cheque No.	Details	Amount N\$
04/03/2002	1557	Omafo Eenhana Project	10 347
07/03/2002	1573	PIM Electrical Engineering & Contract	87 318
04/08/2002	1646	Chicco Building Material	21 280
04/08/2002	1647	Cheap shop	10 415
04/08/2002	1648	ACE Wholesale cc	4 000
07/05/2002	998112	Chicco Building Material	68 869
10/10/2002	2199	Tommy Electrical	66 000
Total			268 229

According to the cash-book, total expenditure incurred for the ECD program amounts to N\$ 268 229. Included in this total amount are cheque nr 1557 and 1573, which relate to the 2001/2002 financial year.

When excluding the expenditure for the 2001/2002 financial year mentioned above, the total expenditure for the ECD Project would be N\$ 170 564. The annual financial statements reflect the total expenditure for the ECD project as N\$ 151 684.

5.6 Independence Celebration Fund – 2002/03 & 2003/04

An amount of N\$ 20 000 – 2004 and N\$ 25 000 – 2003 was received from the Ministry of Regional and Local Government and Housing for the independence celebrations. This amount is not disclosed as income in the annual financial statements, neither the expenditure incurred with regard to the mentioned Fund.

It was observed that Councillors of different constituencies did not compile financial reports with regard to the money spent for the independence celebrations, for the financial years under review.

5.7 Salaries & wages

- (a) On 18 July 2002, a payment to the value of N\$ 129 238 was made to First National Bank with regard to salaries of employees. The application to incur the expenditure was not approved.
- (b) On 25 April 2002 pension was paid with regard to staff members and councillors. The total payment is valued at N\$ 46 523. The application to incur the expenditure was not approved.

During the audit of the 2004/05 financial year the amounts reflected for salaries on the financial statements could not be verified due to the unavailability of salary sheets.

5.8 Expenditure

2002/03 & 2003/04

For the selected sample, payment vouchers were provided without supporting documents attached to the payment vouchers.

2004/05

The following expenditure from the selected sample was for the 2003/04 financial year but payment was made in the 2004/05 financial year:

Details	Cheque No	Amount
		N\$
Edumeds Ongwediva	004293	9 119.65
Makalani Engineering	004292	367 604.40
BIWAC	004295	21 390.00

One payment to the value of N\$ 9 339.27 did not have any supporting documents attached.

5.9 Accumulated funds

2002/03

It was observed that the retained income/loss opening balance is not the same as the closing balance of the previous financial year. The 2001/2002 financial year had a closing balance of N\$ 36 860 444 while the retained income for 2002/2003 financial year was showing an opening balance of N\$ 22 248 139. The mentioned finding resulted in a difference of N\$ 14 612 305 which has been brought to account as an unexplained adjustment.

2004/05

An adjustment of N\$ 29 120 987 had to be made to the opening balance as at 1 April 2004. This amount includes the omission of the fixed asset balances of N\$ 12 601 639 mentioned in paragraph 5.2. The difference of N\$ 16 519 348 remained unexplained.

5.10 Bank charges

The audited figure reflects bank charges as N\$ 16 712 – 2005 and N\$ 52 788 – 2004 whereas the financial statements reflect amounts of N\$ 35 731 – 2005 and N\$ 33 292 - 2004. This amounts to differences of N\$ 19 019 – 2005 and N\$19 496 – 2004.

5.11 Accounts payable – 2004/05

It was observed that the ORC Community support suspense account, Capital project suspense account, Ministry of Higher Education Eenhana VTC and Borehole Tender reflected under creditors should be disclosed as Fund accounts.

The Council created a Capital Project Suspense Account with a closing credit balance of N\$ 10 877 456 and an Education Eenhana Vocational Training Centre account with a credit amount of N\$ 4 086 570 on 31 March 2005. It could not be established during the audit how these debts arose against the Council and how they were determined. Should the amounts consist of Government grants given for specific projects, an analysis thereof should be submitted to the Office of the Auditor-General. The balance should rather be shown as a suspense account in the balance sheet and not as accounts payable. See also paragraph 5.9 dealing with the adjustments to the accumulated funds.

The audit further revealed that an amount of N\$ 518 671 were creditors for the 2004/05 financial year but it was not reflected in the annual financial statements.

Amounts totalling N\$ 15 962 are reflected in the financial statements as creditors. The audit revealed that these expenses relate to the 2005/06 financial year. Creditors are as such overstated with the said amount.

5.12 5% Assessment rates

The Regional Council should receive assessment rates from Eenhana Town Council and Helao Nafidi Town Council. No assessment rates have been received from the Helao Nafidi Town Council for all the years under review and no provision for debtors has been made.

5.13 Interest received

The financial statements reflect an amount of N\$ 777 229 as interest received during the year 2002/03. Only N\$ 563 503 of this amount could be confirmed by the auditors.

5.14 Royalties

It was observed that royalties received for January 2004, February 2004 and March 2004 was for the 2003/04 financial year but only received during the 2004/05 financial year. No provision for debtors has been made in the financial statements.

Royalties received for the months of February 2005 and March 2005 were outstanding at the end of the financial year ending 31 March 2005 and only received during the 2005/06 financial year. No provision for debtors has been made in the financial statements.

5.15 Unrecorded balance sheet items: 2005

The following balances appear in the trial balance for the year ending 31 March 2005 which are not reflected in the balance sheet:

Item	Debit	Credit
	N\$	N\$
Build-together fire insurance	15 566	-
Build-together debtors	173 730	-
Build-together mortgage protection scheme	15 876	-
World food day	-	2 500
Early Childhood Development	-	203 707
Unesco poverty reduction program	3 505	-
San Community day	-	27 100

6. ACKNOWLEDGEMENT

The courtesy and assistance given by the Regional Council's staff to the auditors during the audit is appreciated.

7. DISCLAIMED AUDIT OPINION

The accounts of the Regional Council for the Ohangwena region for the financial years ended 31 March 2003, 2004 and 2005 have been audited in terms of Section 38 of the Regional Councils Act, 1992 (Act 22 of 1992) and Section 25(1)(b) of the State Finance Act, 1991 (Act 31 of 1991).

I am unable to express an opinion on the financial statements, results of operations and cash flows of the Council for the years ended 31 March 2003, 2004 and 2005 due to the following reasons:

- Fixed assets register is incomplete and assets are not disclosed in the 2004/05 financial year to the value of N\$ 12 601 639.
- Large debtor differences between the records and the trial balance regarding the Build-together project exist.
- Unresolved differences between reconciled bank balances and the cash-book.
- No records exist for the Independence Celebrations Fund.
- No salary sheets were available for certain expenditure incurred in the 2002/03 and 2003/04 financial year.
- No supporting vouchers are available for certain expenditure incurred in the 2002/03 and 2003/04 financial year.
- Large unexplained adjustments had to be made to the accumulated funds to agree the balance to the balance sheets.
- Accounts payable are wrongly disclosed in the 2004/05 financial year and no figures have been reflected in the 2002/03 and 2003/04 financial years.
- Accounts receivable exclude the 5% assessment rates owed by local authorities to the Council as well as royalties receivable.
- Interest received in the 2002/03 financial year could not be confirmed by N\$ 213 726.
- Unrecorded items in the trial balance of the 2004/05 financial year exist.

WINDHOEK, January 2009

JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL

REGIONAL COUNCIL FOR THE OHANGWENA REGION

BALANCE SHEETS AS AT 31 MARCH

	Notes	2005 N\$	2004 N\$	2003 N\$	2002 N\$
ASSETS					
Non-current assets					
		15 244 108	24 425 729	25 643 675	13 323 448
Fixed assets	1	857 297	13 131 310	8 751 175	7 606 368
Investments	2	14 386 811	11 294 419	16 892 500	5 717 080
Current assets					
		19 532 669	18 896 576	10 328 148	23 536 996
Cash on hand and bank	3	17 637 827	16 878 573	9 321 912	23 218 381
Accounts receivable and prepayments	4	1 894 842	2 018 003	1 006 236	318 615
Total assets		34 596 777	43 322 305	35 971 823	36 860 444
EQUITY AND LIABILITIES					
Accumulated funds	6	19 429 599	43 322 305	35 971 823	36 860 444
Accounts payable	5	15 347 178	-	-	-
Total equity and liabilities		34 776 777	43 322 305	35 971 823	36 860 444

REGIONAL COUNCIL FOR THE OHANGWENA REGION

INCOME STATEMENTS FOR THE YEARS ENDED 31 MARCH

	Notes	2005	2004	2003	2002
		N\$	N\$	N\$	N\$
Income	7	11 987 448	16 019 638	20 606 602	13 900 753
Expenditure	8	10 856 987	9 324 359	7 660 147	5 050 217
Net operating surplus/(loss)		1 130 461	6 695 279	12 946 455	8 850 536
Interest on current account	5	4 097 820	655 202	777 229	407 876
Net annual surplus		5 228 281	7 350 481	13 723 684	9 258 412

REGIONAL COUNCIL FOR THE OHANGWENA REGION

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH (continued)

	2005	2004	2003	2002
	N\$	N\$	N\$	N\$
CASH-FLOW FROM OPERATIONS:				
Net profit	1 130 461	6 695 279	12 946 455	8 850 536
Decrease/(increase) in debtors	123 161	(1 011 767)	(687 261)	(236 417)
Increase/(decrease) in creditors	15 347 178	-	-	-
Cash generated by operating activities	16 600 800	5 683 512	12 258 834	8 614 119
Interest received	4 097 820	655 202	777 229	407 876
Cash generated by operations	20 698 620	6 338 714	13 036 063	9 021 995
MOVEMENT IN FUNDS				
Increase in Funds	-	-	-	-
CASH-FLOW FROM INVESTING ACTIVITIES				
Property, plant and equipment acquired	12 274 013	(4 380 134)	(1 144 807)	(6 262 182)
Proceeds on the sale of assets	-	-	-	-
(Increase)/decrease in investments	(3 092 392)	5 598 081	(11 175 420)	(5 128 777)
	9 181 621	1 217 947	(12 320 227)	(11 390 959)
ADJUSTMENT IN ACCUMULATED FUNDS				
Unexplained adjustmentS	(29 120 987)	-	(14 612 305)	13 226 143
Net movement in cash	759 254	7 556 661	(13 896 469)	10 857 179
Balance previous year	16 878 573	9 321 912	23 218 381	12 361 202
Balance current year	17 637 827	16 878 573	9 321 912	23 218 381

REGIONAL COUNCIL FOR THE OHANGWENA REGION

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH

1. ACCOUNTING POLICIES

The financial statements are prepared on the historical cost basis and incorporate the following principal accounting policies which are consistent with those applied in the previous year.

1.1 Fixed assets

Fixed assets are stated at cost or valuation where assets have been acquired by grant or by donation, less accumulated depreciation. Cost includes all costs directly attributable to bring the assets to working condition for their intended use. Fixed assets are depreciated over their expected useful lives as determined the Ministry of Local Government and Housing from time to time.

Depreciation is calculated on the straight-line method to write off the cost of each asset to their residual values over their estimated useful lives as follows:

Office equipment	10 years
Furniture	10 years

Land and buildings are not depreciated.

2. PLANT AND EQUIPMENT

2005	Motor vehicles	Computer equipment	Office equipment	Other equipment	Total
	N\$	N\$	N\$	N\$	N\$
Opening net book value	317 334	159 574	52 763	-	529 671
Additions	696 798	120 519	451 603	1 028	1 269 948
Cost at 31 March 2005	1 014 132	280 093	504 366	1 028	1 799 619
Less: Accumulated depreciation	(283 483)	(177 629)	(481 209)	-	(942 321)
Closing net book value	730 649	102 464	23 157	1 028	857 298

2004	Land & buildings	Motor vehicles	Computer equipment	Office equipment	Furniture & fittings	Other equipment	Total
	N\$	N\$	N\$	N\$	N\$	N\$	N\$
Opening net book value	7 803 914	407 965	215 158	70 696	209 321	44 121	8 751 175
Additions	4 538 917	-	104 421	-	-	-	4 643 338
Adjustments	-	40 190	-	50 593	139 476	11 031	241 290
Less: Accumulated depreciation	-	(130 821)	(160 005)	(68 526)	(123 080)	(22 061)	(504 493)
Closing net book value	12 342 831	317 334	159 574	52 763	225 717	33 091	13 131 310

REGIONAL COUNCIL FOR THE OHANGWENA REGION

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH (continued)

2003	Land & buildings	Motor vehicles	Computer equipment	Office equipment	Furniture & fittings	Other equipment	Total
	N\$	N\$	N\$	N\$	N\$	N\$	N\$
Opening net book value	7 029 883	-	178 380	267 267	130 839	-	7 606 369
Additions	774 031	448 155	99 707	-	140 301	44 121	1 506 315
Adjustments	-	-	-	(166 038)	-	-	(166 038)
Less: Charge for the year	-	(40 190)	(62 929)	(30 533)	(61 819)	-	(195 471)
Closing net book value	7 803 914	407 965	215 158	70 696	209 321	44 121	8 751 175

2002	Land & building	Computer equipment	Office equipment	Furniture & fittings	Total
	N\$	N\$	N\$	N\$	N\$
Opening net book value	1 141 911	7 453	176 543	18 279	1 394 186
Additions	5 403 357	170 927	90 723	112 560	5 777 567
Adjustments	484 615	-	-	-	484 615
Less: Charge for the year	-	-	-	-	-
Closing net book value	7 029 883	178 380	267 266	130 839	7 606 368

	2005	2004	2003	2002
	N\$	N\$	N\$	N\$
3. INVESTMENTS				
First National Bank: Investment account	-	-	-	1 947 560
Std Bank Investment account	-	-	-	2 088 860
First National Bank: 32 days notice deposit	-	-	-	1 635 728
Early Childhood Development Fund	-	-	-	44 932
Sanlam	14 386 811	11 294 419	16 892 500	
	14 386 811	11 294 419	16 892 500	5 717 080

ANNEXURE D

REGIONAL COUNCIL FOR THE OHANGWENA REGION

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH (continued)

	2005	2004	2003	2002
	N\$	N\$	N\$	N\$
4. CASH IN THE BANK				
BW Capital project account	3 697 385	-	-	-
FNB Current account	6 970 547	9 288 099	2 657 040	18 807 725
FNB San Project account	31 140	32 242	31 996	87 789
FNB ORC Emergency Fund	381 375	391 842	388 558	200 289
Std Bank Build Together Prog.	376 975	1 365 485	1 664 168	3 997 447
Std Bank Build Together Prog.	170 621	76 434	22 848	7 470
Petty Cash	998	1 000	1 322	5 385
FNB 32 Day A/c	3 540 821	3 191 534	2 165 178	-
Standard Bank Investment A/c	2 467 965	2 531 937	2 111 819	-
Std Bank ORC A/c 548523428	-	-	278 983	112 276
	17 637 827	16 878 573	9 321 912	23 218 381
5. ACCOUNTS RECEIVABLE				
Ministry of Agriculture	-	5 825	-	-
ECD drought relief	83 508	83 509	-	-
Early Childhood Development Fund	-	656 242	-	-
Hamwedi Funeral Loan	-	5 000	-	-
Salary advances	5 469	15 590	-	-
Customer control account	755 111	-	-	-
Capital Project Epembe Cont. Office	430 462	-	-	-
Build Together debtors	-	1 251 837	1 000 236	81 748
Prepaid expenses	188 000	-	-	-
Build Together progress payment suspense	400 850	-	-	-
Build Together expenses	31 442	-	-	-
Sundry customers	-	-	6 000	236 867
	1 894 842	2 018 003	1 006 236	318 615
6. INTEREST EARNED				
-Interest earned	4 097 820	653 119	762 446	245 720
Build Together Income -Interest	-	2 083	14 783	-
	4 097 820	655 202	777 229	245 720

REGIONAL COUNCIL FOR THE OHANGWENA REGION

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH (continued)

	2005	2004	2003	2002
	N\$	N\$	N\$	N\$
7. ACCUMULATED FUNDS				
Net operating surplus	1 130 461	6 695 279	12 946 455	8 850 536
Add: Interest	4 097 820	655 202	777 229	407 876
	<u>5 228 281</u>	<u>7 350 481</u>	<u>13 723 684</u>	<u>9 258 412</u>
Accumulated income				
- at the beginning of the year	43 322 305	35 971 824	36 860 444	14 375 889
- adjustments	(29 120 987)	-	14 612 305	13 226 143
	<u>19 429 599</u>	<u>43 322 305</u>	<u>35 971 823</u>	<u>36 860 444</u>
8. ACCOUNTS PAYABLE				
Supplier control account	15 962	-	-	-
Provisions	25 013	-	-	-
Salary/wages control account	22 653	-	-	-
ORC Community Support Suspense account	229 802	-	-	-
Capital Project Suspense account	10 877 456	-	-	-
Ministry of Higher Education Eenhana				
VTC	4 086 570	-	-	-
Borehole tenders	89 722	-	-	-
	<u>15 347 178</u>	<u>-</u>	<u>-</u>	<u>-</u>

REGIONAL COUNCIL FOR THE OHANGWENA REGION

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH (continued)

	2005	2004	2003	2002
	N\$	N\$	N\$	N\$
8. INCOME				
Electricity & water sales	603 369	524 043	451 070	486 115
Sales – Permission to Occupy (PTO)	72 144	103 273	91 385	284 241
Ongenga Community funds	-	270	-	-
Sales Build Together Project	-	-	-	8 249
Sales of land - previously PTO	-	152 211	798 000	-
Royalties	414 310	224 052	-	-
Ministry of Higher Education	-	3 000 000	1 989 058	-
Grant San Community Project	-	-	-	-
Subsidies & grants	10 587 440	11 804 562	16 123 250	11 804 036
Grant Early Child Development Fund	-	159 692	146 787	-
Grant Build-together Project	-	7 000	886 000	1 015 000
Income Advertising Board	1 800	-	-	-
Income Generating Activities	-	-	43 750	-
Tender levies received	7 750	-	2 200	-
Drought relief expenses recovered	-	44 535	-	-
Contribution received for HIV/AIDS vehicle	230 000	-	-	-
5% Assessment rates	53 600	-	-	-
HIV Project	-	-	8 518	-
Profit on furniture and fittings sold	17 035	-	-	-
Sundry income	-	-	66 584	303 112
	11 987 448	16 019 638	20 606 602	13 900 753

9. EXPENDITURE

Compensation for homesteads	51 323	132 426	90 956	303 946
Insurance Build-together	-	-	12 543	-
Maintenance expenses	107 106	327 768	336 327	32 892
Repairs & maintenance:				
-Office equipment	15 227	16 848	32 644	12 199
-Cleaning of settlement areas	3 450	245 743	-	-
-Buildings	88 429	17 814	22 800	2 074
-Heavy equipment	-	34 901	-	-
-Operational equipment	-	11 448	20 160	18 619
-Motor vehicles	-	1 014	260 723	-
Materials and supplies	167 256	176 200	176 094	46 639
-Cleaning materials	21 281	-	-	2 676
-Protective clothing	20 143	-	-	-
-Fuel & lubricants	-	-	-	1 400
-Books	14 519	3 304	929	1 891
-General office supplies	106 017	158 304	165 890	1 107
-Computer expenses	-	-	516	19 549
-Gazettes	-	-	-	533

(continued)

REGIONAL COUNCIL FOR THE OHANGWENA REGION

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH (continued)

	2005	2004	2003	2002
	N\$	N\$	N\$	N\$
- Photocopying supplies	-	8 335	6 164	1 607
- Subscriptions	-	-	-	5 300
- Tools	5 296	6 257	2 595	150
- Uniforms	-	-	-	12 426
Membership fees	30 000	26 500	23 281	8 833
- Association of Regional Councils	30 000	26 500	23 000	6 250
- Domestic institutions	-	-	281	2 583
Depreciation	464 945	297 992	206 501	-
Other services and expenses	285 561	551 878	1 083 447	489 026
- Accounting Services	25 013	-	5 664	8 686
- Advertising	31 133	-	11 857	15 730
- Commission, board and committee fees	1 500	-	-	-
- Entertainment	73 158	39 074	14 103	13 380
- Other expenses	-	99 893	144 865	23 077
- Investment fees	-	-	607 500	-
- Printing & stationery	15 736	-	-	1 450
- Staff welfare	-	-	-	1 000
- Symposiums and workshops	890	100 500	2 450	-
- Training courses	102 400	279 119	264 529	425 703
- Bank charges	35 731	33 292	32 479	-
Remuneration	6 212 813	3 525 767	2 058 862	1 584 447
- Salaries - Staff	3 944 160	3 326 411	1 750 175	1 280 348
- Salaries - Councillors	2 234 074	-	96 575	124 929
- Salary advances	-	-	23 301	-
- Salaries - Comm. Dev. Staff	-	-	25 367	35 280
- Overtime	-	148 442	93 924	-
- Allowances - Staff	-	50 914	36 605	139 559
- Casual labour	-	-	32 149	-
- Allowances - Councillors	-	-	766	4 331
- Leave gratuity	34 579	-	-	-
GIPF	784 823	271 793	398 310	547 190
Other conditions of service	248 073	764 127	786 266	728 482
- Social Security Commission	18 174	10 590	8 116	15 237
- MPOOPF	-	277 511	-	-
- Life Insurance	-	-	162 999	156 228
- Medical Aid	-	17 970	17 810	19 310
- Members contributions	-	1 722	2 412	-
- P.A.Y.E	-	456 334	594 929	536 192
- Subsidies	229 899	-	-	1 515

ANNEXURE D

REGIONAL COUNCIL FOR THE OHANGWENA REGION

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH (continued)

	2005	2004	2003	2002
	N\$	N\$	N\$	N\$
Travelling and subsistence	355 097	825 211	638 632	253 905
Rental-Office	-	-	-	29 557
Utilities	1 432 330	1 479 659	1 259 169	1 025 300
- Courier charges	6 583	4 572	568	777
- Radio	-	3 240	-	-
- Electricity	47 961	56 564	25 052	23 122
- Postage stamps	6 271	127	115	104
- Telephone & fax	563 276	369 498	233 419	180 627
- Water & sewerage	780 835	1 022 744	962 820	820 670
- Internet	13 518	22 914	32 896	-
- Photocopier rental charges	11 186	-	4 299	-
- Other	2 700	-	-	-
Property rental and related charges	25 346	26 866	41 572	-
Study grants	19 192	-	54 700	-
Transport	673 122	48 040	328 225	-
Fuel	-	860 298	-	-
Operational equipment	-	-	259	-
ECD- Kindergarten	-	-	151 684	-
HIV Project	-	9 834	13 319	-
	10 856 987	9 324 359	7 660 147	5 050 217
Net (Deficit)/Surplus - for the year	1 130 461	6 695 279	12 946 456	8 850 536